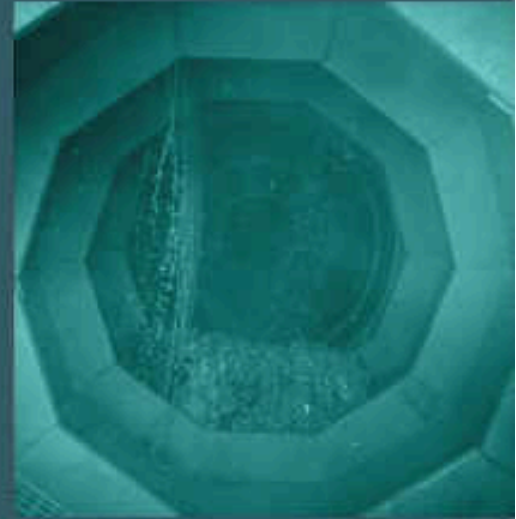
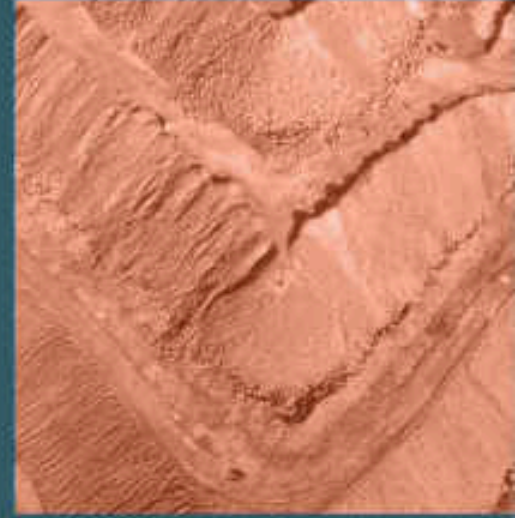
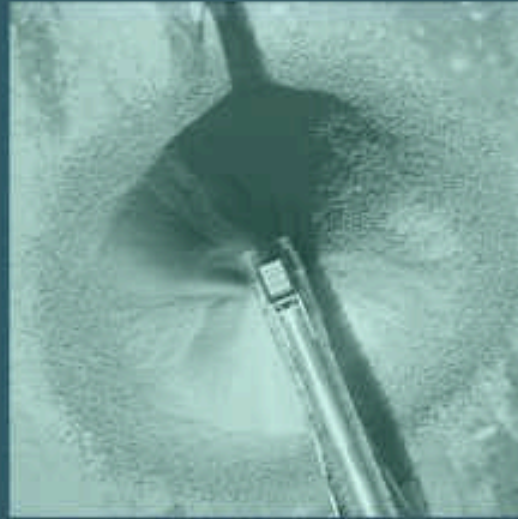


2025

ANNUAL REPORT



ATALAYA
MINING



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2025 Annual Report

For the year ended 31 December 2025



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Performance Highlights

In 2025, we demonstrated strong operational and financial performance.

Operational

We achieved the higher end of our 2025 copper production guidance range and set a new annual record for ore processed.

Financial

Solid production, good cost control and strong copper prices together contributed to robust financial performance and further balance sheet strength.

Operational Highlights

	Unit	2026 Guidance	2025 Actual	2024 Actual
Ore mined	Mt	15.5 – 16.0	14.8	15.2
Ore processed	Mt	15.5 – 16.0	16.6	15.9
Copper concentrate produced	t	n/a	298,108	252,165
Copper production	t	50,000 – 54,000	51,139	46,227
Payable copper production	t	n/a	48,158	43,706



Key Messages

Proyecto Riotinto produced 51,139 tonnes of copper in 2025 and we expect production to be 50,000 to 54,000 tonnes in 2026.

We processed 16.6 Mt of ore, which represents a new annual record and highlights our operational efficiency and the reliability of our processing facilities.

We continue to advance our growth strategy, including San Dionisio and Proyecto Masa Valverde, which have the potential to deliver higher grade material to the plant at Riotinto.

The permitting process at Proyecto Touro continues to advance under the Strategic Industrial Project regime established by the Xunta de Galicia.





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	Unit	2025	2024
Revenues	€k	482,915	326,797
EBITDA	€k	179,756	66,356
Dividend per share*	€/share	0.1090	0.0637
Realised copper price (excluding QPs)	\$/lb	4.49	4.19
Cash Cost	\$/lb payable	2.40	2.92
All-in Sustaining Cost (AISC)	\$/lb payable	2.90	3.26
Net cash position	€k	121,960	35,091
Cash at bank	€k	166,306	52,878

* Represents the total dividend for each fiscal year, consisting of an Interim Dividend (paid) and a proposed Final Dividend (subject to shareholder approval at the 2026 AGM). Since the Company completed a cross-border conversion, resulting in its re-domiciliation from the Republic of Cyprus to the Kingdom of Spain on 10 January 2025, this information is presented in euros.



Key messages

Generated EBITDA of €179.8 million, which benefitted from solid production, good cost control and strong copper prices.

Proposed a 2025 Final Dividend that would result in a significantly higher payout compared to 2024.

Cash Costs of \$2.40/lb and AISC of \$2.90/lb, which represent material reductions from 2024.

Robust liquidity position with €166.3 million cash at bank at 31 December 2025.





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Company Overview

Atalaya is a leading European copper producer listed on the London Stock Exchange's Main Market, with its corporate headquarters in Spain.

The Company is focused on the responsible production of copper, a critical metal for the energy transition, and on delivering sustainable long-term value to shareholders through disciplined operations, a robust financial framework, and a high-quality portfolio of assets located in established mining jurisdictions.

Atalaya's flagship operation, **Proyecto Riotinto**, is located in the Iberian Pyrite Belt in southern Spain, one of the world's most historically significant mining regions. With annual copper production of approximately 50,000 tonnes, Proyecto Riotinto is the foundation of the Group's cash generation

and operational performance. The operation benefits from modern infrastructure, an experienced workforce, and a long history of mining activity, providing a stable platform for both current production and future growth.

The Company operates its assets with a strong focus on operational efficiency, cost control, and continuous improvement. By optimising mining and processing activities, maintaining disciplined capital allocation, and applying a conservative approach to risk management, Atalaya aims to remain resilient across commodity price cycles. Sustainability is embedded in the Company's operating philosophy, with a clear commitment to minimising environmental impact, ensuring safe operations, and maintaining constructive relationships with local communities and stakeholders.

Atalaya's asset portfolio is structured around a centralised processing hub at Proyecto Riotinto, supported by a pipeline of development and exploration projects within the Riotinto

District and elsewhere in Spain. This hub-and-spoke model allows the Company to leverage existing infrastructure and technical expertise while advancing higher-grade and longer-life sources of ore feed, thereby enhancing capital efficiency and long-term value creation.

Key development assets include the San Dionisio and San Antonio deposits, located adjacent to the Cerro Colorado open-pit, as well as Proyecto Masa Valverde, an underground development project within trucking distance of the Riotinto Processing Plant. Together, these assets provide the potential to extend mine life, improve feed grade, and optimise utilisation of existing processing capacity. In parallel, Atalaya continues to advance Proyecto Touro in northwest Spain, a brownfield copper project with significant scale potential that is progressing through the permitting process.

The Company also maintains exposure to **longer-term growth opportunities** through selective exploration and technology

initiatives. Exploration activities across the Ossa Morena Metallogenic Belt and other prospective areas aim to identify additional copper resources in mining-friendly regions.

Following the completion of its re-domiciliation to Spain and its inclusion in the FTSE 250 Index in May 2025, Atalaya has strengthened its corporate and market positioning while maintaining a clear operational focus. With a combination of stable cash generation, embedded growth optionality, and a disciplined approach to capital allocation, the Company is well positioned to deliver sustainable returns through the copper price cycle and to contribute to the secure supply of copper in Europe.



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Atalaya exists to responsibly produce copper, a metal that is essential to modern society and the energy transition, while creating sustainable long-term value for shareholders and other stakeholders.

Our mission is to operate and develop a portfolio of copper assets in a safe, efficient, and responsible manner, generating stable cash flows through disciplined execution and continuous improvement. We aim to maximise the value of our existing operations, extend mine life through development and exploration, and advance growth opportunities that meet our technical, environmental and financial criteria.

Our strategy is built around the efficient operation of a centralised processing hub at Proyecto Ríotinto, supported by a pipeline of development and exploration assets. This approach allows the Company to leverage existing infrastructure, improve capital efficiency, and deliver resilient performance through the commodity price cycle, while maintaining a conservative financial framework.

The way Atalaya operates is guided by a clear set of values that shape behaviour across the Group. Safety is the Company's first priority, and all decisions are made with a focus on protecting people and

communities. We are committed to responsible environmental stewardship, ethical and transparent conduct, and constructive engagement with employees, contractors, communities and other stakeholders. A long-term mindset informs decision-making, ensuring that value creation is sustainable over the life of our assets and aligned with the interests of all stakeholders.

Through this integrated approach, Atalaya contributes to the secure supply of copper in Europe, supports economic development in the regions in which it operates, and positions itself to deliver sustainable returns while supporting the transition to a lower-carbon economy.





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Atalaya is a leading copper producer listed on the London Stock Exchange's Main Market, with its core operations based in Spain. Our strategic focus is to be a sustainable and reliable copper producer that also advances a pipeline of growth projects to solidify our position as a key player in the European mining sector.

Key Facts

- ▣ **Primary Asset:** Proyecto Riotinto, a wholly owned open-pit copper mine in the Iberian Pyrite Belt, Andalusia, Spain.
- ▣ **Annual Production:** Around 50,000 tonnes of copper produced annually at Riotinto.
- ▣ **Ownership Structure:** Publicly listed company with a diverse range of shareholders, including institutional investors from the UK, Spain, Europe and North America.
- ▣ **Future Growth:** Potential to grow production at Riotinto by prioritising higher grade ore from deposits in the Riotinto District, and also through the development of Proyecto Touro, a brownfield copper project in northwest Spain.

Strategic Focus

- ▣ **Operational Excellence:** With a strong management team of experienced miners and operators, Atalaya is focused on operating sustainably, maximising efficiency and optimising costs across all operations.
- ▣ **Sustainable Growth Pipeline:** We are committed to expanding our portfolio with low-risk, high-return assets, while maintaining financial discipline and competitive capital intensity.
- ▣ **ESG Leadership:** Environmental sustainability, social responsibility, and governance (ESG) principles are at the heart of our operations. We strive to minimize our environmental footprint and generate positive impacts for local communities.

Financial Health

- ▣ **Robust Balance Sheet:** Our strong financial position allows us to fund future growth initiatives while providing consistent returns to shareholders.
- ▣ **Organic Cash Flow:** Consistent cash generation provides the foundation for continued investment in operational improvements and future projects.



Looking Ahead

As we move forward, our strategy is to diversify into multiple assets and further expand our copper production base. We are actively reviewing opportunities across Europe and Latin America, leveraging our operational expertise to capitalize on global demand for copper, particularly in the context of the energy transition and technological advancement.

For more information, visit www.atalayamining.com.



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Letter from the Chair

Dear Shareholder,

It is my pleasure to present the Annual Report of Atalaya Mining Copper, S.A. for 2025.

Over the past decade, Atalaya has successfully reestablished the historic Riotinto mining district as a modern and sustainable source of copper production and an important contributor to regional economic activity. These foundations position the Company to grow further and capitalise on the opportunities arising from the structural growth in demand for copper.

Sustainability, operational and strategic performance

Any visitor to Riotinto will observe the close proximity of several communities to our mining and processing activities, which highlights Atalaya's ability to operate to high standards of sustainability. Atalaya continues to hire locally, procure from Spanish suppliers and invest in important social and economic initiatives through the Atalaya Riotinto Foundation. With respect to critical inputs, the team

has been focused on improving efficiencies with respect to water and energy consumption. Atalaya also seeks to make continuous improvements, for example, to address the increase in our LTIFR over the past year, whereby management has initiated several measures to improve behaviour, supervision and training.

The past year was another period of solid operational progress for Atalaya, during which the Company delivered on its copper production objectives, strengthened its financial position and advanced a portfolio of copper growth projects with the potential to significantly increase production over time.

The Board remains focused on ensuring that Atalaya pursues growth in a disciplined and sustainable manner. Atalaya's growth projects in the Riotinto District benefit from the Company's existing facilities including a modern processing plant, access to important infrastructure and experienced employees and contractors. As a result, the development of growth

projects including San Dionisio, Masa Valverde and San Antonio are expected to deliver long-term value to shareholders and regional stakeholders. In Galicia, Proyecto Touro represents a transformational opportunity for industry in Galicia, European critical raw materials strategy and Atalaya's objective to become an intermediate multi-asset copper producer.

Corporate developments

Atalaya achieved several important capital markets milestones over the past year.

Following the Company's re-domiciliation to Spain, Atalaya's shares were included in the FTSE 250 Index in May 2025, reflecting the Company's development progress and its positioning on the London Stock Exchange.

In tandem with strong copper price performance, Atalaya's shares increased by 138% during 2025, which represented significant outperformance compared to the 88% increase by the Global X Copper Miners ETF (COPX).



NEIL GREGSON

Chair of Atalaya Mining Copper, S.A.

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With respect to the Company's dividend policy, the Directors are pleased to recommend a 2025 Final Dividend of €0.065 per share, which would result in a FY2025 Dividend of €0.109 per share assuming approval by shareholders at the 2026 AGM, marking an increase from €0.0637 per share in FY2024.

Governance

As Chair, I am responsible for the running of the Board and for the Group's overall corporate governance. The Board and its committees play a key role in our governance framework by providing external and independent support and challenge.

Further information regarding corporate governance at Atalaya can be found in our [Governance Report](#).

Board changes

I would like to welcome Hennie Faul, who joined the Board on 24 June 2025, as an Independent Non-Executive Director. Mr. Faul brings over 30 years of mining industry experience as a qualified mining engineer and a senior manager. His extensive operational, project development and ESG experience will bring valuable perspective as we

continue to drive sustainable growth across our business.

I would also like to welcome Mike Armitage who joined the Board on 19 January 2026 as an Independent Non-Executive Director. Dr. Armitage brings exceptional expertise in mineral resource and reserve estimation, underpinned by four decades of mining industry experience. His depth of knowledge will be a significant asset to the Board as the Company advances its projects. Mr. Faul replaces Hussein Barma who retired from the Board on 24 June 2025. Dr. Armitage replaces Stephen Scott who retired from the Board on 31

December 2025. Both Mr. Faul and Dr. Armitage will stand for election at the forthcoming Annual General Meeting. On behalf of the Board, I would like to express our gratitude to Dr. Barma and Mr. Scott for their 10 years of dedicated service on the Atalaya Board and various of its committees.

Looking ahead

The Board believes the outlook for copper remains compelling. Copper plays a critical role in economic development, renewable energy solutions and emerging digital infrastructure, while the development of new supply is becoming increasingly complex.

Against this backdrop, Atalaya is very well positioned. The Company benefits from an established operating platform, a strong balance sheet and a pipeline of growth projects capable of delivering meaningful production growth. As our Chief Executive Officer outlines in the following letter, Atalaya enters the next phase of its development with a high-quality portfolio and from a position of operational strength.

Conclusion

On behalf of the Board, I would like to thank our shareholders for their continued support.

I would also like to thank our Chief Executive Officer, Alberto Lavandeira, the management team and all Atalaya employees and contractors for their dedication and efforts throughout the year.

Yours sincerely,

NEIL GREGSON
Chair

18 March 2026





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Letter from the Chief Executive Officer

Dear Shareholder,

As the Chair has outlined, 2025 represented a period of good progress for Atalaya as we continued to execute on our strategy of building a leading European copper producer. We delivered solid operational performance at Riotinto, further strengthened our balance sheet and positioned our project portfolio for production growth in the years ahead.

Safety and sustainability performance

At Atalaya, we are committed to maintaining high standards of sustainability across our various operating activities and always seek to make improvements. We are focused on increasing our efficiency by reducing our water and electricity consumption, and continue to invest in the communities surrounding our operations. In response to an increase in our LTIFR, we implemented several safety improvement initiatives, including behavioural safety programmes, enhanced contractor safety supervision and additional training across operation teams.

Further information on our safety and sustainability performance can be found in our [2025 Sustainability Report](#).

Business performance

Our team delivered a year of solid performance at Proyecto Riotinto. Copper production was 51,139 tonnes in 2025, achieving the higher end of our annual guidance range, which was upgraded mid-year. The processing plant achieved a new annual throughput record of over 16.6 million tonnes, demonstrating the reliability of our facilities and the strength of our operations team. We continue to believe that our operational capabilities are a core differentiator that provides a strong foundation for future growth.

Thanks to strong copper prices and careful management of costs, our operational performance translated into robust financial results. Atalaya's financial position strengthened throughout 2025 and we ended the year with a net cash position of €122.0 million, which will provide the Company with significant financial flexibility to develop our copper project pipeline.

Strategy

Our strategy remains straightforward: operate safely and efficiently, maintain financial discipline and develop our pipeline of projects in order to deliver copper production growth.

We are fortunate to control a portfolio of projects that are located in stable mining jurisdictions and offer the opportunity to increase production, extend mine life and diversify our sources of production.

Within the Riotinto District, we have several deposits that have the potential to deliver higher-grade material to our existing processing plant. At San Dionisio, waste stripping activities began to accelerate during the second half of 2025, and resource definition drilling is in progress at San Antonio. At Masa Valverde, drilling continues to define the high-grade copper zone, which we expect will be the initial focus for underground mining in the coming years.

Beyond Riotinto, we continue to advance Proyecto Touro in Galicia, which has the potential to become a modern and sustainable operation,



ALBERTO LAVANDEIRA

Chief Executive Officer of
Atalaya Mining Copper, S.A.



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as well as an important new source of copper for European industry. We appreciate the ongoing dialogue with the Xunta de Galicia and the positive engagement with the local communities.

Together, these projects provide a clear pathway for Atalaya to increase annual production towards 100,000 tonnes of copper equivalent, positioning the Company to become an intermediate multi-asset copper producer. We have the right team, experience and financial resources to deliver on this objective.

Copper market outlook

Our shareholders will know that I have been a longtime believer in copper, and over the past year, the structural outlook has progressively strengthened. Copper demand continues to increase as populations grow, economies industrialise, the energy transition accelerates and new technologies like AI are quickly adopted, while supply growth remains constrained due to increasing regulatory, environmental, social and technical requirements.

These dynamics reinforce copper's importance as a critical mineral for the global economy and support the investment case for copper

producers like Atalaya. We believe the coming years have the potential to be transformational for Atalaya as we continue to build a larger, more diversified and increasingly resilient copper business.

Conclusion

I would like to thank our employees and contractors for their dedication and professionalism throughout the year, and for ensuring that Atalaya is well-positioned to execute on the opportunities ahead.

I would also like to thank our many loyal shareholders for their continued confidence and support.

Yours sincerely,

ALBERTO LAVANDEIRA
Chief Executive Officer

18 March 2026





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Strategic Framework

Atalaya's Strategic Framework defines how the Group delivers sustainable long-term value through disciplined execution, responsible growth and financial resilience.

The framework reflects the structural role of copper in the global energy transition and the operational realities of developing and sustaining mining projects in Europe.

While the core strategic direction remains consistent with prior years, the framework has been refined to emphasise value drivers, capital discipline and integrated sustainability. It is built around four primary pillars, supported by cross-cutting enablers that ensure effective execution.

1. Operational Excellence and Safe Production

Strategic intent

To operate Proyecto Riotinto as a safe, reliable and cost-competitive mining complex that generates resilient cash flow across the commodity cycle.

Proyecto Riotinto remains the foundation of the Group's value creation model. Sustained operational performance provides the financial platform required to fund development activities and maintain balance sheet strength.

Key strategic priorities include

- ❑ Maintaining safe working conditions and strengthening behavioural safety programmes.
- ❑ Optimising mining sequences and accelerating access to higher-grade areas such as San Dionisio.
- ❑ Maximising throughput and reliability at the the Riotinto Processing Plant, which has a nominal capacity of 15 Mtpa.
- ❑ Enhancing metallurgical performance and recovery optimisation.
- ❑ Managing costs rigorously across mining, processing and offsite activities.

Performance alignment

Progress under this pillar is assessed through production volumes, Cash Costs and AISC, plant performance metrics, safety indicators and free cash flow generation. Strong operational performance in 2025, including record plant throughput and cost improvements, reinforces the effectiveness of this approach.

Forward focus

The Group will continue to improve feed flexibility, integrate additional district deposits and optimise operational performance while maintaining strict cost discipline.





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2. District-Scale Growth and Portfolio Optimisation

Strategic intent

To increase copper production and extend asset life by leveraging existing infrastructure within the Riotinto District and selectively advancing growth opportunities.

Atalaya's hub-and-spoke model reduces capital intensity and development risk by integrating nearby deposits into the central Riotinto processing infrastructure. This approach enhances long-term asset optionality while maintaining capital efficiency.

Key strategic priorities include:

- ▣ Advancing San Dionisio as a key higher-grade contributor.
- ▣ Progressing development and drilling at Proyecto Masa Verde.
- ▣ Continuing resource definition at San Antonio.
- ▣ Advancing engineering studies for a potential polymetallic processing circuit.
- ▣ Progressing permitting and stakeholder engagement at Proyecto Touro.
- ▣ Advancing exploration at Proyecto Ossa Morena, Proyecto Riotinto East and within the Skellefte Belt Project and Rockliden Project in Sweden under structured earn-in arrangements.

Performance alignment

Performance is measured through achievement of permitting milestones, engineering progress, exploration results, disciplined capital deployment and readiness for Board-level investment decisions.

Forward focus

The Group will prioritise key growth options within the Riotinto District while maintaining selective and disciplined advancement of external growth options.



3. Sustainability, Community and Social Value

Strategic intent

To operate responsibly, maintain a strong social licence to operate and integrate environmental and community considerations into strategic decision-making.

Sustainability is embedded within each element of the Group's strategy. Long-term project success depends on environmental stewardship, constructive stakeholder engagement and transparent governance.

Key strategic priorities include:

- ▣ Advancing water stewardship and maintaining high recycling rates.
- ▣ Progressing energy efficiency initiatives and renewable energy integration.
- ▣ Strengthening tailings management and alignment with evolving global standards.
- ▣ Engaging proactively with regional authorities and local communities.
- ▣ Supporting local economic development through employment, procurement and social investment.
- ▣ Enhancing disclosure in line with evolving European and international reporting standards.

Performance alignment

Performance is monitored through environmental compliance metrics, water recycling rates, emissions intensity trends, permitting progression, community engagement indicators and governance transparency measures.

Forward focus

The Group will continue integrating sustainability into capital allocation decisions, advance climate-related disclosures and maintain alignment with emerging European critical raw materials frameworks.





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4. Financial Strength and Governance Discipline



Strategic intent

To preserve balance sheet strength, allocate capital prudently and maintain governance standards consistent with the UK Corporate Governance Code.

Financial resilience enables strategic flexibility. Maintaining a net cash position and disciplined capital allocation supports both operational stability and growth execution.

Key strategic priorities include:

- ▣ Maintaining liquidity buffers and prudent leverage.
- ▣ Prioritising sustaining and safety-related capital expenditure.
- ▣ Sequencing development capital in line with technical readiness and market conditions.
- ▣ Strengthening risk management and internal control frameworks.
- ▣ Enhancing Board composition, independence and oversight.

Performance alignment

Performance under this pillar is evaluated through net cash position, EBITDA generation, capital expenditure discipline versus guidance, risk management effectiveness and governance compliance indicators.

Forward focus

The Group will continue reinforcing internal controls, aligning remuneration with strategic priorities and ensuring transparent engagement with shareholders.

Strategic Enablers

Supporting the four pillars are three cross-cutting enablers that ensure effective execution:

People and Culture

Atalaya's workforce and contractor base are central to operational performance and safety outcomes. Talent development, leadership capability and a strong safety culture underpin all strategic objectives.

Innovation and Technology

Process optimisation, digital tools, geotechnical monitoring systems and ongoing evaluation of technologies to contribute to operational efficiency and long-term competitiveness.

Community Engagement

Constructive relationships with local communities and authorities support permitting operational continuity and long-term development opportunities.

Strategic Coherence

The four pillars and their supporting enablers are mutually reinforcing. Operational excellence generates cash flow. Financial discipline preserves resilience. District growth enhances long-term production potential. Sustainability and community engagement secure licence to operate.

Together, this framework positions Atalaya to deliver consistent performance while advancing a disciplined European copper growth strategy aligned with long-term stakeholder expectations.



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Copper Supply Trends

During 2025, copper production growth was limited, with the International Copper Study Group (ICSG) estimating that world copper mine production increased by approximately 1% over the first 11 months of 2025. Production from Chile, the largest copper producing country, experienced an annual production decline of approximately 2% in 2025, while the second largest producer, the DRC, saw its production increase.

Global mine production was impacted by a variety of factors. Most notably, several major supply disruptions at some of the world's largest mines, including at Kamoa-Kakula (DRC) in May 2025 and at Grasberg (Indonesia) in September 2025, immediately removed production capacity from the market. In addition, underperformance at other large operations, such as Quebrada Blanca Phase 2 (delayed ramp-up) and Collahuasi (low grade mining phase), have further constrained mine supply.

The combination of shortfalls in mine production and the additions of new smelting capacity in China, the DRC, India and Indonesia have resulted in a meaningful copper concentrate deficit. In response, copper treatment and refining charges (TC/RCs) are at record lows, which benefits copper miners, and certain smelters have been forced to operate at reduced capacity.

At present, very few large-scale copper projects are in construction, in part due to the many hurdles associated with developing new greenfield mines that include securing environmental permits, support from local communities, legal and fiscal stability agreements, and access to infrastructure and skilled labour.

Copper Demand Trends

During 2025, global real GDP increased by approximately 3% according to the IMF. This level of ongoing economic growth supported the demand for copper, with the ICSG estimating that world apparent refined copper usage increased by approximately 4% during the first 11 months of 2025. Demand from China, which accounts for approximately 58% of total world refined copper usage, was estimated to have increased by approximately 5.5% according to the ICSG.

Beyond traditional economic growth, copper demand is also being supported by accelerating investments in the energy transition and the adoption of new technologies:

- Energy transition investments, including various forms of renewable energy, such as solar, wind and battery energy storage systems (BESS), as well as the significant power grid investments required to modernise and expand networks and capacity.
- New technology investments, most notably the rapid buildout of the large-scale datacentres that are required to support artificial intelligence (AI) applications, has created a significant new source of demand for copper and also for electricity, which will dictate further investments in power generation capacity and transmission.





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Copper Price Dynamics

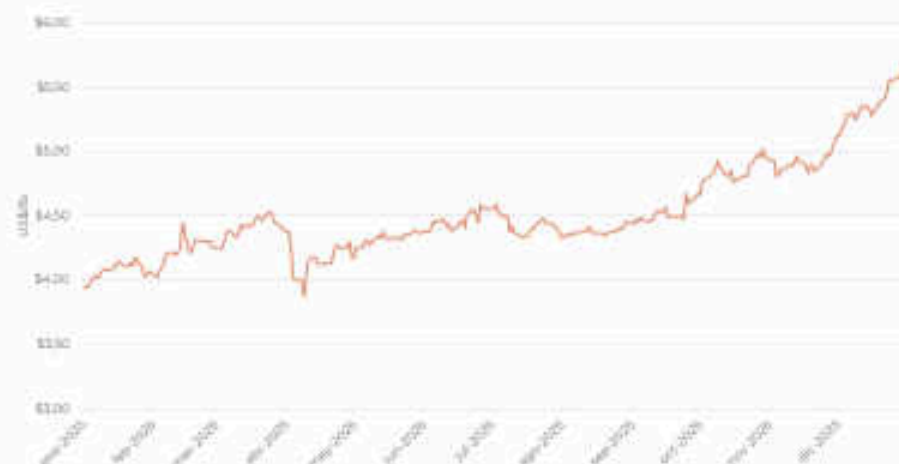
The LME copper price averaged \$4.51/lb during 2025, after starting the year just below \$4.00/lb and ending 2025 at a high of approximately \$5.70/lb.

The LME copper price demonstrated volatility throughout the year, especially following the announcement of “Liberation Day” tariffs by the Trump Administration in April 2025, which triggered a market sell-off and resulted in the copper price hitting a 2025 low of \$3.87/lb.

Thereafter, the LME copper price rose steadily throughout the remainder of 2025, mainly as a result of major supply disruptions at Kamoa-Kakula in May and at Grasberg in September, continued speculative movements of physical metal into the United States, as well as USD weakness. During the entire month of December 2025, LME copper traded above \$5.00/lb.

Looking into 2026, analysts expect the copper price to remain above \$5/lb due to continued market tightness, thanks to growing demand and constrained supply.

Market Copper Prices in 2025 (LME Spot)



Realised Copper Prices

The average prices of copper for 2025 and 2024 were:

		Q4 2025	Q4 2024	FY2025	FY2024
Realised copper price (excluding QPs)	\$/lb	5.10	4.10	4.49	4.19
Market copper price per lb (period average)	\$/lb	5.03	4.16	4.51	4.35

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 2025, including quotation period adjustments, was approximately \$4.45/lb.

Atalaya's Strategic Response

Throughout 2025, Atalaya maintained full exposure to the copper price, with no hedging agreements in place, which positively impacted the Group's financial performance. In order to reduce the impact of a potential future downturn in the copper price, Atalaya continues to focus on enhancing operational efficiency, managing input costs and increasing its copper production.

Outlook for 2026

Looking ahead, the outlook for copper remains very constructive over the medium to long-term, driven by growing demand from population growth, electrification and new technologies, as well as supply related challenges across the industry. In the short-term, however, the copper price may be volatile and impacted by economic uncertainty and geopolitical events.

Atalaya remains well-positioned to capitalise on strong copper market fundamentals, thanks to its growth project pipeline, balance sheet strength and focus on operational excellence.



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Foreign Exchange Impact

The EUR/USD exchange rate was volatile in 2025, reflecting changing expectations for economic growth and monetary policy in the United States and the Eurozone. The exchange rate averaged around \$1.13 during the year, rising from below \$1.05 in early 2025 to around \$1.17 by year-end.

The EUR appreciated primarily because the expected interest-rate differential between the United States and the Eurozone narrowed as markets increasingly anticipated Federal Reserve rate cuts amid slowing US growth and moderating inflation. Trade tensions following the announcement of new US tariffs in April 2025 also increased uncertainty about the US economic outlook, reinforcing expectations of monetary easing. In the latter half of 2025, EUR/USD stabilised as the Federal Reserve began lowering policy rates and markets adjusted to a more balanced monetary policy outlook between the two economies.

Volatility in the EUR/USD exchange rate has a direct impact on Atalaya's financial results as the Company's costs are largely denominated in EUR, while its revenues are denominated in USD. As a result, depreciation in the USD reduces revenues and also increases headline Cash Costs and AISC, which are stated in USD terms.

Atalaya monitors currency fluctuations on an ongoing basis and will continue evaluating potential risk management measures to mitigate future exchange rate impacts.





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Key Performance Indicators

The Group uses a focused set of key performance indicators (KPIs) to monitor the delivery of its strategy and the long-term performance of its business.

These indicators provide insight into operational efficiency, financial discipline, sustainability performance, and capital allocation, and are used by management and the Board to assess progress against strategic priorities.

The KPIs presented below are aligned with the Group's operating model and asset portfolio, reflecting the importance of safe and efficient production at Proyecto Riotinto, disciplined development of growth projects, and the maintenance of a robust financial framework. Together, they support transparent reporting and enable stakeholders to evaluate the Group's performance across the commodity price cycle.

1. Financial KPIs	2025	2024
Revenue (€k)	482,915	326,797
EBITDA (€k)	179,756	66,356
Net Cash Position (€k)	121,960	35,091
Dividend per Share (€/share)*	0.1090	0.0637
Realised Copper Price (\$/lb)	4.49	4.19

*Represents the total dividend for each fiscal year, consisting of an Interim Dividend (paid) and a proposed Final Dividend (subject to shareholder approval at the 2026 AGM).

2. Operational KPIs	Guidance 2026	2025	2024
Copper Production (tonnes)	50,000 – 54,000	51,139	46,227
Ore Processed (Mt)	15.5 – 16.0	16.6	15.9
Cash Cost (\$/lb)	2.60 – 2.90	2.40	2.92
All-in Sustaining Cost (AISC) (\$/lb)	3.10 – 3.40	2.90	3.26

3. Sustainability & ESC KPIs	2025	2024
Scope 1&2 CO ₂ Emissions (tonnes)*	99,292	105,076
Surface Water Withdrawal (millions m ³)	4.06	3.58
Lost Time Injury Frequency Rate (LTIFR) (own employees + contractors)	4.80	3.33
Severity Rate	0.20	0.30
Community Investment (€m)	0.8	1.0

*Our 2025 CO₂ emissions are an estimate based on 2024 emission data.

The Group's Lost Time Injury Frequency Rate (LTIFR) increased to 4.80 in 2025 (2024: 3.33). The increase reflects a higher number of recordable injuries during the year. While no life-threatening incidents occurred, management has initiated targeted safety improvement measures, including reinforcement of behavioural safety programmes, enhanced contractor safety supervision and additional training across operation teams.

These financial KPIs provide insight into the Group's financial health, profitability, and ability to return value to shareholders.

Operational KPIs provide insight into our efficiency in extracting and processing copper, while also helping us monitor production costs and operational sustainability.

These KPIs reflect Atalaya's commitment to environmental responsibility and social governance, ensuring we maintain high standards of sustainability while engaging with and supporting local communities.



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Asset Portfolio

Atalaya's asset portfolio is structured around the efficient operation of a centralised processing hub at Proyecto Riotinto, supported by a pipeline of development and exploration assets located in established mining jurisdictions in Spain and northern Europe.

This portfolio provides a combination of stable production, embedded growth opportunities, and longer-term exploration optionality, while enabling the Group to leverage existing infrastructure, technical expertise, and disciplined capital allocation.

Proyecto Riotinto

Proyecto Riotinto is the Group's flagship operating asset and the cornerstone of its production and cash generation. The mining and processing complex is located in the Iberian Pyrite Belt in the province of Huelva (Andalusia, Spain), between the municipalities of Minas de Riotinto, Nerva and El Campillo. Atalaya owns and operates Proyecto Riotinto through its wholly owned subsidiary, Atalaya Riotinto Minera, S.L.U.

The operation comprises the Cerro Colorado open-pit mine, the 15 Mtpa Riotinto Processing Plant, and associated infrastructure. Proyecto Riotinto serves as the Group's central processing hub and provides the operational base from which nearby development assets can be advanced and integrated into the production profile over time.

San Dionisio and San Antonio

The San Dionisio and San Antonio deposits are located adjacent to the Cerro Colorado open-pit and form part of the wider Proyecto Riotinto area. Both deposits offer the potential to become higher-grade sources of material that could enhance the feed profile of the Riotinto Processing Plant. Mining at San Dionisio is underway while infill drilling continues at San Antonio.

The advancement of these deposits is aligned with Atalaya's strategy of extending mine life, improving grade flexibility, and maximising the utilisation of existing infrastructure within the Riotinto District, subject to permitting and development activities.



Proyecto Riotinto East

Proyecto Riotinto East comprises a number of investigation permits located immediately to the east of Proyecto Riotinto. The permits are considered prospective for mineralisation consistent with the wider Iberian Pyrite Belt and form part of the Group's exploration strategy within the Riotinto District.

Proyecto Riotinto East provides additional longer-term exploration potential adjacent to existing infrastructure, reinforcing the strategic importance of the Riotinto area as the core of the Group's asset base.





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Proyecto Masa Valverde

Proyecto Masa Valverde is a development-stage volcanogenic massive sulphide project located in the province of Huelva, within trucking distance of Proyecto Riotinto. Atalaya owns the project through its wholly owned subsidiary, Atalaya Masa Valverde, S.L.U.

The development concept contemplates underground mining of the Masa Valverde and Majadales deposits, with mined material transported to the Riotinto Processing Plant for processing. This hub-and-spoke approach is consistent with the Group's strategy of leveraging its existing processing capacity to support additional ore sources within the Riotinto District, enhancing capital efficiency and operational flexibility.



Proyecto Touro

Proyecto Touro is a brownfield copper project located in the Galicia region of northwest Spain and is currently in the permitting phase. The project is situated within the San Rafael exploitation concession, held by Cobre San Rafael, S.L.

Atalaya holds a minority interest in Cobre San Rafael under an earn-in agreement that provides the option to increase its ownership interest to 80% upon the achievement of certain development milestones. Proyecto Touro represents a longer-term growth opportunity that has the potential to diversify the Group's asset base beyond the Riotinto District, subject to permitting and development progress.

Proyecto Ossa Morena

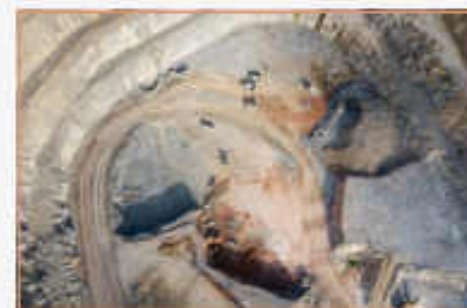
Proyecto Ossa Morena consists of a portfolio of investigation permits strategically located along prospective zones of the Ossa Morena Metallogenic Belt in southwest Spain. Atalaya acquired an initial majority interest in the project in 2021 and subsequently increased its ownership.

The project is at an exploration stage and represents longer-term optionality within a well-established metallogenic belt. Exploration activities are focused on identifying copper and polymetallic mineralisation that could complement the Group's broader Spanish portfolio, while maintaining a disciplined and selective approach to capital deployment.

Skellefte Belt Project and Rockliden Project (Sweden)

Atalaya has staged earn-in agreements related to the Skellefte Belt Project and the Rockliden Project in Sweden. These projects are located in established mining districts with a history of base metal production and are considered prospective for volcanogenic massive sulphide mineralisation.

The Swedish projects could provide geographic diversification and exposure to high-quality exploration districts within Europe. They are currently at an exploration stage and are being advanced in line with the Group's disciplined approach to technical evaluation and capital allocation.





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Risk Management and principal risk factors

Atalaya operates a focused mining business in a sector characterised by operational intensity, commodity price volatility and evolving regulatory and societal expectations.

Protecting operational continuity, financial resilience and the Group's long-term licence to operate is central to how risk is managed across the organisation.

Risk management is embedded within the Group's strategic and operational decision-making processes. The framework is designed to ensure that risks are identified early, assessed consistently and managed in proportion to their potential impact on performance, cash generation and long-term sustainability.

The Group's control environment is supported by certified management systems, including ISO 45001 (Health & Safety), ISO 14001 (Environmental Management), ISO 50001 (Energy Management) and ISO 9001 (Quality Management).

During 2025, the Group continued to enhance its internal control and risk management arrangements, progressively aligning its practices with internationally recognised enterprise risk management principles, including those reflected in the COSO framework.

Enhancements focused on improving consistency in risk assessment, strengthening the identification and monitoring of critical controls, and reinforcing accountability across operational and corporate functions.

In preparation for the evolving UK Corporate Governance Code requirements effective from 2026, the Group undertook a structured review of its risk management and internal control framework. This included further development of critical control identification, monitoring processes and associated action plans where appropriate.

The Company remains committed to strengthening its risk management and internal control environment, recognising that strong governance underpins long-term value creation and stakeholder confidence.

The Board retains ultimate responsibility for risk oversight and determines the nature and extent of principal and emerging risks it is willing to accept, in pursuit of the Group's strategic objectives. Risk oversight is exercised through the

Board and its Committees under clearly defined mandates.

- The Audit Committee oversees financial reporting integrity, internal control effectiveness and financial risk management.
- The Physical Risk Committee monitors health, safety, operational and infrastructure-related risks across the Group's assets.
- The Sustainability Committee oversees environmental performance, climate-related matters and community engagement.
- The Nomination and Governance Committee and the Remuneration Committee support effective governance structures and alignment of incentives with long-term value creation.

Management is responsible for implementing the framework and for maintaining a culture in which risk awareness and accountability are embedded at all levels of the organisation. Regular reporting and review mechanisms support ongoing monitoring and enable timely



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response to changes in market conditions, operational performance and regulatory developments.

The structured risk management process applied across the Group forms the foundation of its approach to risk governance. The diagram below illustrates the integrated nature of the Group's risk management cycle and the interaction between governance oversight, operational execution and continuous monitoring.

Governance and oversight

Effective risk governance relies on continuous dialogue across the organisation. The Group promotes open communication between operational teams, corporate functions and the Board to ensure risks are

consistently identified, assessed and managed. Regular interaction with key stakeholders—including regulators, communities, employees and suppliers—supports informed decision-making and reinforces accountability.

Strategic context and risk appetite

Risk assessment begins with a clear understanding of the Group's strategic objectives, operating environment and risk appetite.

The Board determines the nature and extent of risk the Group is willing to accept in pursuit of its objectives. This context provides the basis for consistent risk identification, evaluation and reporting across the business.

Risk identification and assessment

Risks are identified at both operational and corporate levels through structured reviews, management workshops, and periodic risk assessments ongoing monitoring of internal and external developments.

This includes consideration of financial, operational, regulatory, environmental, technological and geopolitical factors that may impact performance or long-term sustainability.

Risk response and control environment

Where residual risks exceed acceptable thresholds, targeted mitigation measures and control enhancements are implemented.

These may include operational improvements, strengthened internal controls, contractual safeguards, insurance coverage, hedging strategies or strategic adjustments. Critical controls are identified and monitored to ensure their continued effectiveness.

Continuous monitoring and assurance

Risk monitoring is embedded within regular management reporting and Committee oversight processes.

Emerging risks are evaluated throughout the year, and action plans are updated where required to reflect changes in the operating environment.

The effectiveness of the internal control environment is reviewed periodically to support continuous improvement and readiness for evolving governance expectations. This integrated approach supports the effectiveness of the Group's internal control environment and reinforces the Board's oversight responsibilities.



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Principal Risks and Uncertainties

The principal risks set out below represent those risks which could materially impact the Group's strategy, operational performance, financial resilience or long-term sustainability.

These risks have been identified and assessed through the structured risk management framework described above and reflect the current operating environment and strategic priorities of the Group.

Risk

1. Health and Safety
2. Environmental Management
3. Tailings Storage Facilities
4. Commodity Prices and Exchange Rates
5. Community Relations and Social Licence
6. Climate Change And Energy Transition
7. Regulatory and Permitting Risk
8. Strategy Resources and Supply Chain
9. Talent and Workforce Management
10. Cybersecurity and Digital Resilience
11. Liquidity and Financial Resilience



1. Health and Safety

Risk description

Mining operations inherently involve significant health and safety risks due to the nature of heavy industrial activity and complex operating environments. Failure to maintain effective safety standards, controls and behaviours could result in serious injuries or fatalities, operational disruption, regulatory sanctions and reputational damage.

Why this risk matters

The safety of our employees and contractors is our highest priority. A serious incident could materially affect operational continuity, stakeholder confidence and the Group's long-term sustainability as well as expose the Group to regulatory scrutiny and potential legal consequences. Maintaining a strong safety culture is essential to delivering stable and responsible production.

How we manage the risk

The Group operates a structured Health and Safety Management framework

aligned with applicable regulations and recognised industry standards, including ISO 45001 certification across its principal operations.

Key elements of the control environment include:

- A formalised critical risk management programme identifying high-risk activities and associated control measures.
- Periodic internal and external audits of the safety management system.
- Structured contractor management and coordination processes to ensure compliance with safety standards across all sites.

During 2025, monitoring of critical controls was further strengthened as part of the Group's ongoing development of its internal control environment, enhancing consistency and accountability across operations.

Residual risk rating: Medium



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2. Environmental Management



Risk description

Mining operations involve significant environmental responsibilities, including water resources management, emissions control and waste management and land rehabilitation. Changes in water availability or increasing regional water stress could affect environmental management and operational planning. Failure to manage environmental impacts effectively could result in regulatory sanctions, operational disruption, financial penalties and reputational damage.

Why this risk matters

Environmental performance is fundamental to maintaining the Group's licence to operate and long-term sustainability. Non-compliance with environmental regulations or environmental incidents could materially affect stakeholder confidence and operational continuity. Water availability is an important operational consideration for mining activities and may be influenced by changing climatic conditions and regional water stress patterns.

How we manage the risk

The Group operates a structured Environmental Management System aligned with applicable legislation and recognised international standards, including ISO 14001 certification across its principal operations.

Key elements of the control environment include:

- Formal identification and periodic assessment of environmental aspects and legal requirements.
- Implementation of an Environmental Surveillance Plan covering emissions, water quality, waste management and restoration activities.
- Independent external audits and periodic internal compliance reviews.
- Ongoing monitoring and reporting of environmental performance indicators to senior management and the Board.

Residual risk rating: Medium

3. Tailings Storage Facilities



Risk description

The Group operates tailings storage facilities (TSFs) as part of its mining activities. Tailings management involves geotechnical, environmental and operational risks. Failure in the design, construction, monitoring or management of a TSF could result in significant environmental damage, operational disruption, regulatory action and severe reputational impact.

Why this risk matters

Safe tailings management is critical to operational continuity and environmental protection. TSFs require continuous monitoring of structural stability, water balance and storage capacity.

Insufficient oversight, unexpected geotechnical behaviour or capacity constraints could affect long-term operational planning and stakeholder confidence.

How we manage the risk

The Group maintains a structured governance framework for tailings management supported by technical oversight and monitoring systems.

Key elements include:

- Continuous geotechnical monitoring, including deformation and stability control.
- Use of the internally developed MINERVA monitoring platform to support early detection of structural movements.
- Independent technical reviews and external inspections where applicable.
- Monitoring of storage capacity and phased development planning to ensure alignment with mine life and production plans.

Tailings oversight and monitoring results are reviewed periodically by senior management and reported to the Board.

Residual risk rating: Medium



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4. Commodity Prices and Exchange Rates



Risk description

The Group's financial performance is significantly influenced by fluctuations in copper prices and movements in foreign exchange rates. Commodity markets are inherently volatile and are affected by global economic conditions, geopolitical developments, supply-demand dynamics and investor sentiment.

As a primary copper producer, adverse movements in copper prices or exchange rates could materially impact revenues, operating margins, cash generation and capital investment capacity.

Why this risk matters

The Group's exposure to copper price volatility is structural and largely outside its direct control. Sustained periods of lower commodity prices or unfavourable exchange rate movements could affect profitability, liquidity and the timing or scale of capital projects.

Market volatility may also influence investor confidence, valuation and access to financing.

Maintaining financial resilience in a cyclical industry is therefore essential to protecting long-term value.

How we manage the risk

The Group actively monitors commodity markets and macroeconomic developments as part of its regular financial planning and forecasting processes.

Key elements of the control environment include:

- Conservative budgeting and long-term price assumptions supported by scenario and sensitivity analysis.
- Ongoing cost discipline and operational efficiency initiatives to preserve margin resilience.
- Active liquidity management and oversight of working capital.

Financial performance, liquidity metrics and market exposure are reported regularly to senior management and the Board.

Capital allocation decisions are assessed in light of prevailing market conditions and long-term price outlooks.

Residual risk rating: Medium

5. Community Relations and Social Licence



Risk description

The Group's ability to operate and develop mining projects depends on maintaining constructive relationships with local communities, regulators and other stakeholders. Mining activities are subject to public scrutiny and regulatory approval processes, particularly in relation to environmental permitting and project development.

Failure to maintain stakeholder confidence or secure required authorisations could delay projects, increase costs or restrict operational flexibility.

Why this risk matters

The development and expansion of mining projects, including Touro and Ossa Morena, are subject to regulatory review and stakeholder engagement processes. Timely progression of these projects depends on compliance with applicable requirements and the maintenance of constructive dialogue with relevant authorities and local communities.

Maintaining a strong social licence to operate is essential to long-term growth and strategic optionality.

How we manage the risk

The Group maintains structured stakeholder engagement programmes across its areas of operation and development.

Key elements of the approach include:

- Ongoing dialogue with local communities, regional authorities and regulators.
- Transparent disclosure of environmental and technical studies supporting project development.
- Compliance with permitting and environmental assessment requirements.
- Dedicated community relations and sustainability teams supporting engagement activities.

For development-stage projects such as Touro and Ossa Morena, regulatory processes are managed through defined governance structures and technical review procedures to ensure alignment with applicable legal and environmental standards.

Stakeholder engagement and permitting progress are periodically reviewed by senior management and reported to the Board.

Residual risk rating: Medium



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6. Climate Change and Energy Transition



Risk description

The Group operates in an energy-intensive industry and is exposed to risks arising from climate change, including regulatory developments, evolving stakeholder expectations and physical climate impacts.

Changes in environmental legislation, emissions standards or energy markets may increase operating costs or require additional capital investment.

Why this risk matters

Energy represents a significant component of the Group's operating cost base. Increases in electricity prices or regulatory measures linked to carbon emissions could impact margins and long-term competitiveness.

In addition, investors and stakeholders increasingly expect mining companies to demonstrate credible pathways towards emissions reduction and responsible energy use.

Failure to adapt to evolving climate-related expectations could affect access to capital, reputation and long-term sustainability.

How we manage the risk

The Group has implemented measures to enhance energy efficiency and reduce exposure to energy market volatility.

Key elements include:

- ❑ Development of renewable energy initiatives, including the development of a 50 MW photovoltaic installation at Riotinto, designed to enhance energy self-sufficiency and reduce exposure to market price volatility.
- ❑ Certification under ISO 50001 (Energy Management Systems), providing a structured framework for monitoring, measuring and improving energy performance across operations.
- ❑ Ongoing assessment of energy consumption, emissions intensity and cost exposure as part of financial and operational planning.
- ❑ Evaluation of opportunities to reduce carbon intensity and improve operational efficiency.

Climate-related considerations are integrated into long-term planning, capital allocation and risk assessment processes.

Residual risk rating: Medium

7. Regulatory and Permitting Risk



Risk description

The Group operates in a highly regulated industry and is subject to a broad range of environmental, safety, mining and corporate regulations. Changes in legislation, regulatory interpretation or permitting requirements could impact existing operations or the timing and feasibility of development projects.

Delays or adverse outcomes in permitting processes may affect operational flexibility, project development timelines or capital deployment plans.

Why this risk matters

Compliance with regulatory requirements is fundamental to maintaining operational continuity and progressing growth projects. Development-stage projects, including Touro and Ossa Morena, are subject to defined permitting and environmental assessment processes.

Failure to obtain or maintain required permits, or changes in regulatory frameworks, could result in delays, additional compliance costs or constraints on operational activities.

How we manage the risk

The Group maintains structured compliance frameworks across its operations, supported by dedicated legal, technical and environmental teams.

Key elements include:

- ❑ Ongoing monitoring of regulatory developments at regional, national and European levels.
- ❑ Defined permitting governance processes for development projects.
- ❑ Engagement with regulatory authorities throughout application and review stages.
- ❑ Periodic internal reviews of compliance with environmental and operational licence conditions.

Regulatory exposure and permitting progress are reviewed by senior management and reported periodically to the Board.

Residual risk rating: Medium



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8. Strategic Resources and Supply Chain



Risk description

The Group's operations depend on the availability, reliability and cost stability of key strategic inputs, including energy, grinding media, reagents, water and specialised technical services.

Disruptions in supply chains, cost volatility or constraints in access to critical resources could impact operational continuity, production efficiency and financial performance.

Why this risk matters

Mining operations are capital-intensive and rely on the continuous supply of essential consumables and services. Volatility in energy prices, inflationary pressures or supply chain disruptions may increase operating costs or affect production schedules.

Access to secure and diversified supply sources is therefore fundamental to operational resilience.

How we manage the risk

The Group maintains structured procurement and supply chain management processes designed to secure reliable access to critical inputs.

Key elements include:

- ▣ Long-term supply agreements where appropriate.
- ▣ Diversification of suppliers for key consumables and services.
- ▣ Active monitoring of energy markets and input cost exposure.
- ▣ Integration of supply chain considerations into financial planning and budgeting processes.
- ▣ Ongoing evaluation of operational efficiency initiatives to reduce consumption intensity.

Residual risk rating: Medium

9. Talent and Workforce Management



Risk description

The Group's operational performance depends on its ability to attract, develop and retain appropriately skilled personnel across technical, operational and corporate functions.

A shortage of qualified professionals, increased competition for talent or labour instability could affect productivity, project execution and organisational resilience.

Why this risk matters

Mining operations require specialised technical expertise and experienced operational teams. Labour market constraints, demographic pressures and evolving skill requirements may increase recruitment challenges and wage pressures.

Sustained workforce disruption or the loss of key personnel could impact safety performance, operational continuity and strategic execution.

How we manage the risk

The Group maintains structured human capital management practices designed to support workforce stability and capability development.

Key elements include:

- ▣ Competitive remuneration and retention frameworks aligned with market benchmarks.
- ▣ Workforce planning and succession management processes for key roles.
- ▣ Ongoing technical and safety training programmes.
- ▣ A collective labour agreement in place at ARM, providing a defined framework for employment conditions and structured engagement with employee representatives.

Talent management considerations are integrated into long-term operational planning and project development strategies.

Residual risk rating: Medium



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10. Cybersecurity and Digital Resilience



Risk description

The Group relies on information technology systems and digital infrastructure to support operational processes, financial reporting, communications and technical monitoring activities.

Cybersecurity threats, including unauthorised access, ransomware, data breaches or system disruption, could compromise operational continuity, data integrity or regulatory compliance.

Why this risk matters

Disruption to critical IT systems could affect production processes, financial reporting, supply chain management or stakeholder communications.

In addition, increasing digitalisation of monitoring systems and operational technologies heightens exposure to cyber-related risks.

Failure to adequately protect systems and data could result in operational downtime, financial loss, reputational damage or regulatory scrutiny.

How we manage the risk

The Group maintains structured IT governance and cybersecurity controls designed to protect critical systems and sensitive data.

Key elements include:

- Defined IT access controls and segregation of duties.
- Appropriate segregation between operational technology (OT) and corporate IT environments.
- Network security measures and periodic system vulnerability assessments.
- Data backup and recovery procedures designed to support business continuity.
- Employee awareness and cybersecurity training programmes, including periodic simulated phishing exercises to reinforce risk awareness and strengthen behavioural resilience. These initiatives support a culture of cybersecurity awareness across the organisation and complement the Group's technical control framework.
- Periodic review of IT controls as part of the Group's broader internal control enhancement programme.

Residual risk rating: Medium

11. Liquidity and Financial Resilience



Risk description

The Group's operations and development activities require ongoing access to liquidity and financial resources. Adverse market conditions, reduced cash generation, or constrained access to financing could affect the Group's ability to meet its obligations, fund capital expenditure or pursue strategic opportunities.

Why this risk matters

Mining is capital-intensive and cyclical. Sustained commodity price volatility, increased operating costs, or unexpected operational events could impact cash flows and financial flexibility.

Maintaining adequate liquidity is essential to ensuring operational continuity, resilience during market downturns and disciplined capital allocation.

How we manage the risk

The Group maintains structured financial governance and treasury

management processes designed to preserve financial resilience.

Key elements include:

- Regular cash flow forecasting and scenario analysis.
- Monitoring of liquidity headroom and financial covenant compliance where applicable.
- Disciplined capital allocation and investment review procedures.
- Oversight of working capital management and cost control initiatives.
- Financial performance and liquidity metrics are incorporated into the Group's regular governance reporting processes.

Financial planning processes incorporate sensitivity analysis linked to commodity prices and cost assumptions, supporting informed decision-making in varying market conditions.

Residual risk rating: Medium

These principal risks are subject to ongoing review and monitoring as part of the Group's integrated risk governance framework.



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In accordance with the UK Corporate Governance Code 2024, the Board of Directors has assessed the long-term prospects of the Company over a five-year period from 31 December 2025.

The Board considers five years to be an appropriate assessment period as it aligns with the Group's strategic planning cycle, mine planning horizon and development sequencing within the Riotinto District. Mining is inherently long-term and capital-intensive, and this timeframe provides a meaningful period over which to evaluate potential exposure to commodity price cycles, cost inflation, operational disruption and capital project execution risk.

Financial Strength and Liquidity

In assessing the Group's viability, the Board considered its financial strength, liquidity profile and capital structure.

As at 31 December 2025, the Group held cash and cash equivalents of €166.3 million. Total borrowings amounted to €44.3 million, resulting in a strong net cash position of approximately €122 million. The majority of borrowings are short-term in nature and relate primarily to working capital facilities, which were partially repaid during the year following strong cash generation.

During 2025, the Group generated €192.5 million of net cash from operating activities, reflecting robust operational performance and improved profitability. After investing activities of €85.1 million, primarily related to sustaining capital, capitalised stripping and development expenditure, the Group remained strongly cash generative. Net cash increased by €113.4 million during the year, further strengthening the balance sheet.



The Board also considered the Group's debt maturity profile and liquidity headroom. Non-current borrowings at year-end amounted to €5.7 million, with no material long-term refinancing concentration within the five-year viability assessment period. The Group retains access to revolving credit facilities which are reviewed annually and has demonstrated continued ability to refinance short-term facilities where required.

In performing the viability assessment, the Directors considered the Group's capacity to generate operating cash flow under both normal and adverse market conditions, to fund sustaining capital expenditure, to

progress development activities within approved parameters and to meet its financial obligations as they fall due. The strong net cash position, positive free cash flow profile and flexibility to phase discretionary development capital provide additional resilience under downside scenarios.

Maintaining liquidity resilience remains central to the Board's evaluation, particularly given the cyclical nature of copper markets and the capital intensity of mining operations. The Board is satisfied that the Group enters the five-year assessment period from a position of financial strength.

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Operational Concentration and Resilience

The Group currently derives substantially all of its operating cash flow from Proyecto Riotinto, and the Board recognises that this concentration results in exposure to commodity price volatility and operational performance risk. In assessing viability, the Directors considered a number of mitigating factors that support the resilience of the business model.

Proyecto Riotinto has demonstrated a proven operating track record since its restart in 2015 and benefits from an expected mine life exceeding 10 years based on current reserves and resources. In addition, ongoing development within the Riotinto District, including San Dionisio and Proyecto Masa Valverde, enhances operational flexibility and provides opportunities to optimise feed sources over time. The Group operates within a disciplined cost management framework and retains flexibility in its capital allocation, with development expenditure capable of being phased in line with market conditions.

The potential future development of Proyecto Touro represents a longer-term diversification opportunity, subject to permitting progress and regulatory outcomes.

Downside Sensitivities and Risk Assessment

In assessing the Group's viability over the five-year period, the Board performed detailed downside sensitivity analyses reflecting the principal operational and market risks inherent to mining.

The following adverse scenarios, including severe but plausible market stress condition, were modelled on a stand-alone basis:

- ❑ A 20-25% decrease in copper prices over a two-year recessionary period, followed by a gradual recovery over the remaining three years of the assessment period.
- ❑ A 15% increase in site operating expenditure over a two-year inflationary period, with costs normalising thereafter.
- ❑ A three-month shutdown of operations at Proyecto Riotinto.
- ❑ A 50% increase in capital expenditure on approved Riotinto development and infrastructure projects over a two-year period.
- ❑ A 15% reduction in copper head grade over two years, with recovery assumed in the remaining period.

Each scenario was assessed against the Group's long-term financial model

to evaluate the impact on liquidity, free cash flow generation, net cash position and the ability to meet financial obligations as they fall due.

In addition to the stand-alone sensitivities, the Board considered severe but plausible combined downside scenarios incorporating simultaneous reductions in copper prices, cost inflation and operational disruption. The interaction of multiple adverse events was specifically assessed to determine the extent to which financial pressure could be amplified.

Under these stress scenarios, the Group retains sufficient financial flexibility to respond through management actions, including deferral of discretionary capital expenditure, optimisation of stripping schedules, cost control initiatives and working capital management. The analysis indicates that, even under combined downside conditions, the Group is expected to maintain adequate liquidity throughout the five-year review period.

Environmental and Infrastructure Integrity

The stability and safety of tailings storage facilities are critically important in the mining sector. Atalaya's facilities are designed using centreline construction methods, subject to

continuous monitoring and regular independent technical review.

In light of the robust design standards and oversight in place, a catastrophic tailings failure was not included within the quantitative stress testing. Nevertheless, environmental stewardship and infrastructure integrity remain areas of active Board oversight.

Directors' Assessment

The downside sensitivity analyses indicate that the Group would retain sufficient liquidity and financial flexibility to manage the adverse scenarios considered over the five-year review period.

Based on this assessment, and taking into account the Group's financial position, operational resilience and available mitigating actions, the Board confirms that it has a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period to 31 December 2030.

While acknowledging that extreme and unforeseeable external events could materially affect this outlook, the Board believes that the stress scenarios applied are appropriately severe and plausible, and that the Group remains financially and operationally resilient.



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Proyecto Riotinto

The following table presents a summarised statement of operations of Proyecto Riotinto for the three- and 12-month periods ended 31 December 2025 and 2024.

Units expressed in accordance with the international system of units (SI)

	Unit	Q4 2025	Q4 2024	FY2025	FY2024
Ore mined	tonnes	3,870,606	3,507,203	14,820,168	15,176,009
Waste mined (1)	tonnes	9,237,191	10,200,079	43,000,248	32,824,156
Ore processed	tonnes	4,140,621	3,757,040	16,630,699	15,913,064
Copper grade	%	0.33	0.41	0.39	0.35
Copper concentrate grade	%	17.39	17.37	17.15	18.33
Copper recovery	%	83.87	78.15	78.84	83.06
Copper concentrate produced	tonnes	66,402	69,550	296,108	252,165
Copper production	tonnes	11,550	12,078	51,139	46,227
Payable copper production	tonnes	10,886	11,382	48,158	43,706
Cash Cost	\$/lb payable	2.62	2.79	2.40	2.92
All-in Sustaining Cost	\$/lb payable	3.07	3.28	2.90	3.26

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.



\$/lb Cu payable	Q4 2025	Q4 2024	FY2025	FY2024
Mining	1.31	1.05	1.01	1.07
Processing	0.90	0.88	0.85	0.90
Other site operating costs	0.80	0.66	0.67	0.64
Total site operating costs	3.01	2.58	2.53	2.61
By-product credits	(0.49)	(0.34)	(0.38)	(0.27)
Freight, treatment charges and other offsite costs	0.10	0.55	0.25	0.58
Net offsite costs	(0.39)	0.21	(0.14)	0.30
Cash Cost	2.62	2.79	2.40	2.92

Cash Cost	2.62	2.79	2.40	2.92
Corporate costs	0.20	0.11	0.12	0.10
Sustaining capital (excluding tailings expansion)	0.07	0.03	0.04	0.05
Capitalised stripping costs (1)	0.05	0.27	0.23	0.11
Other costs	0.13	0.09	0.11	0.09
AISC	3.07	3.28	2.90	3.26

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.



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Mining and Processing



Mining

Ore mined was 3.9 million tonnes in Q4 2025 (Q4 2024: 3.5 million tonnes) and **14.8 million tonnes in FY2025** (FY2024: 15.2 million tonnes).

Waste mined at Cerro Colorado was 9.2 million tonnes in Q4 2025 (Q4 2024: 10.2 million tonnes) and **43.0 million tonnes in FY2025** (FY2024: 32.8 million tonnes). In addition, waste stripping activities continued at the San Dionisio area.



Processing

The plant processed ore of 4.1 million tonnes in Q4 2025 (Q4 2024: 3.8 million tonnes) and **16.6 million tonnes in FY2025** (FY2024: 15.9 million tonnes), which represents a new annual throughput record.

Copper grade was 0.33% in Q4 2025 (Q4 2024: 0.41%) and **0.39% in FY2025** (FY2024: 0.35%).

Copper recovery was 83.87% in Q4 2025 (Q4 2024: 78.15%) and **78.84% in FY2025** (FY2024: 83.06%).



Production

Copper production was 11,550 tonnes in Q4 2025 (Q4 2024: 12,078 tonnes) and **51,139 tonnes in FY2025** (FY2024: 46,227 tonnes), which achieved the higher end of the Company's FY2025 guidance range of 49,000 to 52,000 tonnes. In addition, silver contained in copper concentrate was 1.2 million ounces in **FY2025** (FY2024: 1.1 million ounces).

On-site copper concentrate inventories were **4,050 tonnes** at 31 December 2025 (30 September 2025: 8,092 tonnes).

Copper contained in concentrates sold was 11,823 tonnes in Q4 2025 (Q4 2024: 10,271 tonnes) and **53,487 tonnes in FY2025** (FY2024: 43,609 tonnes). **Copper sales exceeded production** during **FY2025** primarily due to the drawdown of on-site concentrate inventories during the year.





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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 as no longer achievable, the Company will provide a further update.

Proyecto Riotinto operational guidance for 2026 is as follows:

	Unit	Guidance 2026
Ore mined	million tonnes	15.5 – 16.0
Waste mined ¹	million tonnes	38 – 44
Ore processed	million tonnes	15.5 – 16.0
Copper grade	%	0.38 – 0.41
Copper recovery	%	79 – 83
Copper production	tonnes	50,000 – 54,000
Cash Costs	\$/lb payable	\$2.60 – 2.90
All-in Sustaining Cost	\$/lb payable	\$3.10 – 3.40

¹ Represents the Cerro Colorado pit only. Waste guidance is 57 – 67 million tonnes when including the San Dionisio pit.



Production

In late January and early February 2026, rainfall at Riotinto was unusually high and resulted in difficult mining conditions as well as reduced access to certain areas in the Cerro Colorado pit. As a result, the copper grade processed in Q1 2026 to date has been below planned levels.

Copper production guidance for FY2026 continues to be 50,000 to 54,000 tonnes, with H2 2026 production to be approximately 10% higher than H1 2026 production. In addition, silver contained in copper concentrate is expected to be 0.9 to 1.1 million ounces in FY2026.

Operating Costs

During FY2025, the prices of key consumables and other costs were stable. However, ongoing conflicts including the recent events in Iran could disrupt supply chains and increase energy prices, which in turn can impact the costs of certain consumables. With respect to electricity prices, Spain benefits from a diversified energy mix including significant contributions from solar, wind, hydro and nuclear, while Atalaya's long-term PPA and solar plant are expected to reduce the impact of price volatility.

Cash Costs and AISC guidance for FY2026 are as follows:

- Cash Costs range of \$2.60 – 2.90/lb copper payable.
- AISC range of \$3.10 – 3.40/lb copper payable
 - Includes capitalised stripping costs of ~\$0.20/lb 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.



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Non-Sustaining Capital Investments

Atalaya is focused on advancing its copper growth projects in Spain in order to capitalise on strong copper market fundamentals. Development of Atalaya's project pipeline offers the potential to increase production, diversify the Company's sources of

mined material, extend mine life and reduce unit costs.

The Company plans to make the following non-sustaining capital investments in FY2026:

Item	€ million
San Dionisio waste stripping and road relocation	€50 – 60
Proyecto Masa Valverde access ramp ¹	€10 – 18
Expansion of existing Riotinto tailings facility	€10 – 14
Other investments	€5 – 10
Total non-sustaining capital investments	€75 – 102

¹ Remains subject to final Board approval.

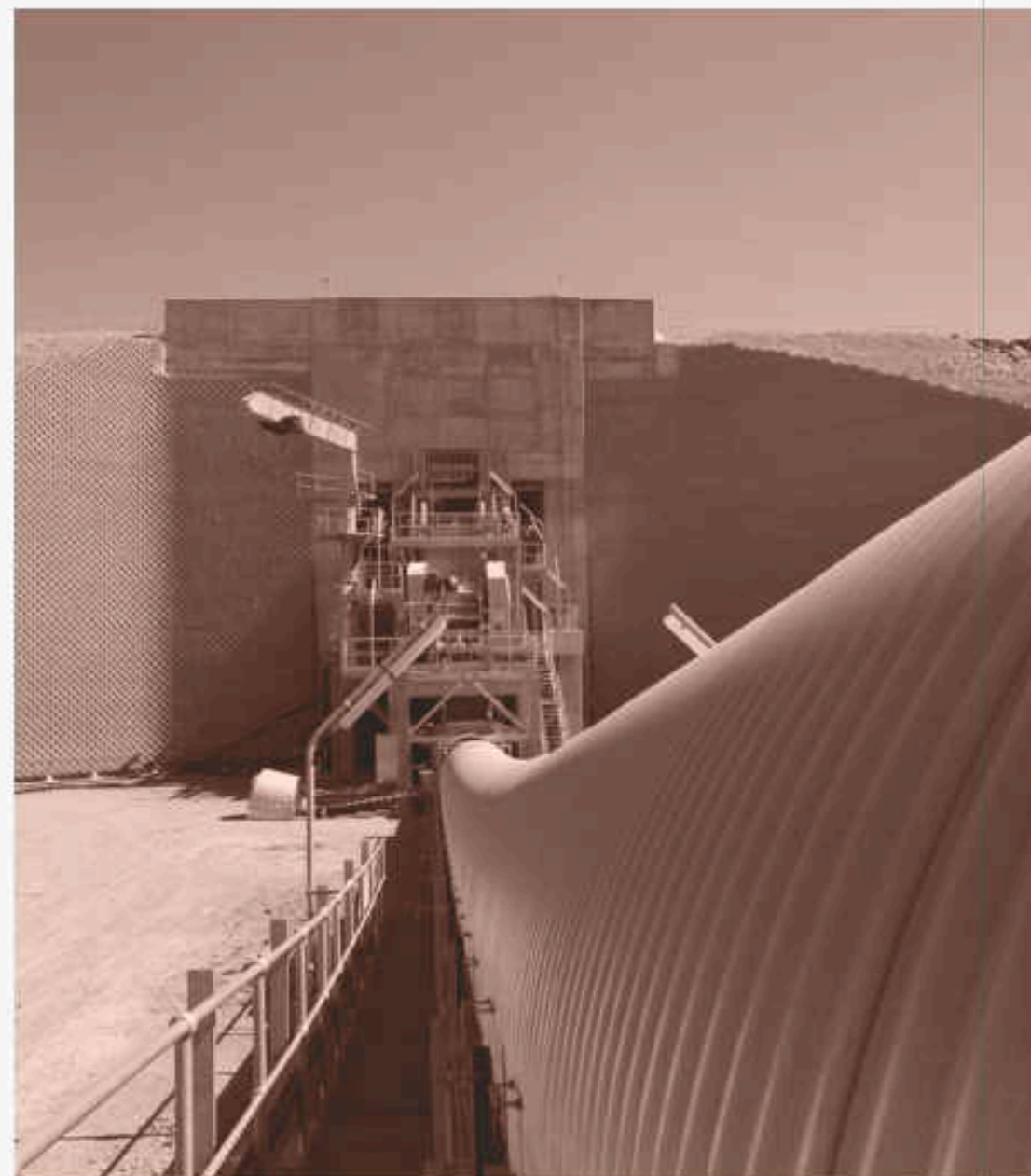
Additional investments, including related to Proyecto Touro and the Riotinto polymetallic circuit, could be approved once key permitting steps and engineering works are completed, as described below.

Exploration and Other Project Expenses

Atalaya continues to invest in exploration across its key projects and land packages in Spain, as well as its earn-in agreements in Sweden.

In FY2026, exploration and other project expenses is expected to be

€5 – 7 million. The primary focus will be to upgrade and expand resources at San Antonio, Proyecto Masa Valverde and Proyecto Touro, and test targets at Proyecto Ossa Morena, Proyecto Riotinto East and in Sweden.





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Income Statement

The following table presents a summarised consolidated income statement for the three- and 12-month periods ended 31 December 2025 and 31 December 2024.

(Euro 000's)	Three months ended 31 Dec 2025	Three months ended 31 Dec 2024	Twelve months ended 31 Dec 2025	Twelve months ended 31 Dec 2024
Revenues from operations	121,412	77,852	482,915	326,797
Cost of sales	(72,524)	(59,598)	(287,998)	(242,163)
Corporate expenses	(3,778)	(1,833)	(10,472)	(7,927)
Exploration expenses	(3,454)	(4,637)	(8,426)	(7,950)
Care and maintenance expenditure	(245)	1,269	(291)	(2,784)
Other income	3,036	(373)	4,028	383
EBITDA	41,447	12,680	179,756	66,356
Depreciation/amortisation	(7,740)	(10,625)	(47,520)	(43,565)
Net impairment reversal on Assets (I)	(21,418)	5,744	(21,418)	5,744
Net foreign exchange gain/(loss)	(384)	2,532	(6,263)	3,090
Net finance income/(cost)	669	553	(2,292)	(102)
Tax	1,877	4,038	(16,900)	1,037
Profit for the year	14,451	14,922	85,363	32,560

1. Includes impairment recognised in 2025 relating to the E-LIX project and the reversal of a prior impairment in 2024 relating to Proyecto Toura. Refer to Notes 13 and 14, respectively.



Three months financial review

Revenues for Q4 2025 amounted to €121.4 million, up from €77.9 million in Q4 2024. The increase was primarily due to higher concentrate sales volumes, higher realised copper price and lower TC/RC prices. Realised copper prices, excluding QPs, were US\$5.10/lb in Q4 2025, compared with US\$4.10/lb in Q4 2024. Including QPs, the realised price was approximately US\$4.85/lb.

Copper contained in concentrates sold was 11,823 tonnes in Q4 2025 and 10,271 tonnes in Q4 2024.

Cost of sales for Q4 2025 totalled €72.5 million, compared to €59.6 million in Q4 2024. The increase was mainly due to a lower volume of concentrate stock at the end of

the period and utilities costs. Cash costs stood at US\$2.62/lb payable copper, down from US\$2.79/lb in the prior-year quarter, benefitting from silver credits and lower offsite costs despite lower copper payable. All-in Sustaining Costs (AISC) for Q4 2025, excluding investments in the tailings dam, were US\$3.07/lb payable copper, compared with US\$3.28/lb in Q4 2024. The decrease was mainly due to lower capitalised stripping costs.

Sustaining capex for Q4 2025 amounted to €1.8 million, compared with €0.4 million in Q4 2024, primarily related to plant processing system improvements. Investment in the tailings dam project during Q4 2025 was €4.3 million (€4.0 million in Q4 2024). Investments in the San Dionisio area was €12.2 million. Capitalised stripping costs for Cerro Colorado for



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Q4 2025 were €1.1 million, lower than previous year (€6.2 million). The 50 MW solar plant construction capex totalled €1.9 million in Q4 2025.

Corporate expenses for Q4 2025 totalled €3.8 million, compared with €1.8 million in Q4 2024. 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 2025 were €3.4 million, compared to €4.6 million in Q4 2024.

EBITDA for Q4 2025 amounted to €41.4 million, up from €12.7 million in Q4 2024. Depreciation and amortisation is below €2.9 million from €7.7 million due to the increase in Ore Reserves that were incorporated during the period. Net foreign exchange loss in Q4 2025 were €0.4 million, compared with a gain of €2.5 million in Q4 2024. Net financing income in Q4 2025 were a positive €0.7 million, compared with a positive of €0.6 million in the prior-year quarter.

Twelve months financial review

Revenues for FY2025 totalled €482.9 million, compared with €326.8 million in FY2024. The increase was mainly

due to higher concentrate sales volumes with higher realised price, partially offset by lower concentrate grades.

Copper concentrate production for FY2025 was 298,108 tonnes, up from 252,165 tonnes in FY2024, while sales totalled 316,282 tonnes, up from 237,072 tonnes in the previous year. Inventories of concentrates at year-end stood at 4,050 tonnes, compared with 21,815 tonnes at 31 December 2024. Copper contained in concentrates sold was 53,487 tonnes in FY2025 and 43,609 tonnes in FY2024.

Realised copper prices, excluding QPs, averaged US\$4.49/lb in FY2025, compared with US\$4.19/lb in FY2024. The Company did not enter into any hedging agreements during 2025.

Cost of sales for FY2025 amounted to €288.0 million, up from €242.2 million in 2024. The increase in costs was mainly due to a negative impact from a lower year-end copper concentrate inventories and higher electricity costs. Cash costs for FY2025 were US\$2.40/lb payable copper, down from US\$2.92/lb in 2024, mainly due to higher copper production, higher silver by-product credits and a reduction in offsite costs levels. AISC, excluding investment in the tailings dam, stood at US\$2.90/lb payable copper in FY2025, compared

to US\$3.26/lb in FY2024, with the decrease driven by lower on cash costs and partially offset with higher stripping costs capitalised.

Sustaining capex for the 12-month period ended 31 December 2025 totalled €4.1 million, compared with €4.0 million in FY2024, mainly for plant processing system upgrades. Investment in the tailings dam expansion was €15.8 million, compared with €14.8 million in 2024. The 50 MW solar plant construction capex amounted to €2.6 million in FY2025, San Dionisio area was €25.3 million, capitalised stripping costs for Cerro Colorado was €22.1 million while investments in the E-LIX Phase I plant totalled €0.2 million (€2.1 million in 2024).

Corporate expenses for FY2025 amounted to €10.5 million, up from €7.9 million in FY2024 as the last year was reflecting lower overhead costs. Exploration expenses for the year totalled €8.4 million, compared with €7.9 million in 2024, main exploration work carried out at Sweden Projects and Proyecto Masa Valverde and Riotinto.

EBITDA for FY2025 was €179.8 million, up from €66.4 million in FY2024. Depreciation and amortisation for the year amounted to €47.5 million,

compared with €43.6 million in 2024. Net impairment on assets for FY2025 amounted to €21.4 million, compared with a net impairment reversal of €5.7 million in FY2024 related to Proyecto Touro. The net foreign exchange loss for FY2025 was €6.3 million, compared with a gain of €3.1 million in FY2024.

Net finance costs for FY2025 amounted to negative €2.3 million, compared with €0.1 million in FY2024.

Net impairment on assets for FY2025 amounted to €21.4 million, compared with a net impairment reversal of €5.7 million in FY2024 related to Proyecto Touro. The 2025 impairment primarily relates to the E-LIX project. In addition, finance costs for the year include an impairment loss of €2.7 million recognised on loans granted in connection with the E-LIX project, reflecting management's reassessment of the recoverability of these balances.

Profit after tax for FY2025 was €85.4 million, up from €32.6 million in FY2024. Tax expenses amounted to €16.9 million, compared to €1.0 million in 2024. Earnings per share for FY2025 was 60.8 cents, compared with 22.6 cents in FY2024. Diluted EPS was 58.3 cents, up from 21.8 cents in the prior year.



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Assets

As of 31 December 2025, **total assets** amounted to €791.6 million, up from €675.9 million on 31 December 2024, representing an increase of €115.8 million. This increase is mainly driven by the growth in property, plant and equipment, intangible assets, and cash and cash equivalents, partially offset by the reduction in inventories and trade receivables. The increase in cash and cash equivalents is primarily due to an increase of concentrate sold and higher copper price.

Non-current assets as of 31 December 2025 amounted to €550.4 million compared to €531.3 million in 2024. This includes property, plant, and equipment of €447.7 million in 2025, increasing from €409.0 million in 2024, intangible assets of €74.9 million in 2025 compared to €70.2 million in 2024, non-current trade and other receivables amounting to €1.1 million in 2025, down from €33.3 million in 2024, non-current financial assets remaining stable at €1.1 million, and deferred tax assets of €15.8 million, increasing from €15.1 million in 2024.

Current assets as of 31 December 2025 amounted to €241.2 million, increasing from €144.5 million in 2024. Within

this category, inventories decreased significantly to €30.9 million from €49.2 million in 2024, while trade and other receivables increased to €41.1 million compared to €36.9 million in 2024. Tax refundable increased to €2.9 million from €0.3 million in 2024. Cash and cash equivalents significantly increased to €166.3 million, up from €52.9 million in 2024, mainly due to higher production and concentrate sold. The most notable change in current assets was the substantial increase in cash and cash equivalents, offset partially by the decrease in inventories, reflecting a lower level of concentrates in stockpile.

Liabilities

Non-current liabilities amounted to €52.4 million, decreasing from €57.5 million in 2024. The most significant component of non-current liabilities are provisions, which stood at €28.8 million in 2025, down from €29.3 million in 2024. In addition to the provision, non-current liabilities included borrowings of €5.7 million, a decrease from €10.9 million in 2024, lease liabilities of €3.8 million, up from €3.3 million in 2024, and trade and other payables remaining stable at €14.1 million, from €14.0 million in 2024.

(Euro 000's)	31 Dec 2025	31 Dec 2024
ASSETS		
Non-current assets	550,436	531,306
Other current assets	72,066	91,400
Tax refundable	2,834	266
Cash and cash equivalents	166,306	52,878
Total Assets	791,642	675,850
Shareholders' Equity	591,810	518,537
LIABILITIES		
Non-current liabilities	52,448	57,497
Current liabilities	147,384	99,816
Total Liabilities	199,832	157,313
Total Equity and Liabilities	791,642	675,850

Current liabilities as of 31 December 2025 stood at €147.3 million, compared to €99.8 million in 2024. This includes borrowings of €38.6 million, a significant increase from €6.9 million in 2024, trade and other payables of €106.1 million, up from €90.1 million in 2024, current tax liabilities of €0.1 million, decreasing from €1.4 million in 2024, current provisions of €1.8 million, down from €0.9 million in 2024, and lease liabilities of €0.6 million, which remained stable from €0.5 million in 2024.

Total liabilities increased to €199.8 million from €157.3 million in 2024, mainly due to the increase in short-term borrowings.

Total equity as of 31 December 2025 amounted to €591.8 million, up from

€518.5 million in 2024, reflecting an increase of €73.2 million. Share capital and share premium stood unchanged from 2024 at €12.7 million and €321.9 million. Accumulated profit stood at €166.1 million, up from €93.1 million in 2024. Non-controlling interests amounted to €1.9 million, compared to €2.2 million in 2024.

Overall, **total equity and liabilities** as of 31 December 2025 stood at €791.6 million, marking an increase from €675.9 million in the previous year.

Results

The Group's and Company's consolidated results are set out on the Consolidated Statements of Comprehensive Income.



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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 2025 and 2024, and cash flows for the 12 months ended 31 December 2025 and 2024.



Liquidity Information

(Euro 000's)	31 Dec 2025	31 Dec 2024
Unrestricted cash and cash equivalents at Group level	146,505	43,184
Unrestricted cash and cash equivalents at Operation level	19,801	9,694
Consolidated cash and cash equivalents	166,306	52,878
Net cash position	121,960	35,091
Working capital surplus	93,822	44,728

Unrestricted cash and cash equivalents

as at 31 December 2025 increased to €166.3 million from €52.9 million at 31 December 2024. The increase in cash balances is primarily due to cash inflows during 2025, mainly related to higher sales with higher realised price. Cash balances are unrestricted and include balances at both the operational and corporate levels. The net increase in cash and cash equivalents for the year was €113.4 million, compared to a decrease of €68.1 million in 2024. This increase was driven by higher concentrate sold with better realised copper price and the use of credit facilities short-term.

As of 31 December 2025, Atalaya reported a working **capital surplus** of €93.8 million, compared with a working capital surplus of €44.7 million at 31 December 2024. The increase in working capital surplus in 2025 was mainly driven by changes

in current liabilities and cash balances. Cash increased significantly compared to the previous year, reflecting higher production and lower inventories in spite of higher investments in property, plant and equipment, and intangible assets as well as the repayment of borrowings and payment of dividends. At 31 December 2025, trade and other payables increased to €106.1 million, up from €90.1 million in 2024, while inventories also reduced to €30.9 million from €49.2 million in the prior year. Trade and other receivables increased to €41.1 million in 2025, compared to €36.9 million in 2024.

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.



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Overview of the Group's Cash Flows

(Euro 000's)	Three months ended 31 Dec 2025	Three months ended 31 Dec 2024	Twelve months ended 31 Dec 2025	Twelve months ended 31 Dec 2024
Cash flows from operating activities	72,477	11,101	192,483	53,403
Cash flows used in investing activities	(23,305)	(16,578)	(85,070)	(66,073)
Cash flows from financing activities	11,418	(19,168)	13,444	(57,261)
Net (decreased)/increase in cash and cash equivalents	58,590	(24,645)	120,857	(69,931)
Net foreign exchange differences	(6,094)	1,244	(7,429)	1,802
Total net cash flow for the period	52,496	(23,401)	113,428	(68,129)

In the 12-month period ending 31 December 2025, cash and cash equivalents experienced an increase of €13.4 million. This increase resulted from cash generated by operating activities amounting to €192.5 million, offset by cash used in investing activities totalling €85.1 million and financing inflows amounting to €13.4 million, partially mitigated by a €7.4 million net negative foreign exchange impact.

Cash generated from operating activities before changes in working capital reached €188.0 million, compared with an EBITDA of €179.8 million. Atalaya increased its inventories by €17.3 million, while trade and other receivables decreased by €1.5 million, and trade and other payables increased by €11.9 million.

The Company incurred corporate tax payments totalling €21.0 million during this period.

Investing activities for the year 2025 amounted to €85.1 million, primarily directed towards capital expenditures related to ongoing projects, including plant improvements and infrastructure developments.

Financing activities in 2025 totalled positive €13.4 million, mainly driven by the repayment of borrowings amounting to €11.4 million, dividend payments of €10.1 million, share options expense of €2.5 million and lease payments of €0.6 million, partially offset by proceeds from the issuance of share capital totalling €nil and new borrowings of €37.9 million.

Dividends

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.

Dividends related to fiscal year 2024

In August 2024, the Company's Board of Directors declared a 2024 interim dividend of US\$0.04 (or €0.0362) per ordinary share, which was paid on 19 September 2024. In March 2025, the Board of Directors proposed a 2024 final dividend of US\$0.03 (or €0.0275) per ordinary share. The 2024 final dividend was approved by the Company's shareholders at its 2025 Annual General Meeting and paid on 24 June 2025 (Note 12).

Dividends related to fiscal year 2025

In August 2025, the Company's Board of Directors declared a 2025 interim dividend of €0.044 per ordinary share, which was paid on 10 October 2025.

A 2025 final dividend of €0.065 per share has been proposed for approval by shareholders at the 2026 Annual General Meeting. This would result in a total dividend in respect of 2025 of €0.109 per share.

Our share price

Atalaya's share price increased materially during 2025, beginning the year at €3.59 and ending the year at €8.55, representing an increase of 138%.

The Group's main stock market indicators in 2025 and 2024 were as follows:

Main stock market indicators	2025	2024
Shareholder remuneration (€/share)	0.1090 ¹	0.0637
Share price at end of period (€/share)	8.55	3.59
Period average share price (€/share)	4.97	3.78
Period high share price (€/share)	8.60	4.86
Period low share price (€/share)	3.02	3.09
Number of shares outstanding at the end of the period	140,759,043	140,759,043
Market capitalisation at the end of period (£ million)	1,203	505
Dividend yield (%)	1.1 ¹	1.5

¹ Assumes the 2025 final dividend proposed by the Board of Directors is approved by shareholders at the 2026 AGM.



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Creditors' Payment Terms

Atalaya recognises its responsibilities to its supply chain partners and accepts the requirement to settle supplier payments on time.

Accordingly, the Company undertakes to:

- ❑ Pay suppliers on time by paying 95% of invoices within the agreed payment terms and without attempting to change terms retrospectively. We also aim to pay 95% of all invoices within 60 days, and 95% of invoices from businesses with fewer than 50 employees within 30 days.
- ❑ Give clear guidance to suppliers by making readily available clear guidance on payment procedures and invoicing.
- ❑ At on-boarding stage and on an ongoing basis, notify suppliers if there is any reason why an invoice may not be paid to the agreed terms of their contract.
- ❑ Inform suppliers of how they can raise complaints and disputes, and provide suppliers with a point of contact for payment queries.

- ❑ Adopt and encourage good practice by confirming that lead suppliers have adopted the good practice throughout their own supply chains.
- ❑ Avoid any practices that adversely affect the supply chain.

The Company's standard payment terms are 60 days for large enterprises and 30 days for small enterprises.

Treasury shares

As at 31 December 2025 and at the date of this report, the Company held nil (2024: nil) ordinary shares as treasury shares.

Foreign Exchange

In FY2025, Atalaya recognised a foreign exchange loss of €6.3 million (FY2024 gain: €3.1 million). The foreign exchange loss 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:



	Three months ended 31 Dec 2025	Three months ended 31 Dec 2024	Twelve months ended 31 Dec 2025	Twelve months ended 31 Dec 2024
Average rates for the periods				
GBP – EUR	0.87531	0.8324	0.8568	0.8587
USD – EUR	1.1634	1.0681	1.130	1.091
Spot rates as at				
GBP – EUR	0.8726	0.8292	0.8726	0.8292
USD – EUR	1.175	1.039	1.175	1.039

During 2025 and 2024, Atalaya did not have any currency hedging agreements.



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Basis of Reporting

The Board of Directors of Atalaya Mining Copper, S.A. (the "Company" or "Atalaya") presents its Group's Management Report with the audited consolidated financial statements (hereinafter "financial statements") of the Company and its subsidiaries (the "Group") for the year ended 31 December 2025. These documents can be found on the Atalaya website at www.atalayamining.com.

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

The consolidated financial statements of the Company has been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU), in compliance with the requirements of Spanish corporate law, including the provisions of the Commercial Code and the Capital Companies Act (*Ley de Sociedades de Capital*).

For the financial year ending 31 December 2025, IFRS as adopted by the EU is fully aligned with the IFRS as issued by the International Accounting Standards Board (IASB). The financial statements are presented in Euros (EUR), unless otherwise specified.



Introduction

This report provides an overview and analysis of the financial results of operations of Atalaya Mining Copper, S.A. (the "Company") and its subsidiaries (the "Group"). It is intended to enable readers to assess material changes in the Group's financial position between 31 December 2024 and 31 December 2025, as well as to evaluate the results of operations for the 12-month periods ended 31 December 2024 and 31 December 2025.

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

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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.

Alternative Performance Measures

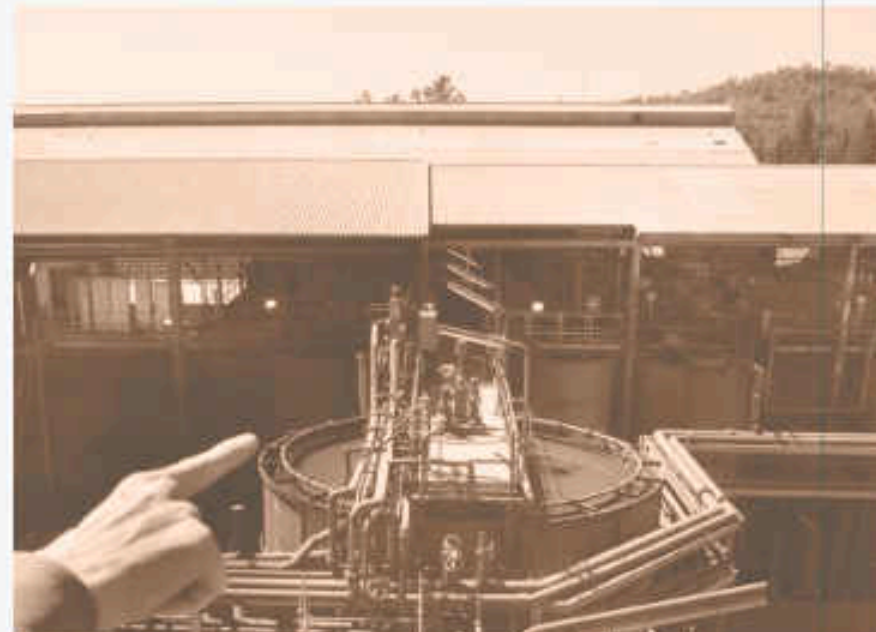
Atalaya has included certain non-IFRS measures including "EBITDA", "Cash Costs per pound of payable copper" "All-in Sustaining Cost" (AISC) and "realised prices" in this report. Non-IFRS measures do not have any standardised meaning prescribed under IFRS, and therefore they may not be comparable to similar 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 Costs per pound of payable copper is consistent with the widely accepted industry standard established by Wood Mackenzie and is also known as the cash costs.

AISC per pound of payable copper includes the Cash Costs 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.



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 affected 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 financial statements for the year ended 31 December 2025 (Note 3.3).



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Statement of Going Concern

These audited consolidated financial statements have been prepared based on accounting principles applicable to a going concern which assumes that the Group can reasonably be expected to realise its assets and discharge its liabilities in the normal course of business.

Management has carried out an assessment of the going concern assumption and has concluded that the Group will generate sufficient cash and cash equivalents to continue operating for the next 12 months.

The Directors, after reviewing different scenarios with current commodities prices, the current cash resources, forecasts and budgets, timing of cash flows, borrowing facilities, sensitivity analyses and considering the associated uncertainties to the Group's operations for a period of at least 12 months since the approval of these audited consolidated financial statements, have a reasonable expectation that the Company has adequate resources to continue operating for the foreseeable future. Accordingly, the consolidated financial statements continue to be prepared on a going concern basis (see Note 2.1(b)).

The Directors have assessed the going concern status of the Group, considering the period to 31 December 2025.

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

The Group's business activities, together with those factors likely to affect its future performance, are set out in the Strategic Report, and in particular within the Operating Review. Details of the cash flows of the Group during the period, along with its financial position at the period end, are set out in the Financial Review. The consolidated financial statements include details of the Group's cash and cash equivalents Note 21, and details of borrowings are set out in Note 28. When assessing the going concern status of the Group, the Directors have considered in particular its financial position, including its significant balance of cash and cash equivalents and the terms and remaining durations of the borrowing facilities in place. The Group had a strong financial position as at 31 December 2025, with combined cash and cash equivalents

of €166.3 million. Total borrowings were €44.3 million, resulting in a net cash position of €122.0 million. Of the total borrowings, €38.6 million are repayable within one year, and €5.7 million are repayable between one to five years.

When assessing the going concern status of the Group, the Directors have considered various factors, impacting 2026 including: Copper price and foreign exchange forecasts, given their direct impact on revenue and profitability; expected production levels and the operating cost profile, ensuring that cost structures remain competitive; capital expenditure plans and ongoing development projects, particularly those critical to sustaining operations.

These forecasts are based on the Group's budgets and life of mine models, which are also used to determine key accounting estimates, including depreciation, deferred stripping, and closure provisions. The assessment focuses on the Group's existing asset base without factoring in potential new projects, ensuring a conservative approach when evaluating resilience in a potentially depressed economic environment.

The analysis includes only the draw-down of existing committed borrowing facilities and assumes no new debt financing arrangements. The Directors have assessed key risks that could impact the Group's financial stability, with the most significant risks being:

Copper Price Volatility. Copper market fluctuations can materially impact earnings and cash flow generation.

Geopolitical and Supply Chain Risks. Ongoing global trade tensions, logistical bottlenecks, and freight cost volatility pose risks to material availability and operational continuity. In response, the Group has diversified procurement strategies and enhanced supply chain monitoring.

Energy Market and Cost Stability. Although Atalaya has mitigated some exposure to electricity price volatility through the commissioning of a 50 MW Solar Plant at Proyecto Riotinto, external factors such as grid reliability, regulatory changes, and energy tariffs could still impact costs, and a 10-year PPA, securing predictable electricity costs and reducing exposure to market price volatility.



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Regulatory and Environmental Compliance. Evolving EU and Spanish environmental regulations, including sustainability reporting requirements and carbon pricing mechanisms, may lead to increased compliance and operational costs.

Foreign Exchange Risk (USD: EUR). As copper sales are denominated in USD, while a significant portion of operating costs is in EUR, fluctuations in the USD: EUR exchange rate could impact financial performance.

Copper Head Grade Sensitivity. Variability in ore quality could lead to fluctuations in copper head grade, affecting production efficiency, revenues, and operating margins. The Group has conducted sensitivity analyses to assess its resilience to potential declines in head grade and has implemented strategies to optimise resource extraction and processing.

Based on their assessment of the Group's prospects and viability, the Directors have formed a judgement, at the time of approving the financial statements, that there are no material uncertainties that the Directors are aware of that could reasonably be expected to cast doubt on the Group's going concern status and that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the period to 31 December 2025. The Directors therefore consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

The Directors considered the Group's current strong financial position, its forecast future performance, the key risks which could impact the future results and reviewed robust down-side sensitivity analyses which all indicated results that could be managed in the normal course of business.

Corporate Developments

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.

Indexation

Atalaya became a constituent of the FTSE 250 Index with effect from 7 May 2025. This milestone is expected to enhance the Company's visibility to institutional investors.





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Sustainability Approach

Atalaya remains committed to responsible mining and sustainable development, integrating ESG into its strategy and day-to-day operations.

The Company recognises that long-term value creation depends not only on operational performance but also on responsible resource management, strong relationships with local communities and robust governance practices.

In 2025, Atalaya continued to strengthen its sustainability framework while progressing in key areas such as water efficiency, safety culture, environmental management and community engagement. The Company also continued preparing its reporting processes for future regulatory developments, including alignment with European sustainability reporting requirements.

Environmental Stewardship

Environmental protection and responsible resource management remain central to Atalaya's sustainability strategy. The Company focuses on improving water efficiency, reducing emissions, promoting circular use of resources and restoring areas impacted by historical mining activity.



Key environmental highlights in 2025 include:

Proyecto Riotinto operated a closed water cycle with zero water discharge and continued to increase the use of recycled water in the ore treatment process.

Surface water withdrawal represented 4.06 million m³ in 2025, reflecting the Company's continued efforts to reduce dependence on external water sources through increased use of recycled water and treated mine water.

Water efficiency initiatives continued to improve operational water management, with recycled water accounting for the majority of the water used in processing operations.

Environmental restoration activities continued at brownfield mining sites inherited from previous mining operations, contributing to the recovery of ecosystems affected by historical mining activity.

Biodiversity and environmental monitoring programmes remained in place to ensure responsible land and habitat management across the Company's operational areas.

Looking ahead, Atalaya will continue to prioritise improvements in water stewardship, energy efficiency and emissions management, while maintaining high environmental standards across its operations.





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Social Responsibility

Atalaya aims to generate a positive social impact by promoting a safe and inclusive workplace and contributing to the development of the communities where it operates.

In 2025, the Company continued to prioritise occupational health and safety, workforce development and community engagement.



Key social highlights in 2025 include:

Continued implementation of initiatives aimed at strengthening the Company's safety culture, including the "Zero Harm" programme and enhanced worker participation in risk awareness initiatives.

The LTIFR for employees and contractors combined was 4.80 in 2025.

Approximately 68% of the workforce at Proyecto Riotinto comes from the local area, reflecting Atalaya's commitment to local employment and regional economic development.

The Company invested €0.8 million in local communities through initiatives supporting education, social programmes and regional development.

Atalaya will continue strengthening its safety performance, supporting workforce diversity and maintaining strong relationships with local communities through targeted social investment programmes.

Governance and Compliance

Strong governance structures underpin Atalaya's sustainability strategy. The Company maintains clear oversight mechanisms to ensure responsible management of ESG risks and transparency in its reporting practices.

During 2025, Atalaya continued progressing towards enhanced sustainability reporting and governance frameworks, including ongoing work to align with evolving European sustainability reporting requirements.

The Company also continued implementing international best practices across its operations, including work towards alignment with the Global Industry Standard on Tailings Management.

Governance priorities remain focused on strengthening internal ESG risk management, maintaining transparency in reporting and ensuring that sustainability considerations are embedded in strategic decision-making.

Innovation and Technology

Innovation and technology play an important role in improving operational efficiency, safety and environmental performance.

In 2025, Atalaya continued advancing research and development initiatives aimed at improving processing efficiency and reducing environmental impact. These

included studies on the processing of complex polymetallic ores and ongoing improvements in operational technologies.

The Company also continued strengthening its digital infrastructure and cybersecurity systems while progressing with the migration of its ERP systems to cloud-based platforms.

Outlook

Atalaya remains focused on further strengthening its sustainability performance while supporting responsible mining and long-term value creation.

Looking ahead, the Company will continue working on improving environmental performance, reinforcing safety culture,

enhancing community engagement and integrating sustainability considerations into strategic decision-making.

Through these initiatives, Atalaya aims to contribute to sustainable regional development while maintaining responsible and efficient mining operations.

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Task Force on Climate-related Financial Disclosures (TCFD) Reporting

Atalaya is committed to transparent and comprehensive reporting on climate-related risks and opportunities. UK Listing Rule LR 6.6.6(8) requires us to disclose whether our climate-related financial disclosures are consistent with the recommendations of TCFD.

We confirm that our disclosures are aligned with the TCFD recommendations. To provide a comprehensive assessment of climate-related risks and opportunities, we publish our full TCFD disclosures in a dedicated [Climate Change Report](#) available on our website at www.atalayamining.com.

The Climate Change Report provides a detailed description of the Group's climate governance framework, strategy, risk management processes, and climate-related metrics and targets. Presenting this information in a standalone report allows us to provide stakeholders with a more focused and detailed analysis of our approach to climate risk management and transition planning.

The sections of the Climate Change Report where the relevant TCFD disclosures can be found are summarised below:

Disclosure	Description	Climate Change Report section
Governance		
Board oversight	Our Board is ultimately responsible for the proper management of climate change, setting the objectives and supervising the implementation and fulfilment of the actions established in the sustainability strategy, which include climate change indicators and goals, through the Sustainability Committee.	Governance; (Governance Structure)
Management's role	Our sustainability/ESG management is responsible for executing all initiatives related to climate change, especially in terms of climate-related risks and opportunities.	Governance
Strategy		
Climate-related risks and opportunities	The climate-related risk assessment was performed in 2023 using 2022 data as a baseline year. This included scenario analysis to assess the real and potential financial impact of the main risks and opportunities.	Strategy; Climate Risk Management
Impact on Atalaya	Several physical and transition risks with a moderate to high impact on Atalaya's business have influenced strategy and financial planning.	Strategy
Resilience	Different scenarios have been used to assess risks and opportunities, considering global temperature increases of less and more than 2°C. Two different time horizons were used for the analysis: medium-term (2030) and long-term (2050).	Strategy/Climate Risk Management
Risk Management		
Risk identification and assessment	The risk assessment considers nine hazards in identifying physical risks. In identifying transition risks, the TCFD transition categories were considered.	Climate Risk Management
Risk management	Mitigation measures have been established for the climate-related risks identified as material, and these are consistently monitored to control impacts.	Climate Risk Management
Integration of risk management	The management team assesses and manages climate-related risks and opportunities systematically within operations as part of our recurrent risk management process. Climate-related risks have been integrated into overall risk management by the Physical Risk Committee.	Climate Risk Management
Metrics and Targets		
Climate-related metrics	Proyecto Riotinto annually assesses greenhouse gas (GHG) emissions, energy consumption and water consumption, among other relevant environmental KPIs. We will continue to evaluate other relevant metrics as we analyse the results of the climate risk assessment and implement actions stemming from our climate change strategy.	Climate Change Targets and Metrics
Scope 1, Scope 2, and Scope 3	We report Scope 1, 2 and 3 emissions at Proyecto Riotinto, our only mine in operation. The GHG inventory is verified annually by an independent third-party against the GHG Protocol.	Climate Change Targets and Metrics
Climate-related targets	Atalaya has established greenhouse gas emission reduction targets for Proyecto Riotinto relative to the 2022 baseline, which were updated in 2025 as part of the Group's climate strategy.	Climate Change Targets and Metrics



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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 2025, which is published separately and provides detailed disclosures aligned with international reporting standards such as the Global Reporting Initiative (GRI) standards.

Atalaya remains committed to responsible mining, sustainable growth, and transparent communication with stakeholders, ensuring that ESG considerations are integrated into its business strategy to enhance long-term resilience and sustainability.





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Board of Directors

**NEIL GREGSON**
Chair**Board Independence:**
Independent on appointment**Appointed:**
10 February 2021 (Chair since 1 July 2024)**Key skills:** Mining, corporate finance, finance, UK Market, capital markets, international business, leadership, strategic, fund raising, M&A communications, sustainability.**Education and qualifications**

- B.Sc. (Hons) in Mining Engineering from the University of Nottingham.
- Diploma in Business Management from Damelin College, Johannesburg.
- Mine Managers Certificate of Competency, South Africa.

Previous experience: Mr. Gregson has over 30 years of experience investing in mining and oil and gas companies. From 2010 to 2020, he was a Managing Director at J.P. Morgan Asset Management, where he was a member of the equity team and a portfolio manager investing in mining and energy companies globally. Previously, from 1990 to 2009, he was Head of Emerging Markets and Related Sector Funds (including natural resources funds) at Credit Suisse Asset Management. Prior to that, Mr. Gregson held various positions in mining companies, including a role as mining investment analyst with Gold Fields of South Africa.**Current external appointments:**

- Independent Director of TSX-listed Meridian Mining UK Societas.
- Non-executive Director of TSX-listed Uranium Royalty Corp.

Committee membership: NGC (Chair) – RC – PRC**KATE HARCOURT**
Senior Independent Director**Board Independence:**
Independent**Appointed:**
17 May 2022 (SID since 1 July 2024)**Key skills:** Mining, sustainability, health, safety, environment.**Education and qualifications:**

- B.Sc. (Hons) in Environmental Science from the University of Sheffield.
- M.Sc. in Environmental Technology from Imperial College, London.
- Chartered Environmentalist (CEnv).
- Member of the Institution of Environmental Scientists.

Previous experience: Mrs. Harcourt has extensive experience as an independent environmental and social adviser to the mining industry. She has held roles with a range of UK-linked mining companies, including Cornish Lithium and Adriatic Metals, has worked for the International Finance Corporation (IFC), and has participated in many due diligence projects for mining assets as part of a multidisciplinary team. Prior to 2010, she was Director of Health, Safety, Environment, Communities and Security at Mag Industries, Senior Environmental Scientist at Golder Associates (UK) Ltd, Senior Environmental Scientist at Wardell Armstrong and Environmental Scientist at SRK (UK) Ltd.**Current external appointments:**

- Independent Director of TSX-listed Fortuna Mining Corp.
- Independent Director of TSX-listed Orezone Gold Corporation.

Committee membership: SC (Chair) – NGC – RC



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ALBERTO LAVANDEIRA
Managing Director and
Chief Executive Officer

Board Independence:
Non-independent

Appointed:
14 April 2014

Key skills: Mining, operations, processing, exploration, commercial, capital market, international business, leadership, strategic, fund raising, M&A, governance, project management, permitting, government relations, CEO, sustainability.

Education and qualifications:

- Degree in Mining Engineering from the University of Oviedo, Spain.

Previous experience: Mr. Lavandeira brings over 40 years of experience operating and developing mining projects. He was previously President, CEO and COO of Rio Narcea Gold Mines which built three mines including Aguablanca and El Vallés-Boinas in Spain and Tasiast in Mauritania. He was also involved in the key stages of development of the Mutanda mine in the Democratic Republic of Congo. Earlier in his career, Mr. Lavandeira worked within group companies of Anglo American, Rio Tinto and Cominco (now Teck).

Current external appointments:

- Non-Executive Director of ASX-listed EMC Gold Corporation (fka Black Dragon Gold Corp).
- Non-Executive Director of ASX-listed Predictive Discovery Limited.

Committee membership: n/a



MIKE ARMITAGE
Non-executive Director

Board Independence:
Independent

Appointed:
19 January 2026

Key skills: Exploration, Geology, Resource Estimation, Leadership.

Education and qualifications:

- BSc (Hons) in Mineral Exploitation from the University of Cardiff.
- PhD in Mineral Resource Estimation from the University of Bristol.
- Chartered Geologist and Fellow of the Geological Society.
- Chartered Engineer.
- Member of the Institute of Materials, Minerals and Mining (IOM2).

Previous experience: Dr. Armitage has four decades of experience in the mining industry. After spending his early career working underground as a geologist in South Africa, in 1991 Dr. Armitage joined SRK Consulting where he held varied roles. In addition to his technical work at SRK, producing resource estimates and managing feasibility and due diligence studies, his roles have included Managing Director and Chairman of SRK's UK practice and Chairman of SRK's Russia and Kazakhstan practices as well as SRK Exploration. He also spent six years as Chairman of SRK Global. Dr. Armitage is also Managing Director of the Welsh gold exploration company, Sam Helen Gold Ltd.

Current external appointments:

- Non-Executive Director of AIM-quoted Central Asia Metals Plc.
- Non-Executive Director of AIM-quoted Tertiary Minerals plc.

Committee membership: AC, PRC



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HENNIE FAUL
Non-executive Director

Board Independence:
Independent

Appointed:
24 June 2025

Key skills: Mining, operations, processing, exploration, leadership, strategic, accounting, financing project management, permitting.

Education and qualifications

- BEng Mining Engineering from the University of Pretoria.

Previous experience: Mr. Faul has over 30 years of mining industry experience as a qualified mining engineer and senior manager. He has led operational, project, and ESG functions across five continents, covering various mine categories and processes. Hennie was previously employed by Anglo American, joining the business in 2004 and holding senior engineering roles, and later became group head of mining. From August 2013, until July 2019, Hennie was CEO of Anglo American's Copper Business, overseeing operations in Chile and Peru.

Current external appointments

- Independent Non-Executive Director of JSE-listed Valterra Platinum Limited.
- Independent Non-Executive Director of LSE-listed ACG Metals Limited.
- Independent Non-Executive Director of JSE-listed Master Drilling Group Limited.

Committee membership: PRC (Chair) – AC – RC



JESÚS FERNÁNDEZ
Non-executive Director

Board Independence:
Non-independent

Appointed:
23 June 2015

Key skills: M&A, Mining, capital markets, UK Markets, International business, corporate finance, finance and accounting, legal, leadership, strategic, fund raising.

Education and qualifications

- M.Sc. in Finance and Investment from the University of Exeter, UK.
- Licenciatura (Economics degree) from the Universidad de Cantabria, Spain.

Previous experience: Mr. Fernández was Head of Mergers and Acquisitions for Trafigura. He joined Trafigura in 2004 and has extensive experience in mergers and acquisitions and providing financing solutions to mining companies. He established the Trafigura Group's mining investment arm in 2005.

Prior to joining Trafigura, he worked in the project finance team at International Power plc in London.

Committee membership: n/a



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CORISEO GONZÁLEZ-IZQUIERDO
Non-executive Director

Board Independence:
Independent

Appointed:
14 January 2025

Key skills: Finance, geopolitics, international trade and economics, energy, government relations, accounting, human resources, governance, leadership, strategy, and sustainability.

Education and qualifications

- Master's-equivalent degrees in Law and in Economic and Business Sciences from the Universidad Pontificia de Comillas – ICADE.
- Master's Degree in Public Administration from Harvard University.

Previous experience: Ms. González-Izquierdo was Chief Executive Officer of ICEX – Spain Trade and Investment and has held a number of economic and commercial executive roles in Spain, Japan, West Africa, U.S.A., the Middle East, and China. In the energy sector, she was a senior executive at OMIE, the Iberian electricity market operator. She has also served as a Director on the boards of Instituto de Crédito (the Spanish Government's financial agency), CESCE (Spanish export credit agency), CDTI (Spanish agency for technology development) and HUNOSA (coal mining).

Current external appointments:

- Independent Director of Aena S.M.E., S.A., an IBEX 35-listed airport operator.

Committee membership: RC (Chair) – NGC – SC



CAROLE WHITTALL
Non-executive Director

Board Independence:
Independent

Appointed:
3 June 2024

Key skills: Management, accounting, financing, banking and M&A in the mining industry.

Education and qualifications

- Bachelor of Science (B.Sc.) (Hons) in Geology from the University of Cape Town.
- Master of Business Administration (MBA) from the London Business School.

Previous experience: Ms. Whittall is a senior executive with over 25 years of experience in the natural resources sector across a broad range of functions including management, finance and M&A. She served as Vice President, Head of M&A at ArcelorMittal Mining and was a member of its Mining Executive Team where she was responsible for global M&A, including acquisitions, divestments, and joint ventures, as well as portfolio company management and restructuring, government relations and corporate social responsibility. Previously, she was at Río Tinto where she held various senior commercial and business development roles. Her prior career was with JP Morgan.

Current external appointments:

- Executive Director and Chief Financial Officer of AIM-quoted Yellow Cake plc.
- Director and co-founder of Mining Strategies Limited, which provides M&A and transaction advisory services to the metals and mining sector.

Committee membership: AC (Chair), SC



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ALBERTO LAVANDEIRA
Managing Director and Chief Executive Officer

Appointed:
14 April 2014

Skills and experience: see [Board of Directors](#)



CÉSAR SÁNCHEZ
Chief Financial Officer

Appointed:
7 July 2016

Key skills: Mining, capital markets, Canada and UK Markets, international business, corporate finance, finance and accounting, legal,

leadership, strategic, fund raising, M&A, governance.

Education and qualifications:

- Degree in Business Administration from the University of Seville, Spain
- Qualified Accountant
- Financial and banking courses at Dublin City University and ESIC Business & Marketing School
- Senior Management Programme (PADE) by IESE Business School

Previous experience: Mr. Sánchez has experience as Chief Financial Officer of various companies in both the mining and financial industries, including Iberian Minerals Corp, where he participated in its equity and debt raisings and worked for Ernst & Young as an auditor and as a financial adviser to the industrial sector, where he gained experience in restructurings, initial public offerings, mergers and due diligence processes.





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Introductory letter from Company Chair

Dear Shareholder,

On behalf of the Board, I am pleased to introduce the Governance Report for the year ended 31 December 2025, the Company's first full year of reporting following its re-domiciliation from Cyprus to Spain and its transition into the FTSE 250. The Board recognises that strong, transparent and effective governance is essential to delivering our strategy of growing into a multi-asset copper producer through sustainable, scalable and low-risk operations that create long-term value for shareholders and wider stakeholders alike.

During 2025, the Board continued to strengthen the Company's governance framework in line with the updated 2024 UK Corporate Governance Code (the "**Code**"). We have carefully considered how best to apply the Code in the Company's specific context as a Spanish-registered, UK Main Market listed issuer, and this report explains both how we have applied its principles. The Directors consider

that the Company complied with the provisions of the Code throughout 2025, with the exceptions explained in this report, and we expect to have complied with all but one provision by the end of 2027.

The re-domiciliation to Spain and the Company's inclusion in the FTSE 250 Index have brought increased visibility, scrutiny and responsibility. In response, the Board has focused on ensuring that its composition, skills and committee structure remain appropriate for the Company's scale, complexity and risk profile, including the appointment of new independent Non-Executive Directors and the continued evolution of the Nomination and Governance, Audit, Remuneration, Physical Risk and Sustainability Committees. We have also taken steps to clarify and embed the division of responsibilities between the various Board committees, supported by updated terms of reference and a refreshed schedule of matters reserved to the Board.

Culture and stakeholder engagement remain central to the Board's work. The Board has continued to promote a culture grounded in transparency, integrity and responsible business practices, with particular emphasis on safety, and to strengthen mechanisms for engaging with the workforce, shareholders, regulators, local communities and other key stakeholders.

Over the year, the Board has devoted significant time to strategic oversight, capital allocation, risk management and internal controls, including preparation for the enhanced requirements of Code Provision 29 and evolving EU sustainability reporting obligations. This has included monitoring progress against our strategic objectives, reviewing major capital projects and overseeing the development of our sustainability strategy, risk management framework and internal control systems, so that they remain proportionate to the nature, scale and complexity of the business. We

have also undertaken an externally-facilitated Board evaluation to identify strengths and areas for further improvement in our effectiveness, with actions agreed and progress to be monitored during 2026.

This report describes in more detail how the Board has led the Company, how we have engaged with stakeholders and how our governance structures, processes and behaviours support the long-term success and sustainability of your Company. I hope you find this Governance Report informative and that it provides clear insight into how the Board has discharged its responsibilities during 2025 and the priorities we have set for the year ahead.

Yours sincerely

NEIL GREGSON
Chair

18 March 2026



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Context

The Company is registered in Spain (having completed its re-domiciliation from Cyprus on 9 January 2025). All of its shares are admitted to the Equity Shares (Commercial Companies) Category of the Official List of the Financial Conduct Authority (the "FCA") and to trading on the main market for listed securities ("Main Market") of London Stock Exchange plc (the "LSE"). The Company has been a constituent of the FTSE 250 Index since 7 May 2025. The Company's shares are not listed on any other regulated market nor are they admitted to trading on any other venue.

The Company has chosen to apply the UK Corporate Governance Code (the "Code"). The updated Code, published by the UK Financial Reporting Council (the "FRC") in January 2024, began applying to the Company from 1 January 2025. The updated Code can be found on the FRC's website at www.frc.org.uk.

Provision 29 of the 2024 edition of the Code applies to the Company for the financial year commencing 1 January 2026. For 2025, the Company complied with Provision 29 of the 2018 edition of the Code.

Compliance statement

The Directors consider that the Company has applied the principles and complied with the provisions of the Code throughout 2025 except for the following provisions:



	Code Provision	Comment	Explanation for deviation
15	Executive Director significant appointments	The Chief Executive Officer holds more than one.	Page 66
36	Share award vesting and holding periods	The "transitional" award of share options made on 9 July 2025 did not have a vesting and holding period of at least five years.	Page 97



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Board Leadership and Company Purpose

Purpose, strategy, and business model

The Board is committed to promoting the Company's objective to grow into a multi-asset copper producer through the development of sustainable, scalable and low-risk operations, underpinned by a clear focus on long-term value creation for shareholders and wider stakeholders.



In support of this, the Board has set and regularly reviews strategic objectives aligned with the Company's purpose, receiving frequent updates from management on progress, performance and capital allocation.

In fulfilling its responsibilities, the Board has assessed the Company's business model, with particular attention to how value is generated and preserved over time, and how the model remains resilient in the face of evolving market conditions, regulatory developments, technological change and stakeholder expectations.

The Board has put in place robust risk management and internal control frameworks to identify, assess and mitigate key risks while enabling the Company to pursue strategic opportunities.

The sustainability of the Company's business model is anchored in its commitment to producing copper in a way that delivers benefits to

the regions in which it operates, without compromising the ability of future generations to meet their own needs, through a sustainability strategy focused both on supplying essential raw materials for economic growth and the energy transition and on conducting responsible mining that positively impacts local communities, the environment and all stakeholders.

Strong governance remains central to the effective delivery of this strategy, with the Board overseeing initiatives that enhance operational efficiency, support constructive shareholder engagement and reinforce the creation of long-term, sustainable value.



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Values and culture

The Board promotes a culture grounded in transparency, integrity and responsible business practices, reflecting Atalaya's commitment to ethical conduct and accountability at all levels of the organisation. This includes a safety-first culture that encourages ownership and prevention, supported by open dialogue and individual responsibility. Employees and contractors are expected to uphold a culture of care, particularly with respect to health, safety and wellbeing.

Monitoring

The Board monitors the development of the desired culture through formal reporting, site visits and committee oversight. The Physical Risk Committee, for example, received three presentations on safety culture during the year and undertook two visits to the Company's Riotinto operating mine, where it emphasised that supervisors' proactive identification of non-compliance reflected care and reinforced cultural expectations. In the first quarter of 2025, Atalaya conducted an anonymous survey

across all departments and principal contractors, inviting participants to suggest improvements to mine safety and identify personal actions to enhance safety. Participation reached 98%, with individuals reviewing and evaluating colleagues' responses to reinforce collective learning and accountability.

Workforce ability to raise concerns

The Audit Committee is responsible for reviewing the adequacy and security of the Company's arrangements for employees to raise concerns in confidence or anonymously, ensuring that the workforce can speak up freely and that the Company continues to operate in line with its stated values.

Conflicts of interest

Directors are also required to disclose any actual or potential conflicts of interest in writing and to declare such matters at the outset of each Board meeting, reinforcing transparency and integrity in decision-making.





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Stakeholder engagement

The Board recognises the importance of effective engagement with its shareholders, workforce and other stakeholders, and is committed to fostering meaningful dialogue to understand their views and inform decision-making. During the year, the Board has undertaken a range of activities to ensure stakeholder voices are heard and considered.

Shareholder engagement

During the year, the Company maintained an active and open programme of engagement with its shareholders to support transparent dialogue on governance, strategy and performance.

The Chair remained available to engage directly with major shareholders on matters relating to governance and the Company's performance against its strategic objectives.

The Chief Executive Officer, supported by the Chief Financial Officer and the Head of Investor Relations, held dedicated investor meetings during the year and communicated investor feedback and perspectives to the wider Board.

The Company hosted conference calls via the Investor Meet Company platform following the announcement of its full year, half year and quarterly financial results, as well as after each quarterly operations update.

In addition, management engaged with investors through attendance at key industry events, including the BMO Global Metals, Mining & Critical Minerals Conference, the Canaccord Genuity Global Mining & Metals Conference and LME Week.

Annual General Shareholder Meeting

Shareholders were also provided with the opportunity to participate in the Company's Annual General Shareholder Meeting ("AGM") either in person or remotely.

All resolutions that were put to the AGM were successfully passed with the requisite majority of votes, although four resolutions received less than 80% shareholder support (with one resolution having been withdrawn prior to the AGM due to lack of shareholder support):

- ❑ The resolution regarding the re-election of a Non-Executive Director (resolution 5a): The Board was aware that the votes against were as a result of concerns about Board meeting attendance.
- ❑ The three resolutions regarding Directors' remuneration (i.e., the consultative vote on the Annual Report on Directors' remuneration (resolution 6), the ratification of the current long-term incentive plan (the "LTIP") and approval of the allotment of shares to satisfy awards made under the Plan during the 2025 financial year (resolution 8) and the approval of the "transitional share award" to the Managing Director (resolution 9)): The reasons for the voting outcomes had been extensively discussed with major shareholders and shareholder representative bodies during an engagement exercise conducted in the final quarter of 2024.

Following the AGM the Chair and the Chair of the Remuneration Committee re-engaged with those shareholders who had participated in the Company's previous engagement exercise to ascertain whether they were of

the view that further consultation would be beneficial. No shareholder responded indicating that they wished to have further consultation. With the legacy remuneration issues now behind the Company, and with future incentive awards being operated in line with the new Directors' Remuneration Policy, which received 96.35% shareholder support at the 2025 AGM, the Board anticipates an increase in shareholder support for remuneration-related resolutions at future AGMs.

Notwithstanding that all resolutions were duly passed; the Company was disappointed to note that only 43.39% of the Company's share capital was voted at the AGM. This was significantly less than the each of the previous five years where between 82.44% and 86.76% of the Company's then share capital was voted at the AGM. The Company has looked into the possible reasons for this.

Since completion of the migration of the Company from Cyprus to Spain on 9 January 2025, the Company's ordinary shares have been represented by CREST depositary interests (CDIs). This



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enables Atalaya's shares to be traded and settled electronically within the UK's CREST system as if they were UK domestic securities. When a CDI holder wishes to exercise voting or other corporate action rights, instructions must be submitted to their nominated CREST member, transmitted through CREST to the depositary, relayed to the Spanish custodian and local market infrastructure, and ultimately lodged with the Company's agent in Spain. As this multi-layered chain of custody operated with internal deadlines in advance of the Company's formal voting cut-off, it would appear that in some cases voting instructions did not arrive in sufficient time to be recorded before voting closed.

In future, underlying CDI owners are urged to submit voting instructions as early as possible to ensure sufficient time for processing and onward transmission so that votes can be received and recorded before voting closes. Similarly, underlying CDI owners wishing to attend shareholder meetings should contact their nominated CREST member to ensure that the requisite authorisation is issued in sufficient time for onward transmission up the chain of custodians.

Workforce engagement

Provision 5 of the Code recommends that boards adopt one of three specified mechanisms to engage with the workforce: appointing a Director from the workforce, establishing a workforce advisory panel, or designating a Non-Executive Director responsible for workforce engagement.

During the year, the Board considered which approach to workforce engagement was best suited to the Company's specific circumstances and culture. The Board concluded that the most appropriate mechanism to ensure that the views and interests of the workforce were effectively represented in the Board's decision-making was to designate a Non-Executive Director responsible for workforce engagement. Given that the mother tongue of more than 99% of the Company's workforce is Spanish, the Board concluded that it would be appropriate to designate a fluent Spanish speaker in this role. The Board therefore decided to designate Coriseo González-Izquierdo as the non-executive Director responsible for workforce engagement. Her former senior executive roles involving people skills

render her well-placed to undertake this role. Since her appointment to this role on 23 June 2025, Ms. Coriseo González-Izquierdo has been to the Company's Riotinto mine site office where she had a meeting with the Director of Human Resources to discuss the most effective way to engage with the workforce and was introduced to key managers and other staff members.

Other stakeholders

In furtherance of the Board's desire to achieve the Company's strategic goals in a sustainable manner, the receives regular updates to ensure it maintains a clear understanding of the views and interests of the Company's wider stakeholder groups. Insights relating to local communities and social impact matters are provided through reports from the Board's Sustainability Committee, which monitors community engagement and related initiatives. Developments concerning government and regulatory stakeholders are communicated by the Chief Executive Officer and form part of the Board's regular risk management updates. Supplier-related matters are reported by the Chief Financial Officer,

including insights arising from procurement activities and supply chain management, and are further supported by updates within the risk management process. Customer perspectives and market dynamics are provided to the Board by the Chief Financial Officer, who oversees the commercial, logistics and sales functions, enabling the Board to remain informed of customer needs, commercial performance and market conditions.



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Duty to promote the success of the Company

The Company is registered in Spain and is therefore not subject to the Directors' duty in section 172 of the UK Companies Act 2006. Instead, the Board's duties are governed by the Spanish "*Ley de Sociedades de Capital*" (the "**Spanish Companies Act**"), which requires Directors to act with the diligence of an "orderly businessman" (*ordenado empresario*) and to discharge a strict duty of loyalty in the best interests of the Company and its social interest (*interés social*), which under Spanish law is understood as the common interest of the shareholders. In fulfilling these Spanish law duties, it is commonly accepted that Spanish listed companies especially take into account the long-term sustainability of the Company, the protection of shareholders and creditors and the avoidance of decisions that unduly favour particular groups. This means in practice that, when taking decisions, the Board has regard to factors that are substantively similar to those listed in section 172, including the likely long-term consequences of decisions, the interests of employees, relationships with customers and suppliers, the impact of the Company's operations on the environment and communities, the desirability of maintaining a reputation for high standards of business conduct and the need to act fairly as between shareholders.

Board activities in 2025



Areas reviewed or actioned in 2025	Outcome
Corporate	
Board succession	Three new independent Non-Executive Directors joined, one each in January and June 2025 and another in January 2026.
Strategy	
Project opportunities	Some potential project opportunities have been considered by the Board.
Financial matters	
2025 budget	Approved.
2024 financial statements and Annual Report	Approved for recommendation to shareholders.
2024 Final and 2025 interim dividends	2024 final dividend approved for recommendation to shareholders and 2025 interim dividend approved.
Q1, H1 and Q3 results	Approved.
Operations	
Health and safety	Performance monitored.
Exploration	Progress monitored.
Mining	Progress monitored.
Plant	Operation monitored.
Capital projects	
Solar power plant	
Road deviation	
San Dionisio open-pit	
E-LIX phase I	
Governance	
Risk management processes and internal control system	Reviewed in anticipation of introduction of Code Provision 29.
Risk register	Reviewed and risks monitored.
Need for internal audit function	On the recommendation of the Audit Committee, satisfaction that there is no immediate need for the establishment of a dedicated internal audit function, although this will be kept under review.
Board's annual forward agenda planner	Approval with additional suggestions from the Board.
Performance of the Board	An external review was commissioned. Concluded that the Board continued to perform effectively with areas for improvement identified.



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Governance Framework

The role of the Board is to promote the long-term success of the Company by providing strategic direction, ensuring sustainable value creation, monitoring performance, managing risks effectively, and fostering a culture of integrity and accountability that considers the long-term interests of shareholders and other stakeholders. The Board delegates certain of its responsibilities to its five committees:



	Nomination and Governance Committee	Remuneration Committee	Audit Committee	Physical Risk Committee	Sustainability Committee
Chair	Neil Gregson	Coriseo González-Izquierdo	Carole Whittall	Hennie Faul	Kate Harcourt
Membership	The Chair and two Independent Non-Executive Directors	Three Independent Non-Executive Directors and the Chair	Three Independent Non-Executive Directors	Two Independent Non-executive Directors and the Chair	Three Independent Non-executive Directors
Primary responsibility	Leading the process for Board appointments, and succession planning for the Board and management	Reviews Directors' and Officers' compensation and performance	Oversees the integrity of the Company's financial reporting, the effectiveness of internal controls, risk management systems, and the independence and performance of the external auditor	Oversees safety, health, environment and security matters, and enterprise-wide physical risk management of the Company	Oversees the strategy and activities related to sustainable development and social responsibility
Further information	Page 68	Page 91	Page 77	Page 85	Page 87

The Board delegates the day-to-day management of the Company to the Chief Executive Officer, including implementing the Board's strategic objectives, making operational decisions (within the Board delegation of authority), leading the executive team, managing resources, and ensuring that the Company's performance aligns with its goals and governance standards.



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Board Roles

The Board recognises the importance of ensuring an appropriate combination of executive and Non-Executive Directors and that a majority of its members are independent, such that no one individual or small group of individuals dominates the Board's decision-making.

At least half the Board, excluding the Chair, are Non-Executive Directors whom the Board considers to be independent:

Name	Role	Independence
Neil Gregson	Non-executive Chair	Independent on appointment
Kate Harcourt	Senior Independent Director	Independent
Alberto Lavandeira	Chief Executive Officer	Not independent
Mike Armitage	Non-executive Director	Independent
Hennie Faul	Non-executive Director	Independent
Jesús Fernández	Non-executive Director	Not independent
Coriseo González-Izquierdo	Non-executive Director	Independent
Carole Whittall	Non-executive Director	Independent

The Board has approved a formal statement of the division of responsibilities between the Chair and the Chief Executive Officer. The Board has also approved a formal statement of the responsibilities of the Senior Independent Director. Both these documents are available on the Company's website at: www.atalayamining.com/sustainability/good-governance.

Chair

Neil Gregson was independent on appointment as Chair on 1 July 2024 when assessed against all the circumstances specified in Code provision 10 as being likely to impair or could appear to impair a Non-Executive Director's independence. His key responsibilities as Chair include:

- The effective running of the Board.
- Ensuring that the Board as a whole plays a full and constructive part in the development and determination of the Group's strategy and overall commercial objectives.
- Being the guardian of the Board's decision-making processes.

Senior Independent Director

Kate Harcourt has served as Senior Independent Director since 1 July 2024 and her key responsibilities in that role include:

- Acting as a sounding board for the Chair and providing support, particularly regarding governance matters and board dynamics.
- Being available to meet with major shareholders to address concerns or discuss issues that cannot be resolved through standard channels
- Leading the annual performance review of the Chair.

Chief Executive Officer

Alberto Lavandeira has served as Chief Executive Officer and Managing Director since 24 December 2014. His key responsibilities include:

- The running of the Group's business.
- Proposing and developing the Group's strategy and overall commercial objectives.
- Implementation of the decisions of the Board and its committees.

Non-executive Directors

Each of the independent and non-independent Non-Executive Directors bring different perspectives to the Board's decision-making and ensure that the viewpoints of the Company's key stakeholders are represented. They scrutinise and hold to account the performance of management against agreed performance objectives. They provide constructive challenge, strategic guidance and offer specialist advice within their individual fields of expertise. All Non-Executive Directors are required to exercise their independent judgement and act in the best interests of the Company, taking into account the interests of its stakeholders in their decision-making.



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Independence

The Board has carefully considered the independence of all the Non-Executive Directors, including against all the circumstances specified in Code provision 10 as being likely to impair or could appear to impair a Non-Executive Director's independence.

The Board considers that all Non-Executive Directors, other than Jesús Fernández, are independent.

Mr. Fernández was appointed by a significant shareholder who has a right to appoint under the shareholder agreement. As a result, the Board does not consider Mr. Fernández to be independent. However, he adds valuable insight as he can provide an investor perspective to the management team and challenge them accordingly.

Board and committee meeting attendance in 2025



There were 13 Board meetings held during the year and a further 29 meetings of the Board's committees. These meetings were attended as follows (the numbers in brackets indicating the number of meetings a Director was eligible to attend):

	Board	AC	RC	NGC	PRC	SC
Total N° of meetings	13	5	8	8	3	5
H. Barma¹	6 (6)	2 (2)	6 (6)			3 (3)
H. Faul²	6 (6)	3 (3)			1 (1)	
J. Fernández³	8 (13)				1 (2)	
C. González-Izquierdo⁴	13 (13)		2 (2)		2 (2)	2 (2)
N. Gregson	13 (13)		8 (8)	8 (8)	3 (3)	
K. Harcourt	13 (13)		8 (8)	8 (8)		5 (5)
A. Lavandeira	13 (13)					
S. Scott	13 (13)	5 (5)	8 (8)	8 (8)	3 (3)	
C. Whittall	13 (13)	5 (5)				5 (5)

1. Dr. Barma retired from the Board on 24 June 2025.
2. Mr. Faul joined the Board and its Audit Committee on 24 June 2025.
3. Mr. Fernández retired from the Physical Risk Committee on 24 June 2025.
4. Ms. González-Izquierdo joined the Remuneration Committee as its Chair on 24 June 2025. On the same date she joined the Sustainability Committee and retired from the Physical Risk Committee.

Time commitment

Non-Executive Directors are expected to devote sufficient time to discharge their fiduciary and governance duties effectively and to contribute fully to the work of the Board and its committees. In addition to scheduled Board and committee meetings, this includes time for reviewing Board and committee papers and other relevant materials in advance of meetings, participating in strategy sessions and training as appropriate, engaging with key stakeholders where required, and remaining available to provide advice and support to management between meetings.





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External commitments

Details of Directors' external commitments are contained within their individual biographies on [page 51](#). Non-executive Directors are required to seek the agreement of the Chair before accepting additional commitments that might impact the ability The Nomination and Governance Committee considers annually each Director's external commitments and the impact on the ability of each to devote sufficient time to the Company's affairs.

When considering the appointments of Coriseo González-Izquierdo and Hennie Faul during the year, the Board considered the demands on their time of their other significant roles. None of the other Non-executive Directors has taken on any additional appointments during the year.

The Board is satisfied that, having considered the demands of the external appointments of each Non-executive Director and the time requirements from the Company, each Non-executive Director standing for re-election at the forthcoming Annual General Meeting continues to contribute effectively to the operation of the Board.

Provision 15 of the Code recommends that full-time Executive Directors should not take on more than one non-executive directorship in a FTSE 100 company or other significant appointment. The Chief Executive Officer, Alberto Lavandeira, has been a Non-Executive Director of ASX-listed Black Dragon Corp, since 10 July 2017. On 17 June 2024 he was appointed as a Non-Executive Director of ASX-listed Predictive Discovery Limited. Prior to Mr. Lavandeira accepting the second appointment, the Board considered:

- ▣ The demands of Mr. Lavandeira's role as Chief Executive Officer of the Company
- ▣ The expected time commitment from the two non-executive directorships.
- ▣ Whether there were any perceived or actual conflicts of interest.
- ▣ Public perception of Mr. Lavandeira's ability to focus on his primary executive responsibilities.
- ▣ The robustness of the executive team to handle additional pressures if Mr. Lavandeira's focus was occasionally diverted.
- ▣ Delegation mechanisms in place to manage any absence.



The Committee also considered the potential benefits to Atalaya, in terms of expanded networks, additional insights, and broader market intelligence.

The Board determined that two non-executive listed-company appointments would not impair Mr. Lavandeira's effectiveness in leading

the Company. This determination was based on Mr. Lavandeira's proven capacity to manage such commitments effectively, supported by the delegation structure within the executive team. The Board will review this arrangement periodically to ensure that it remains appropriate and in the best interests of Atalaya.



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Information and support for Directors

Company Secretary and Deputy Company Secretary

On 21 January 2025, following completion of the re-domiciliation of the Company from Cyprus to Spain, Mrs. Frances Robinson was appointed Company Secretary and Mr. Ignacio Moreno was appointed Deputy Company Secretary. On 9 September 2025 Ms. Claudia Rosales was appointed by the Board as Deputy Company Secretary following her predecessor's resignation effective on the same date.

The appointment and removal of the Company Secretary and Deputy Company Secretary are a matter for the whole Board. All Directors have a right of access to the Company Secretary, who is accountable to the Board, through the Chair, on all governance matters.

Induction

Upon appointment, all new Directors undergo an induction programme tailored to familiarise them with their role and responsibilities. This programme includes meetings with existing Directors, key members of the senior management team, and the Company's professional advisers. In addition, to provide firsthand insight into the Company's operations, new Directors are afforded the opportunity to visit Atalaya's facilities in Spain, gaining a deeper understanding of its operational dynamics.

During the year under review, Coriseo González-Izquierdo and Hennie Faul were given comprehensive induction programmes which included meetings with the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Sustainability Manager, and Laboratory Manager. It also included a visit to the Company's Cerro Colorado open-pit mine, plant and laboratory. In addition, in anticipation of her taking over as Chair of the Board's Remuneration Committee upon the resignation of Hussein Barma, Ms. González-Izquierdo was given a thorough induction to the work of that committee.

Training

The Board maintains a good working knowledge of the copper mining industry and how the Company operates within that industry as well as being aware of upcoming developments in the wider legal and regulatory environment.

Directors attend external seminars and briefings in areas considered appropriate for their own professional development. During the year, this included executive remuneration and artificial intelligence.

During the year ERM delivered training on the current status of the implementation of the EU Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). In addition, Canaccord Genuity Limited delivered training on the continuing obligations as a Director of a UK Main Market listed company and gave the Board a market perspective overview. Linklaters LLP (London) and Linklaters S.L.P. (Madrid) also provided regulatory training to the Board.

Independent professional advice

The Directors are entitled to seek independent professional advice in furtherance of their duties if they consider this necessary.

Directors' and Officers' liability insurance

The Company maintains Directors' and Officers' liability insurance, which provides appropriate legal cover for legal action brought against its Directors.



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Nomination and Governance Committee

Committee composition



The Board has established a Nomination and Governance Committee which consists of two independent Non-Executive Directors (**NEDs**) and the Company Chair. Information on the skills and the experience of all Committee members can be found on [Board of Directors section](#).

Committee membership and attendance at meetings during 2025



	Attendance in 2025	Member since:
N. Gregson (Chair)	8 (8)	29 November 2022
K. Harcourt	8 (8)	29 November 2022
S. Scott	8 (8)	29 November 2022

Stephen Scott retired as a member of the Committee on 31 December 2025.

Consejo González-Izquierdo, an independent Non-Executive Director, joined the Committee on 19 January 2026.

There was an 18-day period between the resignation of Mr. Scott on 31 December 2025 and Ms. González-Izquierdo joining the Committee on 19 January 2026 during which the Committee's composition did not fulfil the requirements of Code provision 17. However, during that short period of time the Committee did not meet.

Role of the Committee



The Committee's role is to lead the process for Board appointments, ensure plans are in place for orderly succession to Board and senior management positions, and oversee the development of a diverse pipeline for succession. The Committee's terms of reference, which are reviewed annually, are available on the Company's website at www.atalayamining.com/sustainability/good-governance.

How the Committee operates



The Committee meets at least three times a year. Meetings are held in advance of the Board meetings to allow the Committee Chair to provide a report to the Board on the key matters discussed and for the Board to consider any recommendations made.



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Committee activities in 2025

The Committee met eight times during the year under review to oversee Board and senior management composition, succession and governance matters, with particular focus on ensuring that the Board retained the appropriate balance of skills, experience and diversity as the Company transitioned into the FTSE 250.

Key activities during the year included:

- Overseeing two separate searches for independent NEDs, one to replace a retiring Director and a second in anticipation of a further planned retirement and recommending related changes to Board committee memberships.
- Considering outcomes from the 2024 Board and committee evaluation and commissioning an externally facilitated Board performance review for 2025.
- Developing and refining Board and executive succession plans, including detailed role specifications for future NED appointments and reactive succession planning for the CEO and CFO roles.
- Reviewing the Company's compliance with the 2024 UK Corporate Governance Code, including composition, succession, evaluation, workforce engagement and culture, and recommending the designation of a NED responsible for workforce engagement.
- Overseeing the annual review of Board and committee terms of reference, the schedule of matters reserved to the Board, the delegation of authority matrix and other governance policies.



The table below summarises the areas that the Committee reviewed or actioned in 2025.

Area of focus	Key activities
Board composition and skills	Considered feedback from the 2024 Board evaluation on Board balance and skills; reviewed and updated the Board skills matrix following the appointment of a new NED and in light of a further planned retirement; discussed the need to strengthen technical, geological and metallurgical expertise on the Board and the potential for an additional independent NED.
First NED search and appointment	Ran a competitive process with specialist mining search firms for an independent NED to replace a retiring Director; selected and engaged Granger Reis; selected the preferred candidate having reviewed a longlist and interviewed candidates on the shortlist; recommended to the Board that the preferred candidate, Hennie Faul, be appointed to the Board; and oversaw the onboarding of Mr. Faul.
Second NED search	Initiated a separate process to identify an independent NED to replace a long serving Director expected to retire during the year; developed a refined role specification incorporating feedback from the external evaluator; invited and assessed search firm proposals and agreed to proceed with Granger Reis for this second search; selected the preferred candidate having reviewed a longlist and interviewed candidates on the shortlist; recommended to the Board the appointment of Dr. Mike Armitage.
Succession planning	Reviewed NED tenure, future vacancies and Board size; considered whether to increase the number of independent NEDs; developed detailed criteria for future NEDs, including expected committee membership; reviewed reactive succession plans for the CEO and CFO and the potential timing for a future COO search.
Board and individual Director evaluation	Considered the 2024 Board and committee evaluation outcomes and agreed follow up actions; reviewed and confirmed Annual Report disclosures on the evaluation; assessed and appointed an external provider, Clare Chalmers, to perform the 2025 externally facilitated Board evaluation; confirmed the process for individual Director evaluations.
Diversity and inclusion	Reviewed the Board Diversity Policy and confirmed a principles based, merit focused approach; embedded diversity considerations (including ethnicity, nationality, language and cultural understanding) into NED role specifications; scrutinised search firms' approaches to diversity and monitored the diversity of longlists and shortlists.
Culture and workforce engagement	Recommended the appointment of a designated NED for workforce engagement; reviewed examples of workforce engagement practices; encouraged broader interaction between NEDs and employees and progressed work on defining and monitoring company culture.
Governance framework	Reviewed compliance with the 2024 UK Corporate Governance Code; oversaw changes to committee terms of reference and governance policies; reviewed and confirmed the delegation of authority matrix and updates to the matters reserved to the Board and project toll gating framework.



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Annual re-election of Directors

In accordance with provision 18 of the Code, all Directors subject themselves to annual re-election. The Annual General Meeting (AGM) circular contains an explanation as to the reasons why each Director's contribution is, and continues to be, important to the Company's long-term sustainable success.

Board appointments

Appointment of Hennie Faul as an independent Non-Executive Director

The Committee led a structured process to identify and appoint an independent NED to replace Hussein Barma, who retired at the conclusion of the 2025 AGM. It considered proposals from three executive search firms with mining sector expertise, taking into account sector focus, the depth of their mining teams, candidate sourcing approach and fee structures.

Following this assessment, the Committee agreed to appoint Granger Reis to support the search and entered into an engagement letter, having provided the firm with a summary of the desired experience and preferred location for candidates. The role specification, refined with Granger Reis, emphasised strong operational, geological and metallurgical skills to strengthen the Board's oversight of resources and technical projects.

The Committee reviewed candidate profiles and discussed potential conflicts, availability and geographic fit, including whether candidates were EU based. After a full assessment process, the Committee identified Hennie Faul as the preferred candidate and oversaw reference checks and completion of all requisite documentation, including required confirmations under the Spanish Capital Companies Act (*Ley de Sociedades de Capital*), and the Company's articles of association (*estatutos sociales*), declarations in respect of the share dealing code and related party policy, and confirmations under the UK Listing Rules.

The Committee ensured that the appointee completed continuing obligations training with the Company's advisers and obtained his formal consent to act, noting that he met applicable legal requirements

and was not disqualified from acting as a Director. It recommended his appointment as an independent NED with effect from 24 June 2025 subject to him standing for election by shareholders at the 2026 AGM. The Committee oversaw the associated regulatory announcement and formal Board resolutions.

Consequential changes to Board committee composition, including the appointment of the new NED to the Audit Committee and Physical Risk Committee and adjustments to other committee memberships, were considered and recommended by the Committee to maintain appropriate independence, sector competence and experience across committees.

Identification of Mike Armitage for appointment as an independent Non-Executive Director

Later in the year, the Committee initiated a second NED search in anticipation of the planned retirement of Stephen Scott, a long serving independent NED whose mandate was due to expire at the 2026 AGM and who had previously signalled his intention to step down by the end of 2025. The Committee reviewed the updated Board skills matrix, which now included the recently appointed independent



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NED and excluded the retiring Director, and used this to identify skills gaps and future needs.

The Committee developed a separate role specification for this second NED appointment. The specification reflected feedback from Board members and the executive team and emphasised: mining industry experience with an emphasis on geology, metallurgy, resources and reserves; experience in M&A and asset development; and banking or deal making experience, while recognising that a hands on technical background was not essential given the Board's strengthened technical expertise following the independent NED appointment earlier in the year.

The Committee also identified additional desirable attributes for this role, including the ability to speak Spanish, an understanding of Spanish culture and, where possible, a minority ethnic background, in order to promote diversity, inclusion and equal opportunity and to support the Company's obligations under the UK Listing Rules and UK Corporate Governance Code Principle J. It considered likely committee membership for the new NED, concluding that the ability to contribute effectively to the Physical Risk Committee was particularly

important, given the need to maintain sector relevant competence.

In parallel, the Committee considered which search firm to engage for this second process, reviewing experience with earlier NED searches and proposals from four executive search firms. After evaluating sector expertise, approach to diversity, fee structures and the risk of "recycling" prior candidates, the Committee agreed to proceed with Granger Reis again, noting their strong track record in technical mining searches and the importance of emphasising metallurgical expertise as the top priority criterion.

The Committee shortlisted four candidates for interview for the second NED role and recommended its preferred candidate, Dr. Mike Armitage, for the Board for appointment.

Succession planning

The Committee maintained a strong focus on Board succession throughout the year, recognising both the demands placed on existing independent NEDs and the Company's evolving strategic and technical needs. It reviewed the Board skills matrix at several points, particularly after the first appointment of a new NED during the year and in the context of a further planned retirement, and considered whether the overall Board size and number of independent NEDs remained appropriate given Board committee workloads.

For NED succession, the Committee's work centred on strengthening the Board's technical, geological and metallurgical expertise and ensuring that the Board had the skills to oversee resources and key projects, combining technical understanding with the ability to contribute to the Physical Risk

Committee and, over time, potentially to ease the workloads of other Board committees. The Committee also reflected on whether an additional independent NED might be required longer term to support the workload of the Board's committees.

Executive succession was also considered. The Committee reviewed the reactive succession plan for the CEO and CFO roles, considering the characteristics required of a future CEO, including fluency in Spanish and English, a market facing profile, government relations experience and sufficient technical understanding to engage credibly with shareholders on operational matters. It also agreed that any search for a potential COO should be timed to commence once permitting for Proyecto Touro had been obtained, aligning executive succession planning with project milestones.





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2024 internal evaluation

In early 2025, the Committee considered the results of the 2024 internal evaluation of the Board and its committees, based on feedback from Non-Executive Directors, and agreed a series of follow up actions covering strategy, oversight, risk management, Board composition, information flows and training. Actions included ensuring that Board composition addressed key risk areas through the targeted recruitment of a geologist NED, improving closed session practices for NEDs, seeking early reporting from management on emerging issues, enhancing oversight of key projects, and improving the timeliness and quality of Board and committee papers.

The Committee reviewed and was satisfied with the 2024 Annual Report disclosure describing the 2024 Board evaluation process and outcomes.

2025 external evaluation

In light of the Company's recent move to the Main Market, the Committee considered the desirability and timing of an externally facilitated Board evaluation for 2025. It invited and assessed proposals from three external providers, comparing scope, methodology, fees and availability, and agreed to appoint Clare Chalmers

Limited ("Clare Chalmers") to conduct the 2025 externally facilitated Board evaluation so that outputs could inform ongoing work on Board composition. The Board considers Clare Chalmers to be independent, as it has no other connection to the Company or any of its Directors.

The evaluation was undertaken during September and October 2025 with the findings presented to the November 2025 Board meeting.

The brief for the process was agreed following a scoping meeting with the Chair and Company Secretary. The aim of the scoping meeting was to understand the Company's context and objectives for the evaluation and to agree a tailored interview framework issued in advance to all participants.

Clare Chalmers undertook a document review, including Board and committee papers, terms of reference, matters reserved, Board schedule and calendar, and the outputs of the previous internal Board performance review. As part of the evidence-gathering process, Clare Chalmers observed a scheduled Board meeting and meetings of each of the Remuneration, Nomination and Governance, and Sustainability Committees to assess Board dynamics, behaviours and information flows in practice.



Individual qualitative interviews were held with all independent NEDs, the Chief Executive Officer, Chief Financial Officer, Company Secretary and other individuals who interact regularly with the Board and its committees. Clare Chalmers then produced a draft report analysing the themes emerging from the interviews, document review and meeting observations, including suggestions for improvements and examples of solutions and good practice seen elsewhere.

The draft report was discussed with the Chair and Company Secretary, leading to minor refinements which did not alter the overall conclusions. The report was then finalised and circulated to the Board prior to the meeting at which it was formally presented by Clare Chalmers.

Overall, Clare Chalmers' report was positive about the functioning of the

Board which identified a number of Board strengths including:

- ❑ An experienced and committed group of NEDs who bring a broad range of relevant skills to the role and provide good challenge and support to management.
- ❑ A small but highly capable executive team with deep knowledge and experience of mining operations.
- ❑ A firm commitment to maintaining high safety standards across the operations.
- ❑ Greater engagement between the Board and employees provided through a recently designated workforce engagement NED.
- ❑ Well-established committees that give good focus to their key areas of activity and contribute well to the work of the Board.



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Consistent with the Board's commitment to continuous improvement, the review also identified a number of opportunities to further support the Board's ongoing effectiveness, including:

- Further developing the Board's oversight of the Group's long-term strategy, including the continued refinement of strategic targets, milestones and key performance indicators.
- Continuing to refine the format and timing of information presented to the Board, including simplifying reporting where appropriate and further enhancing the monitoring of performance against strategy.
- Building on the Board's oversight of risk by broadening the range of risk themes considered at Board level.
- Providing additional opportunities for Non-Executive Directors to engage with executives below the C-Suite to deepen understanding of the wider management team and support succession development across the business.

These areas represent opportunities to build further on the Board's existing strengths and to support its continued effectiveness as the Group evolves.

The Chair and the Company Secretary reviewed all improvement recommendations identified in the report and identified those items for focus during 2026. The Board will monitor progress during 2026.

Individual Director performance reviews

The Committee also confirmed the process for individual Director performance reviews for 2025, whereby:

- The Chair gathers feedback on the CEO from other NEDs and meets the CEO to provide feedback.
- The Chair meets each NED individually.
- The Senior Independent Director leads the evaluation of the Chair's performance, including feedback from the CEO.

Diversity and inclusion

The Committee continued to oversee Board level diversity and inclusion in the context of UK Corporate Governance Code Principle J and the relevant UK Listing Rules, whilst recognising the Company's need to appoint NEDs with specific technical and transactional skills.

In reviewing the Board Diversity Policy, the Committee confirmed that a principles based approach focused on merit, skills and experience remained appropriate and concluded that introducing quantitative targets into the policy could risk tokenism or undermine confidence in the merit based appointment process.

Diversity considerations were embedded in the role specifications for both NED searches. For the first search, the emphasis was on technical, geological and metallurgical expertise, recognising that this skill set itself contributes to diversity of thought and experience on the Board. For the second search, the Committee went further, identifying as desirable attributes the ability to speak Spanish, understanding of Spanish culture and a minority ethnic background, alongside technical and transactional capabilities, acknowledging both the Company's Spanish context and the need to address the absence of minority ethnic representation on the Board.

The Committee scrutinised the approach of search firms to diversity and inclusion, noting that all firms invited to bid for NED searches articulated commitments aligned with Principle J. It encouraged firms to

reach beyond existing candidate pools, to prioritise metallurgical and other critical skills while still actively seeking diverse candidates who met the agreed specifications and to demonstrate how diversity considerations were reflected in their longlists.

As the second NED search progressed, the Committee monitored the diversity of the longlist. Those individuals who most closely matched the prioritised criteria of deep metallurgy and geology expertise were shortlisted for interview. Although the shortlist did not include an ethnically or gender diverse candidate, the Committee reaffirms its commitment to improving Board diversity over time.

The Committee also recognised the connection between diversity, inclusion and culture and recommended the appointment of a designated NED responsible for workforce engagement, reviewing examples of good practice from other FTSE companies and encouraging greater exposure of non-C-suite employees to the Board and its committees, including through presentations and site visits.



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Diversity disclosures pursuant to Listing Rules 6.6.6R(9) and (10)

The Listing Rules require companies to state whether they have met certain targets on board diversity. The information in the table below is as at 31 December 2025. The targets set out in the Listing Rules are that:

- At least 40% of the individuals on its Board of Directors are women.
- At least one of the following senior positions on its Board of Directors is held by a woman (the Chair, SID, CEO, or CFO).
- At least one individual on its Board of Directors is from a minority ethnic background.

As at 31 December 2025 the Company met one of the three targets:

- The position of Senior Independent Director is held by a woman.
- Since the appointment of Coriseo González-Izquierdo to the Board on 14 January 2025, the percentage of women on the Board increased to 37.5%. In line with regulatory and governance expectations, the Company is committed to ensuring at least 40% of its Board is composed of women. Given the Company's Board size of eight members, this equates to either 37.5% or 50%.

	Nº of Board members	% of the Board	Nº of senior positions on Board	Nº in executive management	% of executive management
Gender diversity					
Men	5	62.5%	2	4	80%
Women	3	37.5%	1	1	20%
Not specified/prefer not to say	0	0%	0	0	0%
Ethnic background diversity					
White British or other White (including minority-white groups)	8	100%	3	5	100%
Mixed/Multiple ethnic groups	0	0%	0	0	0%
Asian/Asian British	0	0%	0	0	0%
Black/African/Caribbean/Black British	0	0%	0	0	0%
Other ethnic group	0	0%	0	0	0%
Not specified/prefer not to say	0	0%	0	0	0%

- Since the retirement of Hussein Barma from the Board on 24 June 2024, the Company no longer has an individual on the Board from a minority ethnic background.

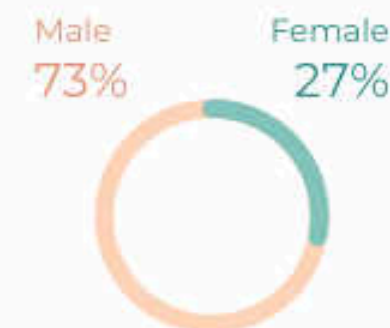
The Board's Nomination and Governance Committee will continue to prioritise diversity and inclusion in future appointments, ensuring that gender and ethnic minority representation remains a key consideration while balancing the need for the right mix of skills and experience.

Each Board member or member of executive management has confirmed their gender and ethnic background, and the above data has been collated from those confirmations.

Gender balance

The gender balance of those in the executive management team and their direct reports as at 31 December 2025 was as follows:

Gender Balance - Executive Management Team and their Direct Reports





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Introductory letter from Audit Committee Chair

Dear Shareholder,

I am pleased to introduce the Audit Committee Report for the financial year ended 31 December 2025. This report explains how the Committee has carried out its responsibilities in relation to financial reporting, risk management, internal control and oversight of the external audit during the year.

Changes to Committee membership

During the year, Hussein Barma retired as a member of the Committee after many years of dedicated service. The Board and I would like to record our sincere thanks to him for his significant contribution to the Committee's work and to the development of the Group's financial governance over that time. I would also like to thank Stephen Scott, who retired at the end of the year, for his many years of service as a member of the Audit Committee. We were pleased to welcome Hennie Faul as a new

member of the Committee in June and, earlier this year, Mike Armitage. We look forward to benefitting from their experience and insight in the years ahead.

Financial and narrative reporting

Over the course of 2025, the Committee's work was focused on supporting the Board in ensuring the integrity of the Group's financial and narrative reporting, including its full year, half year and quarterly results, and in reviewing the significant accounting judgements and estimates applied by management. We also oversaw the Group's going concern and viability assessments, the fair, balanced and understandable statement and the effectiveness, independence and objectivity of the external auditor.





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Review of material issues

In the area of financial reporting, the Committee devoted particular time to matters involving a higher degree of judgement, including the carrying value of mining assets and development projects, progress on Proyecto Touro, the E-LIX project at Riotinto, the Group's Swedish exploration projects and the accounting for conditional performance share awards. We also reviewed the external auditor's work on revenue recognition under IFRS 15 and on the risk of management override of controls, and were satisfied that there were no matters arising that required adjustment or enhanced disclosure beyond that included in the financial statements.

Risk, control and assurance

The Committee continued to oversee the Group's risk management and internal control framework, including its risk registers and business integrity and compliance policies. During the year, we received a detailed presentation on the corporate criminal compliance system operated by the Group's principal operating subsidiary and reviewed the operation of the Group's whistleblowing arrangements; there were no reported breaches of the Group's business integrity policies and no significant reports made under the whistleblowing policy in the period. The Committee reviewed the effectiveness of the Group's whistleblowing arrangements and was satisfied that appropriate processes are in place for employees

and third parties to raise concerns confidentially. The Committee reviewed the effectiveness of the Group's whistleblowing arrangements and was satisfied that appropriate processes are in place for employees and third parties to raise concerns confidentially.

We assessed the effectiveness of the external audit, including the audit plan, key risk areas, resourcing, quality of challenge and communication, and the value-added recommendations arising from the audit. We also monitored audit and non-audit fees, considered a small number of out of scope and non audit engagements and received confirmations from PricewaterhouseCoopers regarding its independence and objectivity; the Committee and the Board remain

satisfied that appropriate safeguards are in place to protect audit independence.

Looking ahead

Looking ahead, the Committee will continue to focus on the implications of the revised UK Corporate Governance Code, in particular the new requirements in relation to the Board's declaration on the effectiveness of risk management and internal controls, and on ensuring that the Group's assurance and reporting arrangements remain proportionate to the nature, scale and complexity of the business. I would like to thank my fellow Committee members, management and our external auditor for their diligence and constructive engagement throughout the year.

On behalf of the Audit Committee, I would like to thank the management team, and PricewaterhouseCoopers Auditores, S.L. (Spain) for their support and constructive engagement throughout the year.

Yours sincerely

CAROLE WHITTALL
Chair of Audit Committee

18 March 2026





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Audit Committee Report

Committee composition



The Committee is composed solely of independent Non-Executive Directors. The Board is satisfied that the Committee Chair has recent and relevant financial experience as required by the Code and that the Committee as a whole has competence relevant to the sector in which the Company operates. More information on the skills and the experience of all Committee members can be found on [Board of Directors section](#).

Committee membership and attendance at meetings during 2025



	Attendance in 2025	Member since:
Carole Whittall	5/5	1 July 2024 (Chair since 26 October 2024)
Hussein Barma	2/2	24 November 2015 (retired 24 June 2025)
Hennie Faul	3/3	24 June 2025
Stephen Scott	5/5	11 October 2023

Stephen Scott retired as a member of the Committee on 31 December 2025.

Mike Armitage, an independent Non-Executive Director, joined the Committee on his appointment to the Board on 19 January 2026.

There was an 18-day period between the resignation of Mr. Scott on 31 December 2025 and the appointment of Dr. Armitage on 19 January 2026 during which the Committee's composition did not fulfil the requirements of Code provision 24. However, during that short period of time the Committee did not meet.

Role of the Committee



The Committee's role is to provide oversight of the Company's financial and narrative reporting statements, to monitor the effectiveness of systems of internal control and risk management, to monitor the integrity of the Group's external audit processes, and to keep under review the need for an internal audit function. The Committee's terms of reference, which are reviewed annually, are available on the Company's website at www.atalayamining.com/sustainability/good-governance.

How the Committee operates



The Committee meets at least three times a year. In addition to Committee members, the Chief Executive Officer, Chief Financial Officer, Company Secretary, and representatives of the external auditor also attend Committee meetings by invitation where appropriate. Time is made available at each meeting to allow the Committee to discuss matters amongst themselves or with the external auditor without management being present.

An annual planner of matters for the Committee to review informs the agendas for each Committee meeting. The Committee receives information in advance of its meetings including information and reports from the external auditor and the Chief Financial Officer and his team.

Committee meetings are scheduled to coincide with key dates in the Company's financial reporting and audit cycle calendar. Meetings are held in advance of the Board meetings to allow the Committee Chair to provide a report to the Board on the key matters discussed and for the Board to consider any recommendations made. The Committee Chair also meets regularly with representatives of the external auditor.



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activities in 2025

The Committee met five times during the year under review, and all Committee members attended all meetings that they were eligible to attend. A representative of the external auditor attended all meetings of the Committee during the year. The Committee met in closed session with the external auditor without management present on two occasions during the year. The Committee also held one private session without the external auditor or management present.

The table below summarises the areas that the Committee reviewed or actioned in 2025 and the outcome.

Areas reviewed or actioned in 2025 Outcome

Financial and narrative reporting

Full year, half-year, and quarterly reports	Recommendation to the Board for approval.
Key accounting judgements and estimates	Agreement with management's key judgements and estimates.
Going concern and viability statements	Satisfaction that statements provide a balanced and transparent view and that there were no gaps or weaknesses that had been identified that required additional analysis or disclosure.
Fair, balanced and understandable assessment	Recommendation that Annual Report and financial statements taken as a whole were fair, balanced and understandable.

External audit

Reports from external auditor (including external audit findings)	Assurance that external audit was effective.
Full-year audit plan and significant audit risks	Assurance that external audit was sufficiently robust.
External auditor's independence and expertise	Satisfaction that there were no matters impacting the auditor's independence or objectivity and satisfaction that there was not lack of expertise that might impact audit quality.
Effectiveness of external audit process	The Committee was satisfied that the external audit was effective.

Internal control and risk management

Risk management processes and internal control system	The Committee confirmed to the Board that it had reviewed the effectiveness of the Group's systems of internal control and risk management for the period under review.
Corporate criminal compliance	The Committee received a presentation from the corporate criminal compliance system operated by the Group's principal operating subsidiary which provided assurance to the Committee regarding the effectiveness of the system.
Preparations for implementation of Code provision 29	The Committee has reviewed management's plans to enhance the risk management and internal control framework, including work to identify and document material controls across financial, operational, compliance and reporting processes, and to strengthen the evidence supporting management's assessment of control effectiveness.
Risk register	No changes to the principal risks were made.
Need for internal audit function	Satisfaction that there is no immediate need for the establishment of a dedicated internal audit function, although this will be kept under review.

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Training	Circulation of relevant briefings and inclusion of relevant matters in Committee's forward agenda planner.
Committee's annual forward agenda planner	Approval with additional suggestions from Committee.
Committee's terms of reference	Inclusion of matters in Committee's annual forward agenda planner.





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Financial and narrative reporting – significant areas considered

Key accounting judgements and estimates

Carrying value of mining assets and investments

Riotinto operating project

Lain Technologies E-LIX project:

The Committee considered the recoverability of the assets related to the E-LIX project. In so doing the Committee assessed the various factors impacting recoverability including successful commercialisation of the E-LIX technology, market conditions for copper and zinc, production efficiency and cost assumptions, exclusivity and operational agreements, as well as delays in achieving commercial-scale production, operational challenges at the plant and the impairment recognised during the year.

When assessing impairment, the Committee assessed the individual recoverability characteristics of the assets related to the industrial plant located at Proyecto Riotinto and the convertible loan that may be converted into 20% of the equity of the Company which owns the E-LIX technology. Further details can be found in Note 3.4 to the financial statements.

Change in Ore Reserves: During the year management undertook a reassessment of Ore Reserves supported by an independent expert. The Committee reviewed and challenged management's reassessment and the information provided by the external auditor and concluded that the changes in the Ore Reserve estimates were reasonable and were appropriately reflected in the Company's financial statements.

Projects under development

The Committee considered the carrying value of the Company's Touro, Masa Valverde and Ossa Morena projects in the context of the 2024 independent expert valuations and the comments made by the external auditor, and concluded that the carrying value of those assets remained appropriate.

Revenue recognition

IFRS 15 revenue recognition remains a key audit matter. The Committee considered the external auditor's assessment of the risks associated with revenue recognition and reviewed the procedures performed to address the risk of material error in relation

to revenue recognition for sales of concentrate. The Committee concurred with the external auditor's view that the disclosures and accounting policies were compliant with IFRS 15 and considered the Group's revenue recognition to be appropriate.

Accounting treatment of incentive schemes

During the year, some share options that were exercised by non-C-suite employees were settled in cash due to the impracticality and cost of issuing small numbers of shares pursuant to individual share option exercises. The Committee considered the accounting treatment of these and the potential impact on the exercise of existing share options by non-C-suite employees including the classification of certain arrangements as cash-settled and the recognition of related provisions.

The Committee reviewed the accounting treatment of the conditional performance share award made to the CEO and CFO and the deferred cash bonus scheme made to selected non-C-suite employees. The Committee also considered the comments of the external auditor and was satisfied that the accounting

treatment of all incentive schemes was appropriate.

Property tax contingency

The Committee considered the accounting treatment of property tax assessments arising from the reassessment of cadastral values. The Committee reviewed management's assessment of the probability and quantum of any potential outflow, supported by external legal advice and independent valuation expertise, and considered the external auditor's procedures and conclusions. The Committee was satisfied that the provision recognised and related disclosures were appropriate.

Scope for management override of controls

Management override of controls is a general presumptive audit risk. The external auditor reported to the Committee that it had not identified any instances of material fraud or of management override of controls. The Committee continues to believe that there is a culture of ethical behaviour across the Group and a strong control environment that both deters and prevents fraud.



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Going concern and viability statements

Going concern

The Committee reviewed and challenged management's forecasts for 2026 and 2027 and considered risks to the projections and underlying assumptions and judgements. The Committee also reviewed the adequacy of the disclosures in the financial statements relating to going concern. The Committee concluded that it remained appropriate to prepare the financial statements on a going concern basis. The going concern statement can be found on [page 44](#).

Viability statement

The Committee reviewed management's work in conducting a thorough assessment of those risks which could threaten the business model and the Company's future viability. This assessment included identifying severe but plausible risk events for each of the Group's principal risks as well as considering interdependencies and the overall impact from multiple risks being realised. For those risks severe enough to impact the viability of the Group, a sensitivity analysis was performed to understand the potential impact which the Committee considered.

The Committee considered the findings from this analysis together with the proposed text of the viability statement and concluded that the viability statement appropriately reflected:

- The principal risks and uncertainties facing the business, including their potential impact on the Company's solvency and liquidity.
- The scenario analyses performed to support the statement.

The Committee recommended approval of the viability statement to the Board. The viability statement can be found on [page 30](#).

Fair, balanced and understandable

On behalf of the Board, the Committee has considered whether, in its opinion, the Annual Report and Financial Statements (the "AR&FS"), taken as a whole, is fair, balanced and understandable, and whether it provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

To do this, the Committee considered a draft of the AR&FS at an early stage to enable sufficient time for comment and review to check the overall balance and consistency. As

part of this process, the Committee considered and, where appropriate, challenged management as to whether:

- The narrative in the Annual Report and the financial reporting in the financial statements was consistent.
- The key judgements referred to in the narrative reporting and the significant accounting issues included in the Audit Committee Report were consistent with the disclosures in the financial statements.
- Important messages were highlighted appropriately throughout the AR&FS.
- There were any omissions that should have been included.
- KPIs were appropriately disclosed based on the financial reporting.
- Key messages in the narrative were reflected in the financial reporting.
- Statutory and adjusted measures were explained clearly with appropriate prominence.
- There was any inconsistency with the matters that the external auditor intended to include in its report.





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External audit

Audit Committees and the External Audit: Minimum Standard

In preparing this report, the Committee has considered the requirements of the Financial Reporting Council's Audit Committees and the External Audit: Minimum Standard (the "Minimum Standard") and has described the key activities undertaken during the year in relation to:

- ▣ The oversight of the external audit and assessment of audit effectiveness, independence and objectivity.
- ▣ Its policy and oversight of non-audit services.

Taking these activities as a whole, the Committee considers that it has complied with the applicable provisions of the Minimum Standard during the year under review.

Role of the Committee

The Committee's role is to ensure that the annual external audit is effective, objective, independent, appropriately priced and of a high quality.

Effectiveness

The Committee considered several factors when determining the effectiveness of the external audit, including whether:

- ▣ The audit plan was comprehensive.
- ▣ The audit team was appropriately resourced.
- ▣ The audit team demonstrated competence, technical expertise and mining industry knowledge.
- ▣ Accurate and perceptive advice on key accounting and audit judgements, technical issues, and best practice was provided.
- ▣ The auditor worked effectively with management.
- ▣ The auditor applied professional scepticism and provided constructive challenge to management.
- ▣ Useful areas for improvements in company procedures were highlighted.
- ▣ Audit work was completed to schedule and within the agreed fee.

Following completion of its review, the Committee concluded that it was satisfied with the effectiveness of the external audit and the effectiveness of PricewaterhouseCoopers.

Audit fees

The Committee considered the level of audit fees proposed to be charged by the external auditor for the FY2025. It also considered two "out of scope" fees for an update review of expert calculation reports and a review of the fair value calculation of the conditional performance share awards granted during the year. The Committee concluded that the level of fees proposed to be charged for the audit was appropriate to enable an effective and high-quality audit to be conducted.

Non-audit fees

The Committee has approved a policy on the provision of non-audit services by the external audit to mitigate any threat related to the external auditor's independence. This policy is reviewed regularly by the Committee to safeguard the ongoing independence of the external auditor.

Details of the fees paid to PricewaterhouseCoopers for audit and non-audit services are shown in Note 31 to the financial statements. The non-audit services provided by PricewaterhouseCoopers related to sustainability assurance services,

reviewing the Company's interim results to 30 June 2025, and the issuance of an agreed-upon procedures report detailing the Group's principal operating subsidiary's pending invoices in order to comply with local laws for a grant.

Independence

The external auditor has explained to the Committee its processes for maintaining independence.

The external auditor has also provided the relevant information to the Committee so that it can monitor the level of fees paid by the Company compared to the overall fee income of the firm, office and partner.

PricewaterhouseCoopers has confirmed to the Committee its independence and objectivity from the Company and both the Committee and the Board are satisfied that:

- ▣ PricewaterhouseCoopers has adequate policies and safeguards in place to ensure that its objectivity and independence are maintained.
- ▣ There are no matters impacting PricewaterhouseCoopers' independence or objectivity.



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Risk management and internal controls

Principal features of internal control and risk management systems in relation to financial reporting

The Company has established a comprehensive internal control and risk management framework to ensure the integrity, accuracy, and reliability of its financial reporting process. These controls are designed to safeguard the Company's assets, ensure compliance with applicable laws and regulations, and provide reasonable assurance over the preparation of financial statements.

Key features of the Company's internal control and risk management systems in relation to the financial reporting process include:

- ▣ **Governance and oversight:** The Board, supported by the Committee, oversees the financial reporting process and the effectiveness of internal controls.

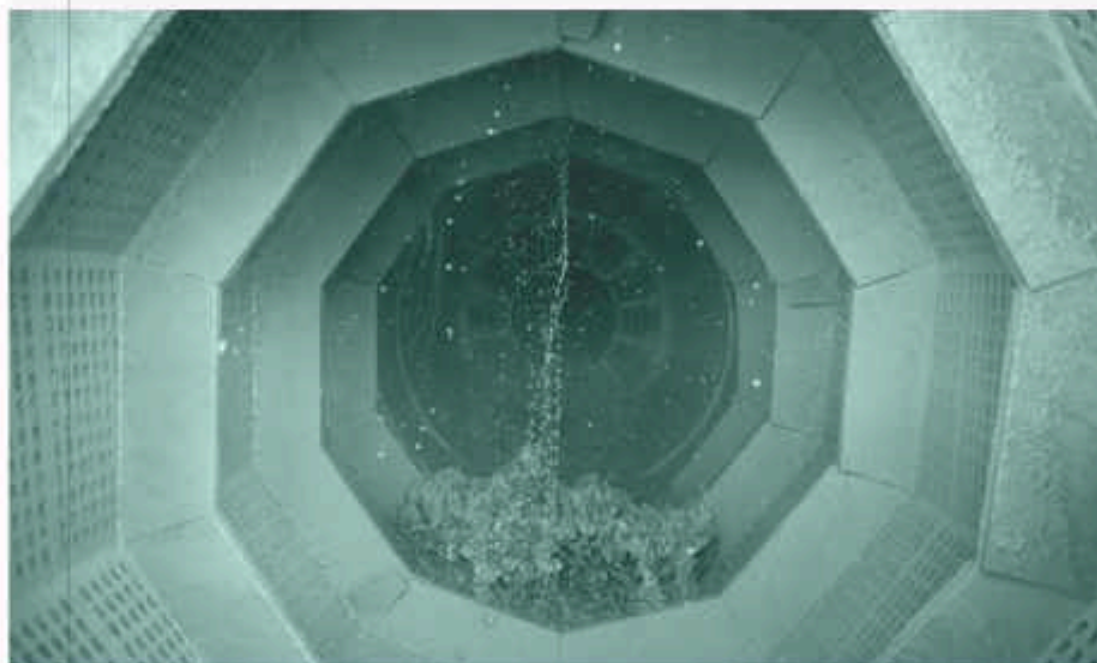
- ▣ **Financial reporting policies and procedures:** The Company has established clear accounting policies, aligned with International Financial Reporting Standards and a structured financial reporting framework to ensure consistency and compliance. There is a formalised timetable and reporting calendar that governs the preparation and review of financial reports, including quarterly, interim and annual statements.

- ▣ **Risk assessment and management:** The Company maintains a risk management framework to identify, assess, and manage financial reporting risks, including fraud, misstatements, and regulatory compliance risks. Regular risk assessments are conducted to evaluate emerging financial risks, with appropriate mitigating actions implemented.

- ▣ **Internal controls and compliance:** A system of internal controls is in place to ensure the completeness, accuracy, and validity of financial data, including segregation of duties, approval thresholds, and reconciliations. The Company also operates a whistleblowing mechanism to enable employees and stakeholders to report concerns related to financial integrity and fraud.

- ▣ **External audit and assurance:** The Company engages an independent external auditor to conduct an annual audit of its financial statements, ensuring compliance with regulatory and accounting standards. The Committee oversees the external audit process, reviewing findings and recommendations to enhance financial reporting integrity.

- ▣ **IT and financial systems controls:** Robust IT controls are in place to protect financial data, including access restrictions, cybersecurity measures, and automated system validations.





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Role of the Committee

The Board has delegated to the Committee responsibility for:

- ▣ Monitoring and managing relevant risks.
- ▣ Reviewing and challenging where necessary the effectiveness and adequacy of the Company's internal financial systems that identify, assess, manage and monitor financial risks, and other internal control and risk management systems.

The Company has several processes in place to provide effective internal control including various compliance and business integrity policies and a risk management framework under which controls, and their effectiveness, are managed and evaluated.

A description of the Group's risk management framework and process together with a summary of the principal risks and uncertainties to which the Company is exposed can be found within the Strategic Report.

How the Committee fulfilled its role in 2025

The Committee:

- ▣ Regularly reviewed the Company's risk registers with a focus on its financial and strategic risks and associated mitigation plans and, where appropriate, the Committee challenged management regarding risk scores.
- ▣ Considered the Company's approach to identifying and managing emerging risks.
- ▣ Considered management's assessment of compliance with the Company's business integrity policies. During the year there have been no reported breaches of any of those policies.

The Committee has confirmed to the Board that [it has reviewed the effectiveness of the Group's systems of internal control and risk management for the period under review and that it has not identified any significant failings or weaknesses.

Whistleblowing

The Board has delegated to the Committee responsibility for reviewing the effectiveness, adequacy and security of the Company's whistleblowing arrangements for its employees, contractors and external parties to raise concerns, in confidence, about possible wrongdoing in financial reporting and other matters.

During the year the Committee received a presentation from the Company's corporate legal counsel regarding the corporate criminal compliance system operated by the Company's principal operating subsidiary.

There have been no significant reports made under the whistleblowing policy during the period under review.

Internal audit

The Group does not currently have a dedicated internal audit function. Currently, activities that would typically be conducted by an internal audit function are conducted by members of the Group's finance team. The Committee reviews the need for an internal audit function and/or a head of internal audit annually.

This year the Committee considered the nature, scale and complexity of the Group's business. The Committee also considered the desirability of a dedicated internal audit function in the context of it acting as a potential source of assurance for the Board regarding those matters covered by Code provision 29, which became effective from 1 January 2026.

The Committee concluded that a dedicated internal audit function was not currently warranted given the Group's current organisational structure and the fact that it remains primarily a single operating asset business. Once Proyecto Touro was completed, that might potentially be the right time to have a dedicated internal audit function.

In the meantime, to the extent that any particular areas of concern arose in respect of which the Committee and/or the Board felt that additional assurance was desirable, this could be addressed by way of an outsourced service.



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Committee member induction and ongoing training

Prior to joining the Committee, Hennie Faul received briefings from the Committee chair and the Chief Financial Officer regarding the key elements of the Committee's work. Relevant bulletins issued by the "big four" accounting firms are circulated to Committee members by way of ongoing training. In addition, briefings regarding changes to the FRC's Corporate Governance Code, the FCA's Listing Rules, and the FCA's Disclosure Guidance and Transparency Rules sourcebook relevant to the Committee are also provided.

Committee terms of reference

During the year, the Committee conducted a review of its terms of reference and made recommendations to the Board for some changes in order to align them with the 2024 edition of the Code, in particular Code Provision 29 which came into force with effect from 1 January 2026.

Committee performance

This year an external performance review of the Board and its committees was undertaken. Overall, the Committee functions well and fulfils its remit. Suggestions for action during 2026 were to:

- Further align the work of the Committee with that of the Physical Risk Committee to ensure that there is good oversight of risk in the broadest sense.
- Ensure there are close links between the Committee and the work the Sustainability Committee is doing around ESG compliance.





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Physical Risk Committee Report

Committee composition



The Committee is composed solely of Non-Executive Directors. More information on the skills and the experience of all Committee members can be found on [Board of Directors section](#).

Committee membership and attendance at meetings during 2025



	Attendance in 2025	Member since:
Stephen Scott	3/3	9 September 2015 (Chair from 25 October 2022)
Hennie Faul	1/1	24 June 2025
Jesús Fernández	1/2	25 October 2022 (retired 24 June 2025)
Neil Gregson	3/3	23 June 2021

Stephen Scott retired as chair and as a member of the Committee on 31 December 2025. Hennie Faul became chair of the Committee on 19 January 2026. Mike Armitage, an independent Non-Executive Director, joined the Committee on his appointment to the Board on 19 January 2026.

Role of the Committee



The Committee's role is one of oversight.

The Committee:

- Oversees safety, health, environmental and security matters relating to the Group.
- Oversees enterprise-wide physical risk management.
- Reviews compliance with legal and regulatory obligations relating to safety, health, and the environment.

It is recognised that the Non-Executive Directors who are members of the Committee are not full-time employees of the Company and generally do not represent themselves as experts in the fields of safety, health, environment, security or risk management. It is not the responsibility of the individual Committee members personally to conduct safety, health, environment, security, or risk reviews.

The Committee's terms of reference, which are reviewed annually, are available on the Company's website at www.atalayamining.com/sustainability/good-governance.

How the Committee operates



The Committee meets at least three times a year. In addition to Committee members, the Chief Executive Officer, Chief Financial Officer, Riotinto Mine General Manager, the Sustainability Committee Chair, and the Company Secretary also attend Committee meetings by invitation where appropriate.

Meetings are held in advance of the Board meetings to allow the Committee Chair to provide a report to the Board on the key matters discussed and for the Board to consider any recommendations made.



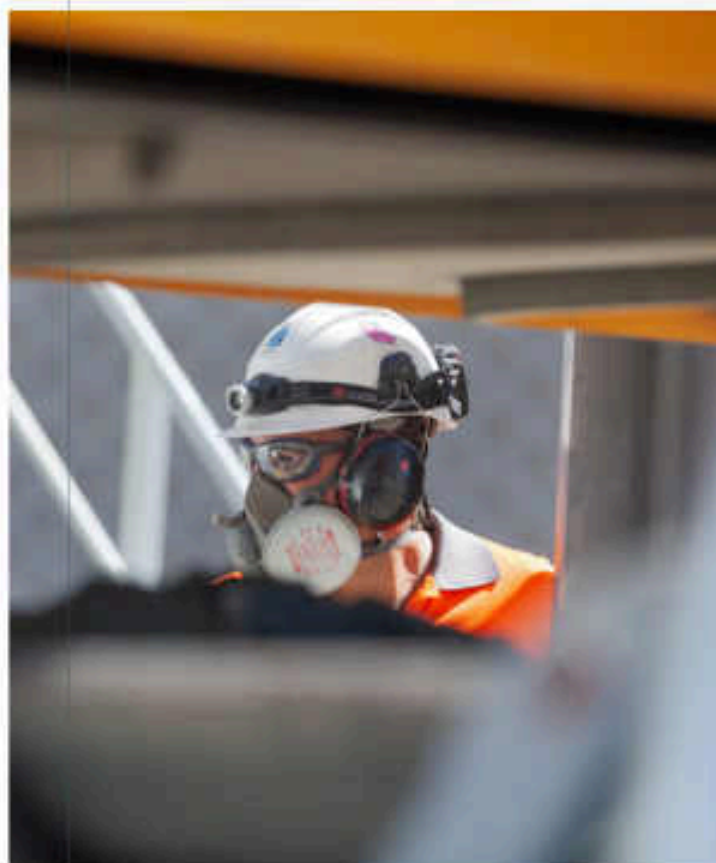
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Information regarding the Company's approach to:

- safety and its safety performance in 2025; and
- environmental sustainability and related performance,

can be found in the Company's [Sustainability Report](#).

Committee activities in 2025



The Committee met three times in person during the year under review, including twice at the Company's producing mine and processing facility in Andalusia.

Area	Key activities during the year
Site visits and onsite observations	Undertook site tours including the ELIX facility, San Dionisio, road deviation and new tailings dam areas; assessed housekeeping and dust control, which were reported as good; discussed structural integrity of major installations and areas difficult to clean, requesting a review of locations with potential for catastrophic failure and associated maintenance planning to be added to the risk matrix.
Physical risks matrix and key site risks	Reviewed and challenged updated physical risks matrix for the Riotinto mine at each meeting, focusing on environmental, community, personnel and physical risks; including TSF wall failure, uncontrolled acid water discharge, climate change, dust emissions, forest fire, robbery and sabotage, system hacking and Legionella, and monitored the implementation of mitigation measures such as increased seismic surveillance, additional pumping capacity, higher water recycling rates, forest fire prevention planning, perimeter security enhancements, and a comprehensive cybersecurity master plan.
Safety performance and culture	Reviewed monthly, year to date and 12 month rolling safety statistics, including LTIs, LTIFR, and LTISR; compared performance to targets and sector benchmarks; requested and reviewed LTI data by age distribution and by company/department; focused on contractor safety (including plans to extend field leadership activities, improve contractor supervision and pursue Zero Harm Challenge initiatives); considered leadership in safety metrics and controlled substances testing data; endorsed annual LTIFR and LTISR targets under the Zero Harm Project.
Safety systems, reporting tools and training	Considered management's ongoing development of an application for reporting unsafe acts and conditions under the Zero Harm Challenge Project and requested future reporting from its use when available; emphasised the importance of supervisors challenging unsafe behaviour; encouraging peer to peer feedback and reinforcing safety culture, particularly for contractors; stressed the need for robust safety inductions and refresher training for all site attendees.
Reporting framework and data enhancements	Agreed that safety reporting to the Committee should move from annual calendar year data only to also include 12 month rolling reporting in line with sector practice; requested and received enhanced analysis of LTI age distribution and workforce age profile; reviewed trends in LTIs and rolling LTIFR over the year and monitored absenteeism and contractor numbers.
Diversity and inclusion	Reviewed the Board Diversity Policy and confirmed a principles based, merit focused approach; embedded diversity considerations (including ethnicity, nationality, language and cultural understanding) into NED role specifications; scrutinised search firms' approaches to diversity and monitored the diversity of longlists and shortlists.
Culture and workforce engagement	Recommended the appointment of a designated NED for workforce engagement; reviewed examples of workforce engagement practices; encouraged broader interaction between NEDs and employees and progressed work on defining and monitoring company culture.
Governance framework	Reviewed compliance with the 2024 UK Corporate Governance Code; oversaw changes to committee terms of reference and governance policies; reviewed and confirmed the delegation of authority matrix and updates to the matters reserved to the Board and project toll gating framework.



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Sustainability Committee Report

Committee composition



The Committee is composed solely of independent Non-Executive Directors. More information on the skills and the experience of all Committee members can be found on [Board of Directors section](#).

Committee membership and attendance at meetings during 2025



	Attendance in 2025	Member since:
Kate Harcourt	5/5	25 October 2022 (Chair since 25 October 2022)
Hussein Barma	3/3	25 October 2022 (retired 24 June 2025)
Coriseo González-Izquierdo	2/2	24 June 2025
Carole Whittall	5/5	14 January 2025

Role of the Committee



The Committee:

- Oversees the strategy and activities related to sustainable development and social responsibility;
- Develops and regularly reviews the policies, programmes, practices, targets, and initiatives of the Group relating to sustainability matters.

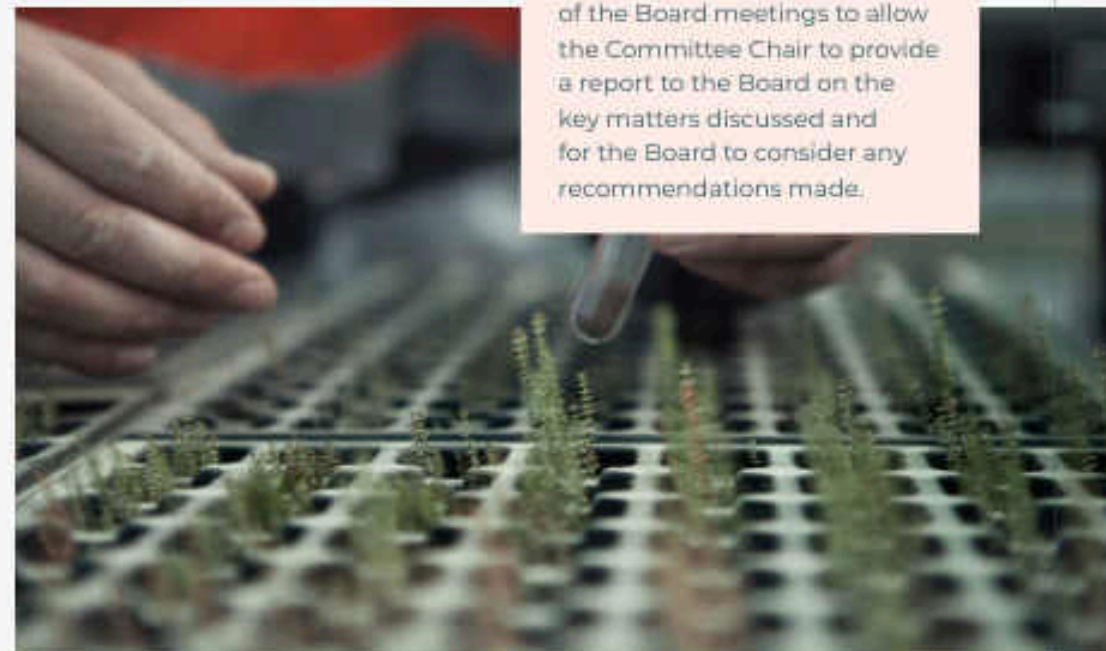
The Committee's terms of reference, which are reviewed annually, are available on the Company's website at www.atalayamining.com/sustainability/good-governance.

How the Committee operates



The Committee meets at least three times a year. In addition to Committee members, the Chief Executive Officer, Chief Financial Officer, Riotinto General Manager, Sustainability Manager, and the Company Secretary also regularly attend Committee meetings.

Meetings are held in advance of the Board meetings to allow the Committee Chair to provide a report to the Board on the key matters discussed and for the Board to consider any recommendations made.





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Committee activities in 2025

The Committee met five times during the year under review, including once at the Company's producing mine and processing facility in Andalusia.



Area	Key activities during the year	Area	Key activities during the year
2025 sustainability roadmap and workplan	Oversaw the 2025 sustainability roadmap, agreeing priority workstreams covering workforce, governance and due diligence, and environmental/climate matters, and endorsed activities including completion of the double materiality assessment, continued emissions reduction efforts, CDP participation and implementation of GISTM.	2024 Climate change reporting and targets	Reviewed the 2024 TCFD-aligned Climate Change Report and UK Listing Rule 6.6.6R(8) disclosure, considered consistency of climate data across reports, and supported revised 2030 climate targets in light of delays to the solar plant, recommending the updated targets and related disclosure to the Board.
Tailings governance and GISTM implementation	Reviewed and approved for publication the Proyecto Riotinto TSF GISTM Disclosure Report, considered alignment between Spanish legal requirements and the GISTM, monitored governance arrangements for tailings facilities at Proyecto Riotinto and Proyecto Tourb, and oversaw recruitment and onboarding of specialist resource to complete a GISTM gap analysis and compliance plan by end 2026.	2024 Modern Slavery Statement	Reviewed and commented on an updated Modern Slavery Statement and resolved, subject to incorporation of comments, to recommend the revised statement to the Board for approval.
CDP (Carbon Disclosure Project)	Monitored progress on CDP reporting, noted the extent of completion of the CDP questionnaire, considered KPMG's gap analysis and benchmarking of the Company's CDP performance, and reviewed peer CDP scores to inform future improvement plans.	ESG ratings and investor feedback	Reviewed external ESG ratings and proxy adviser reports, noted ISS and IVIS support for the 2024 Sustainability Report, considered IVIS comments and ESG ratings reviews by MSCI and Sustainalytics, and oversaw follow up actions with Salterbaxter and ratings agencies to address identified disclosure gaps and improve scores.
Double materiality assessment	Oversaw the Company's double materiality assessment, reviewed methodology and outputs, discussed interpretation of topic by topic scoring (including resource outflows related to products and services), and arranged a dedicated Board/Committee session with ERM to deepen understanding of the results.	Stakeholder and shareholder engagement	Considered commitments made to specific shareholders and other stakeholders, including participation in the CDP and publication of tailings and energy policies, and oversaw related disclosures and engagement activities to address their expectations.
Regulatory developments (CSRD/Omnibus) and Board training	Monitored EU CSRD and Omnibus proposals, noted the implications for the Company's reporting timetable and assurance requirements, and agreed that Board training on the new regime should be arranged once the position was clearer.	Sustainability resourcing	Monitored sustainability team resourcing, including interim coverage following the departure of the Sustainability Manager, reviewed and commented on the job description for the new ESG Manager, and oversaw plans and timelines for recruiting a suitably qualified successor.
External assurance and adviser feedback	Received feedback on PricewaterhouseCoopers' assurance work, noted process improvements versus prior years, agreed to an interim review to address potential issues in advance of year-end, and oversaw use of external advisers to support reporting, roadmap development, ESG ratings engagement and double materiality.	Policies, governance framework and Committee ToR	Reviewed and recommended for Board approval updates to the Sustainability Policy, confirmed the Community Relations Policy remained appropriate, monitored publication of the Company's Energy Policy in Spanish and English, and reviewed minor amendments to the Committee's terms of reference with a view to aligning them with the ESG roadmap.
2024 Sustainability Report and Non-Financial Information Statement (NFIS) assurance	Reviewed the near-final 2024 Sustainability Report and associated NFIS Representation Letter, received PricewaterhouseCoopers' limited assurance findings (including strengths and areas for improvement), and recommended the report and representation letter to the Board for approval.		

During the year ERM delivered training on the current status of the implementation of the EU Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) to the Committee and other Board members.

Information regarding the Company's approach to sustainability and related performance can be found in the [Strategic Report](#) and in the [Sustainability Report 2025](#).



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Directors' Remuneration Report

Annual Statement

I am pleased to present the Directors' Remuneration Report for the year ended 31 December 2025, my first as Chair of the Remuneration Committee following my appointment to the role on 24 June 2025. I would like to begin by recognising and thanking my predecessor, Hussein Barma, who chaired the Committee until my appointment and whose leadership underpinned the significant strengthening of the Company's remuneration framework following the Company's transition to the Main Market.

Focus of the Committee's work

During the year, the Committee oversaw the introduction and implementation of the new Directors' Remuneration Policy, the first conditional performance share award to the CEO under the Atalaya Long-Term Incentive Plan 2020 and the one off transitional option award approved by shareholders. We also reviewed base salary and fee levels, considered wider workforce pay and conditions, and continued to develop the link between remuneration, and the Company's strategic priorities.

As the designated Non-Executive Director for workforce engagement since June 2025, I have also met with the Director of Human Resources in person to ensure that she can help the wider workforce understand the structure and rationale of executive remuneration and how pay outcomes are connected to long-term sustainable performance.

Business performance and stakeholder experience

The Committee has been particularly mindful of the need to align remuneration outcomes with the experience of shareholders and other stakeholders. During 2025, the Company delivered a solid operational performance, achieving production at the higher end of the FY2025 guidance range, supported by plant throughput that reached a new record for Atalaya. Over the same period, the share price increased from £3.59 at the start of the year to £8.55 at the year-end, reflecting both improved operational delivery and market recognition of

the Company's growth potential. In assessing variable pay outcomes, the Committee has considered overall performance, including financial results, operational delivery, safety and ESG performance, as well as the significant value already created for shareholders over recent years.

AGM voting and shareholder engagement

At the 2025 AGM, shareholders approved the new Directors' Remuneration Policy with 96.35% of votes cast in favour, demonstrating strong support for the evolved remuneration framework. By contrast, three other remuneration-related resolutions – the 2024 Directors' Remuneration Report, the ratification of awards made under the long-term incentive plan and the approval of the one-off transitional award to the CEO – each received less than 80% support, reflecting shareholder scrutiny of legacy incentive structures and the transitional arrangements. These had been the subject of





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detailed engagement with major shareholders and shareholder representative bodies in the final quarter of 2024. Following the 2025 AGM, shareholders who had participated in the 2024 consultation and those who we had been able to identify as having voted against the remuneration-related resolutions were invited to indicate whether they felt further consultation would be useful. No shareholder requested further consultation and as such, the Committee has taken this as an indication that the actions taken, and the changes now implemented are broadly understood and supported.

New long-term conditional performance share award

A key feature of 2025 was the transition from historical non-performance-based market value share option awards to a new performance-related long-term incentive structure based on conditional performance share awards. All new long-term incentives will be granted in line with the Policy approved by shareholders and with Code provision 36 of the UK Corporate Governance Code (the "Code").

Transitional award and Code provision 36

In the absence of transitional arrangements, the long-term conditional performance share awards approved in 2025 would have resulted in a prolonged period with no potential vesting opportunity for the CEO. To avoid this prolonged gap, the Board conducted an extensive shareholder consultation in the autumn of 2024 and obtained shareholder approval at the 2025 AGM for a final one-off transitional award of market value options, providing vesting opportunities in 2025, 2026 and 2027 with a performance underpin on later tranches. As this award does not comply with provision 36 of the Code (which requires a combined vesting and holding period of at least five years), the Board considers it an exceptional, non-recurring arrangement, separate from the new Directors' Remuneration Policy.

Discretion

No discretion has been exercised by the Committee in respect of the year ended 31 December 2025.

Looking ahead

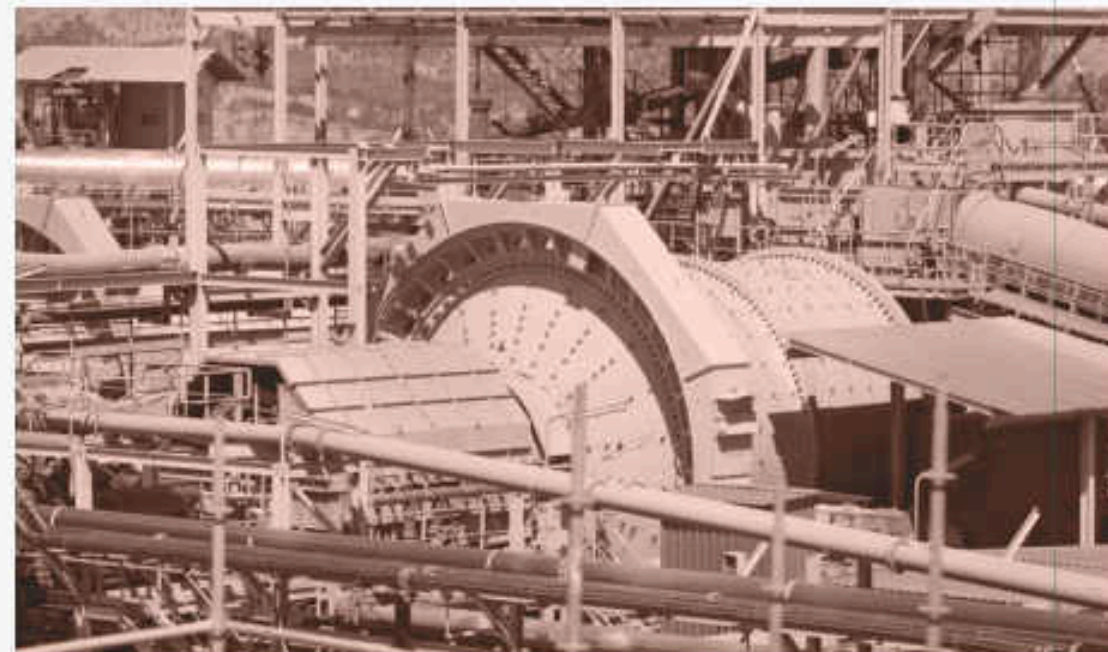
In 2026, the Committee's priorities will include embedding the new long-term incentive structure, overseeing the first full year of operation of the new Policy and ensuring that any further changes to remuneration remain firmly grounded in the context of the Company's strategic needs, performance and the wider stakeholder context. We will continue to monitor shareholder feedback carefully and stand ready to adapt our approach if expectations or

best practice evolve. I hope that this report provides clear and transparent insight into the Committee's decisions, and I welcome ongoing dialogue with shareholders on any aspect of our remuneration approach.

Yours sincerely

CORISEO GONZÁLEZ-IZQUIERDO
Chair of Remuneration Committee

18 March 2026





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Remuneration Committee Report

Committee
composition

The Committee is composed solely of Non-Executive Directors, three of whom (including the Committee Chair) are independent. The fourth member of the Committee, the Company Chair, was independent upon appointment. More information on the skills and the experience of all Committee members can be found on [Board of Directors section](#).

Committee membership and
attendance at meetings during 2025

	Attendance in 2025	Member since:
Coriseo González-Izquierdo	2 (2)	24 June 2025 (Chair since 24 June 2025)
Hussein Barma	6 (6)	1 July 2024 (Chair until 24 June 2025)
Neil Gregson	8 (8)	25 October 2022
Kate Harcourt	8 (8)	25 October 2022
Stephen Scott	8 (8)	25 October 2022

Stephen Scott retired from the Board and the Committee on 31 December 2025.

Hennie Faul, an independent Non-Executive Director, joined the Committee on 19 January 2026.

There was an 18-day period between the resignation of Mr. Scott on 31 December 2025 and Mr. Faul joining the Committee on 19 January 2026 during which the Committee's composition did not fulfil the requirements of Code provision 32. However, during that short period of time the Committee did not meet.

Role of the
Committee

The Committee's role is to set the annual fee for the Chair of the Board and ensure that Executive Directors and other key employees of the Company are fairly rewarded for their individual contribution to the overall performance of the Company. The Committee's terms of reference, which are reviewed annually, are available on the Company's website at [Committee Terms of Reference](#).

How the
Committee operates

The Committee meets at least three times a year. In addition to Committee members, the Chief Executive Officer, the Company Secretary and any other members of the Board and external advisers also attend Committee meetings by invitation where appropriate.

An annual planner of matters for the Committee to review informs the agendas for each Committee meeting. The Committee receives information in advance of its meetings including information and reports from the Company Secretary, the Human Resources Director, and external advisers.



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Committee activities in 2025

Key activities during the year

- ❑ **2024 Directors' Remuneration Report:** Enhanced level of disclosure addressing prior shareholder feedback; approved for recommendation to Board for inclusion within 2024 Annual Report.
- ❑ **2025 Directors' Remuneration Policy:** Completed formulation in light of feedback from shareholder consultation undertaken in Q4 2024, recommended to, and approved by, shareholders at 2025 AGM with >96% of votes in favour.
- ❑ **2025 CEO base salary review:** 3% increase approved effective 1 January 2025 in line with wider workforce pay increase.
- ❑ **2025 NED fee review:** No increase to structure or quantum recommended.
- ❑ **2024 annual bonus scheme outcome:** 58.14% of base salary approved.
- ❑ **2025 annual bonus scheme:** Metrics and targets approved.
- ❑ **2025 long-term incentive award:** Performance period, relative and absolute performance measures, threshold, "on target" and maximum targets, and quantum of award agreed.
- ❑ **2025 transitional award:** One-off award of market value options to bridge the gap between phasing out of former market value share option incentive award to new conditional performance share incentive award recommended to, and approved by, shareholders at 2025 AGM.
- ❑ **2025 AGM voting on remuneration-related resolutions:** Consideration of the three resolutions that received <80% support and shareholder re-engagement exercise conducted.
- ❑ **Rules of Long-Term Incentive Plan:** Commissioned a review in the light of completion of the re-domiciliation from Cyprus to Spain and challenges posed by Atalaya shares being represented by CREST Depositary Interests to facilitate trading on the London Stock Exchange and legal ownership being via layers of custodians.
- ❑ **Remuneration benchmarking exercise commissioned:** For use diagnostically in connection with the 2026 pay review to understand how the CEO's overall package compares with relevant markets.
- ❑ **Wider workforce pay and conditions:** Review of information provided by the Director of Human Resources.
- ❑ **Engagement with workforce on executive remuneration:** Committee chair met the Director of Human Resources to explain executive remuneration structure and rationale.
- ❑ **Governance:** Reviewed Committee terms of reference with no substantive changes recommended.



Advisers

FIT Remuneration Consultants LLP ("FIT") has served as the Committee's independent adviser since October 2024. FIT's fees are calculated on a time expended basis by reference to an hourly rate. FIT's fees in respect of advice to the Committee in the year under review were £42,319. FIT has no connection with the Company and has not provided any other services to the Company during the year. The Committee, based on its experience, is satisfied that the advice it received from FIT was objective and independent.

Committee effectiveness

This year an external performance review of the Board and its committees was undertaken. Overall, the Committee functions well and fulfils its remit. A suggested action was for the Committee to invite the Human Resources Director to attend meetings of the Committee to help improve channels of communication. This suggestion has been implemented by the Board.



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Workforce Engagement

In September 2025, the Committee Chair (who, since 24 June 2025, as served as the designated NED for workforce engagement) met with the Director of Human Resources at the Company's Riotinto mine site to explain Atalaya's executive remuneration structure and the rationale. Following the meeting, the Director of Human Resources was tasked with onward communication to the wider workforce in accordance with local practice.

2025 AGM shareholder voting

The Committee was pleased to note that the new Directors' Remuneration Policy received more than 96% votes in favour. The reasons for the voting outcomes on the three remaining remuneration-related resolutions were extensively discussed with major shareholders and shareholder representative bodies during an engagement exercise conducted in the final quarter of 2024. These had included shareholder concerns regarding:

- The Company's previous approach to long-term incentive provision (i.e. the absence of performance conditions, length of vesting periods and lack of a post-vesting holding period for the share option award made in June 2024).

- The one-off "transitional" share award ultimately granted to the CEO in July 2025 which was intended to bridge the vesting gap between the previous market value option approach and the Company's new long-term incentive policy.

With these legacy issues now behind the Company, and with future incentive awards being operated in line with the new Directors' Remuneration Policy, which received 96.35% shareholder support at the 2025 AGM, the Board anticipates an

increase in shareholder support for remuneration-related resolutions at future AGMs.

Notwithstanding the above, the Board re-engaged with those shareholders who had participated in the Company's previous engagement exercise and those shareholders who could be identified as having voted against to ascertain whether they were of the view that further consultation would be beneficial. No shareholder responded indicating that they wished to have further consultation.

Directors' Remuneration Policy

The Directors' Remuneration Policy (the "Policy") was approved by shareholders at the Company's 2025 Annual General Meeting, having received 96.35% of votes in favour. The Policy took effect from 24 June 2025 and is expected to apply for three years. The Policy can be found on the Company's website at: [2025 Directors' Remuneration Policy](#).

Resolutions	For		Against		Withheld	
	Nº of shares	as a % of votes cast	Nº of shares	as a % of votes cast	Nº of shares	as a % of votes cast*
2024 Remuneration Report	44,052,755	72.13%	15,828,748	25.92%	1,195,051	1.96%
2025 Remuneration Policy	58,847,320	96.35%	1,034,183	1.69%	1,195,051	1.96%
Ratification of awards made under the LTIP	45,014,470	73.70%	14,867,033	24.34%	1,195,051	1.96%
Approval of "transitional" award to the CEO	43,444,412	71.13%	16,437,091	26.91%	1,195,051	1.96%

*In the table above, abstentions are included in the calculation of the relevant percentage of total votes cast. Therefore, the outcome of the resolutions is impacted by effectively reducing the level of support and opposition expressed as percentages.



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Implementation of Directors' Remuneration Policy in 2025

Executive Directors' single remuneration figure

The table below presents a single remuneration figure for the Chief Executive Officer (CEO) who is the Company's sole Executive Director for the years ended 31 December 2024 and 31 December 2025.

	Fixed Pay (€)			Variable Pay (€)			Total (€)
	Salary	Pension	Benefits*	Total fixed	Annual bonus**	Share options***	Total variable
A. Lavandeira							
FY2025	520,467	52,047	6,736	579,250	407,404	851,805	1,256,209
FY2024	498,188	50,531	5,580	554,299	293,787	409,000	702,787
							1,838,459
							1,257,086

* Company lease car benefit in kind (inclusive of taxes paid by the Company).

** The 2025 annual bonus was earned in respect of the financial year ended 31 December 2025 and will be paid in 2026. The 2024 annual bonus was earned in respect of the financial year ended 31 December 2024 and was paid in 2025.

*** These amounts relate to the non-cash expense recognised in accordance with IFRS 2 Share-based Payments.

The vesting and exercise of share options is subject to continued employment.

On 9 July 2025 Mr. Lavandeira was granted a one-off "transitional" award comprising options over 800,000 Ordinary Shares in the capital of the Company at an exercise price of 460.33 pence per share (being the market value at grant). 133,333 vested on grant and the balance will, subject to application of a performance underpin, vest as to 266,667 on the first anniversary of grant and as to 400,000 on the second anniversary of grant.

On 11 June 2024 Mr. Lavandeira was granted options over 400,000 Ordinary Shares in the capital of the Company at an exercise price of 433.5 pence per share (being the market value at grant). 133,334 vested on grant, 133,333 vested on 11 June 2025 and the balance will vest on the second anniversary of grant.

Base Salary

The Committee reviewed the CEO's annual base salary during the year under review, and the Committee determined to increase it by 3% to €520k with effect from 1 January 2025, in line with the general overall increases to the wider workforce of 3%.

Pension

The CEO has an employer pension contribution equal to 10% of base salary. This is aligned to that which is available to existing UK employees and would be offered to any new UK employees. In respect of practice in Spain, pension provision is not the norm in the private sector. At Atalaya, the employment terms and conditions, which include salaries and benefits, are negotiated with the unions in respect of unionised individuals.

Taxable Benefits

Taxable benefits for the CEO comprised a company car.

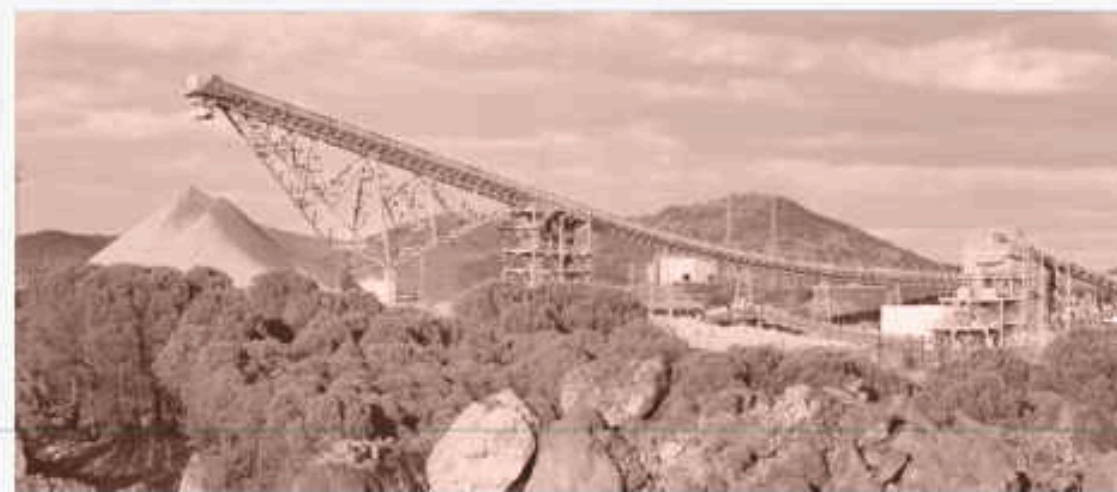
Annual bonus

The CEO's annual bonus opportunity in 2025 was:

Threshold	Performance*	
	On Target	Maximum
25% of maximum opportunity	50% of maximum opportunity	150% of base annual salary

* For performance between threshold on target and maximum, vesting is on a straight-line basis where the performance measure permits.

Performance measures related to financial and operational targets and strategic, project and growth initiatives.





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The table below sets out the performance measures and the outcome of each:

Measure	Weighting	Unit of measurement	Performance Targets			Actual performance	Outcome (% of maximum)
			Threshold (25% of maximum)	Target	Maximum		
Financial and operational targets							
Throughput	7.5%	M Tonnes	15.0	15.5	16.0	16.6	7.5%
Recovery	7.5%	Percentage	79.3%	81.3%	83.3%	78.84%	0.0%
Cu metal produced (Ag as Cu equivalent)	7.5%	Tonnes	45,727	50,300	52,815	*55,940	7.5%
On-site cost per tonne processed	7.5%	€/tonne processed	17.23	16.10	15.05	14.30	7.5%
AISC in \$/lb Cu payable	9.0%	\$/lb Cu	3.52	3.29	3.07	2.90	9.0%
Capex incurred vs. budget**	6.0%	k€	5% below	108,000	5% over	93,049	3.0%
Audited net cash flow	6.0%	k€	20% lower	26,100	20% higher	30,100	6.0%
H&S frequency	3.0%	LTIFR	5.25	4.50	3.80	4.80	1.20%
H&S severity	3.0%	Severity rate	0.20	0.15	0.12	0.20	0.75%
Engagement initiatives with communities and other local stakeholders	3.0%	The Committee undertook an assessment of the engagement activities undertaken during the year in the context of the programme of activities planned at the start of the year and concluded that it was appropriate to allocate the maximum achievement for this metric.					3.0%
Sub-total	60.0%						45.45%
Strategic, project and growth targets							
Touro permits	16.0%	The permits for Touro were not achieved during 2025. Given the importance of this project for the Company's growth the Committee did not think it appropriate to reward this metric.					0.0%
Growth projects evaluation – Masa Valverde ramp-up and financing	9.0%	The Masa Valverde project did not progress sufficiently during the year and therefore the Committee did not think it appropriate to reward this metric.					0.0%
Technical, operational and commercial success of E-LIX	5.0%	Although the E-LIX technology continues to work and has significant potential, efficient operating levels were not achieved during the year.					0.0%
Sub-total	30.0%						0.0%
Individual personal targets							
Increase shareholders, liquidity, profile, size	5.0%	An evaluation of the extent of investor and shareholder engagement, daily share trading volumes and feedback to Chair in investor and shareholder meetings was undertaken and the Committee concluded that it was appropriate to allocate the maximum achievement for this metric.					5.0%
Direct report blended personal targets	5.0%	The Committee considered the outcome of the performance of the CFO and the former Rio Tinto General Manager during the year. Their targets comprised a combination of operational, financial, ESG and strategic targets for which each was responsible. The blended outcome of these performances resulted in 1.73% achievement under this metric.					1.73%
Sub-total	10.0%						6.73%
Grand total	100.0%						52.18%

* In assessing actual performance, the Committee considered 4,800 tonnes of copper equivalent of the incremental silver production in assessing performance under this metric.

** This metric considers both the absolute level of capex incurred compared with target as well as an assessment of expenditure with a focus on timing and cost efficiency. Considering these factors, the Committee's final assessment was 50% of maximum bonus for this metric.

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The Committee considered the formulaic outcomes in the context of the Company's overall business performance, including consideration of shareholder experience and the CEO's individual performance. The Committee determined that the formulaic outcomes were fair and reasonable, and that the CEO's bonus payment did not need to be adjusted.

Based on the above, the CEO's annual bonus award in respect of the year ended 31 December 2025 is as follows:

Base Salary	€520,467
Maximum opportunity (% of base annual salary)	150%
Maximum opportunity (€)	€780,701
% of maximum payable	52.18%
Total bonus	€407,404

As the CEO has met his in-employment shareholding guideline, no bonus deferral will operate and as such, the 2025 bonus award will be paid in cash.

Long-term incentive plan

Conditional performance share award

On 23 April 2025, the Board granted the CEO a conditional performance share award pursuant to the Atalaya Mining Long-Term Incentive Plan 2020. Vesting is subject to continued service and the extent to which the applicable performance conditions have been satisfied at the end of the three-year performance period. Details of the award are as follows:

Date of grant	23 April 2025
Exercise price	nil
Normal vesting date	23 April 2028
Basis of award	175% of salary
Shares under award	218,000
Performance period	1 January 2025 to 31 December 2027

The share price on the date of the award was 358.60 pence.

A two-year post vesting holding period operates.

Vesting of the award will depend on the extent of achievement of performance conditions measured over the three years ending 31 December 2027. Those performance conditions together with the rationale for their selection were set out in full in the [2024 Directors' Remuneration Report](#) on pages 99 and 100 of the 2024 Annual Report.

One-off transitional share option award

As previously explained to shareholders, the Committee needed to identify an appropriate mechanism to address the transition from long-term incentives in the form of market value share options to conditional performance share awards.

As retention of the CEO was crucial for the Company at this stage, the Board considered it appropriate to make a final "transitional" award of market value options to ensure that vesting events took place in 2025, 2026 and 2027. This final "transitional" award was the subject of an extensive shareholder consultation exercise conducted during Q4 2024. For more information regarding that consultation, the rationale for the "transitional" award and the alternatives considered by the Committee, please see the [2024 Directors' Remuneration Report](#) on pages 100 and 101 of the 2024 Annual Report.

Following shareholder approval of a "one-off" transitional award of market value share options at the Company's 2025 AGM, on 9 July 2025, the Board granted the CEO market value options over 800,000 shares pursuant to the Atalaya Mining Long-Term Incentive Plan 2020 as follows:

Date of grant	Exercise price	Normal vesting date	Shares under award	Performance period
9 July 2025	460.35 pence per share	9 July 2025 9 July 2026 9 July 2027	133,333 266,667 400,000	n/a See below re performance underpin

All vested options will lapse on 9 July 2030 to the extent not already exercised.

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Performance "Underpin"

In order for the second and third tranches of the share option award to vest, the Board must be satisfied that it is appropriate for the relevant tranche to vest taking into consideration any factors that it considers relevant, including the following:

- The Company's overall performance in terms of share price growth and total shareholder return during the Vesting Period.
- Performance against key financial and operational metrics during the Vesting Period.
- Whether there have been material impairments or exceptional losses during the Vesting Period.
- Whether there have been significant environmental, social or reputational issues during the Vesting Period.

Provision 36 of the Code provides that share awards should be subject to a total vesting and holding period of five years or more. While the "transitional" award was not in accordance with Code provision 36, this award was a "one-off" award which was the subject of a standalone resolution put to (and passed by) shareholders at the Company's 2025 AGM. The Board does not intend to make any further share awards that are not in compliance with Code provision 36.

Summary of all long-term incentive awards held as at 31 December 2025

As at 31 December 2025, the CEO held the following share options over ordinary shares in the Company under the rules of the 2020 LTIP:

Date of Grant	Interest as at 1 January 2025	Nº Granted in Year	Exercise Price	Expiry Date	Vested in year	Total vested but unexercised	Exercised in Year	Lapsed in Year	Outstanding as at 31 December 2025
30-Jun-20	400,000	0	1475p	29-Jun-30	0	400,000	0	0	400,000
24-Jun-21	400,000	0	309.0p	23-Jun-31	0	400,000	0	0	400,000
22-Jun-22	400,000	0	3575p	30-Jun-27	0	400,000	0	0	400,000
22-May-23	400,000	0	327.0p	21-May-28	133,333	400,000	0	0	400,000
11-Jun-24	400,000	0	4135p	11-Jun-29	133,333	266,667	0	0	400,000
09-Jul-25	0	800,000*	460.35p	09-Jul-30	133,333	133,333	0	0	800,000
Total									2,800,000

* Unvested share options are subject to a performance "Underpin" as described on page 97

As at 31 December 2025, the CEO held the following conditional performance awards over ordinary shares in the Company under the rules of the 2020 LTIP:

Date of Grant	Interest as at 01 January 2025	Nº Granted in Year	Performance Period	Earliest Vesting Date	Vested in Year	Lapsed in Year	Outstanding as at 31 December 2025
23-Apr-25	0	218,000	01-Jan-25 to 31-Dec-27	23-Apr-28	0	0	218,000
Total							218,000



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Non-executive Directors' single remuneration figure

The table below presents a single remuneration figure for each Non-Executive Director (NED) for the years ended 31 December 2025 and 31 December 2024. There were no changes to the structure or amount of fees during 2025. NEDs do not receive benefits and do not participate in any share or other incentive schemes. The difference between the 2024 and 2025 figures arises solely due to Director retirements, appointments and changes to Board committee responsibilities, and exchange rate fluctuations between 2024 and 2025.

Directors	Financial Year	Fees (€'000)	Former Directors	Financial Year	Fees (€'000)
Hennie Faul ¹	FY2025	43	Hussein Barma ⁸	FY2025	51
	FY2024	-		FY2024	107
Jesus Fernández ²	FY2025	79	Roger Davey ⁷	FY2025	-
	FY2024	83		FY2024	117
Coriseo González-Izquierdo ³	FY2025	89	Stephen Scott ⁴	FY2025	106
	FY2024	-		FY2024	120
Neil Gregson ⁵	FY2025	156			
	FY2024	138			
Kate Harcourt	FY2025	101			
	FY2024	103			
Carole Whittall ⁶	FY2025	99			
	FY2024	53			

1. Joined the Board and appointed a member of the Audit Committee and the Physical Risk Committee on 24 June 2025.

2. Ceased to be a member of the Physical Risk Committee on 24 June 2025.

3. Joined the Board and appointed a member of the Physical Risk Committee on 14 January 2025; on 24 June 2025 appointed Chair of the Remuneration Committee, retired from the Physical Risk Committee and joined the Sustainability Committee.

4. Appointed Chair of the Board on 1 July 2024.

5. Joined the Board on 3 June 2024; appointed Chair of the Audit Committee on 28 October 2024; appointed a member of the Sustainability Committee on 14 January 2025.

6. Ceased to Chair (but remained a member of) the Audit Committee on 28 October 2024; retired from the Board on 24 June 2025.

7. Retired from the Board on 31 December 2024.

8. Retired from the Board on 31 December 2025.

Implementation of Directors' Remuneration Policy in 2026

Base salary

The Committee reviewed the CEO's annual base salary at the beginning of 2026 and determined to increase it by 2.9% to €536k with effect from 1 January 2026, in line with the general overall increases awarded to the wider workforce of 2.9%. This will be implemented following shareholders approving the maximum amount of remuneration payable to Directors at the forthcoming AGM.

Taxable benefits

The Company may introduce private healthcare and/or life insurance for the benefit of the Executive Director.

Annual bonus

The annual bonus opportunity for the CEO for 2026 will continue to be capped at 150% of salary. Performance measures will be based on financial and operational targets linked to copper production, capital expenditure, EBITDA, health and safety and community engagement (60% of potential) and strategic, project and growth targets (30% of potential) and personal targets (10% of potential).

The targets are considered to be commercially sensitive and therefore will be disclosed retrospectively in next year's report.

Conditional performance share award

Following the preliminary announcement of the Company's 2025 full-year results, the Committee intends to grant the CEO a conditional performance share award over shares equal to 175% of salary under The Atalaya Mining Long-Term Incentive Plan 2020. The award will be structured as a nil or nominal cost award and will normally vest three years from grant and subject to a two-year post vesting holding period.



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The performance targets, which will be measured over the three years ending 31 December 2028, will be as follows:

Measure	Weighting	Threshold	Performance Range**	
			On Target	Maximum
Relative Performance	60%			
Total Shareholder Return vs. bespoke comparator group ¹⁾	30%	Median		Upper quartile
TSR vs. Global X Copper Miners ETF	30%	In line with benchmark		30% out-performance over three-year performance period
Absolute Performance	60%			
Strategic	30%			
Project performance: Northern Spain: Development of Touro project to commercial operation by 30 June 2028 ³⁾	15%	50% constructed	Fully constructed and first concentrate production	Fully constructed with sustainable full nameplate processing levels achieved
Increase in Resources Existing Portfolio: Increase in the independently verified CRIRSCO-compliant Measured and Indicated Mineral Resource attributable to the Company and measured in terms of the contained Cu equivalent (and reported inclusive of those Mineral Resources converted to Ore Reserves) within the Company's existing project portfolio as at the end of the performance period versus the December 2025 Baseline (this being the total Measured and Indicated Mineral Resource attributable to the Company as reported by the Company as at end-December 2025).	7.5%	5% increase	15% increase	30% increase
Increase in Resources through acquisition: Increase in the independently verified CRIRSCO-compliant Measured, Indicated and Inferred Mineral Resource attributable to the Company measured in terms of the contained Cu equivalent (and reported inclusive of those Mineral Resources converted to Ore Reserves) at projects added to the Company's portfolio during the performance period versus the December 2025 Baseline (this being the total Measured, Indicated and Inferred Mineral Resource attributable to the Company as reported by the Company as at end-December 2025).	7.5%	10% increase	20% increase	30% increase
Sustainability	10%		4.50	3.80
ESG Ratings: Improvement in ratings by MSCI and/or Sustainalytics from 31 December 2025 baseline ⁴⁾ .	5%	Maintain both existing ratings	Improvement in one of the two ratings	Improvement in both ratings
Tailings management: Completion of three projects ⁵⁾ to further improve management of tailings at Atalaya operations.	5%		Completion of one of three projects ⁵⁾	

¹⁾ 29 Metals Limited, Amerigo Resources Ltd., Antofagasta plc, Capstone Copper Corp., Central Asia Metals Plc, Erc Copper Corp., First Quantum Minerals Ltd., Freeport-McMoRan Inc., Hudbay Minerals Inc., KGHM Polska Miedź S.A., Lundin Mining Corporation, Sandfire Resources Ltd., Southern Copper Corporation, and Taseko Mines Limited.

²⁾ Pro-rata voting between: (i) threshold and maximum in respect of TSR; and (ii) threshold, target and maximum in respect of the strategic/sustainability targets where applicable.

³⁾ Although this is the same performance measure as that used for the 2025 conditional share award but with different target completion dates, under no circumstances will there be any double counting or duplicate rewarding for the same objectives. The performance period for this metric has been reduced by six months to 30 June 2028 to make it appropriately challenging.

⁴⁾ Where the Board determines that an ESG ratings agency's assessment has been materially influenced by inaccurate information and/or a demonstrably incorrect interpretation of publicly available data, the Board retains discretion to adjust remuneration outcomes linked to the relevant ESG performance metric. In exercising this discretion, the Board will consider the underlying substance of the Company's actual ESG performance, any steps taken to correct the record with the agency, and the extent to which the published rating fairly reflects management's delivery against the intended objectives of the incentive framework.

⁵⁾ - At Riotinto, in line with the design life of the current tailings storage facility; revise the closure plan, and begin implementing this, while managing the development of the new TSF project.

- Update and/or develop the internal and external emergency plans for our tailings facility(ies) and engage with employees and contractors. In conjunction with project affected peoples, develop emergency preparedness measures. To include public sector agencies, first responders etc., to identify gaps in capabilities and develop plans to improve preparedness.

- Improve the governance structure, roles and ongoing reporting in line with Topic IV, Principles 8-12 and 15.1 Global Industry Standard on Tailings Management (GISTM).



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Non-executive Director fees

In the final quarter of the year, the Chair conducted a review of NED fees with the assistance of its external advisers, FIT. This was the first time that the structure and quantum of NED fees had been reviewed following the Company's transition from AIM to the Main Market on 29 April 2024. This was due to a desire to defer any increases for at least 18 months to ensure that the implications of the move-up could be fully understood.

Following that review and discussion with the CEO, the Chair considered it appropriate to propose, and the Board approved that:

- ❑ A premium should be introduced for the role of Senior Independent Director (**SID**).
- ❑ There should be a differential in the base fee of independent NEDs compared to that for the non-independent NED given the significant difference in time commitments.
- ❑ Committee chair fees should be increased to reflect appropriately the time commitments of each role.
- ❑ The payment of committee membership fees should cease.

Subject to shareholders approving the maximum amount of remuneration payable to Directors at the forthcoming AGM, the revised NED fees, and those which operated during 2025 (both denominated in Sterling), are as follows:

Role	1 January 2026	1 January 2025
Base NED fee (independent)	£80,000	£66,300
Base NED fee (non-independent)	£70,000	£66,300
SID fee premium	£15,000	-
Audit Chair fee	£25,000	£17,000
Other Committee Chair fee	£17,500	£12,000
Committee member fee	-	£4,500

NEDs receive no benefits and do not participate in any of the Company's short- or long-term incentive plans.

Company Chair fees

In parallel with the NED fee review carried out by the Board, the Committee determined it appropriate to propose and the Board approved that the Company Chair should be remunerated on the basis of an "all-inclusive" fee commensurate with his time commitment and responsibilities. The revised Company Chair fee (which is subject to shareholders approving the maximum remuneration for Directors at the forthcoming AGM), and that which was paid during 2025, is as follows:

Role	1 January 2026	1 January 2025
Chair fee	£215,000	£135,300*

* Inclusive of £14,300 base fee, Nomination and Governance Committee Chair fee of £12,000, and Remuneration and Physical Risk Committee membership fees of £4,500 each.

Service contracts: duration and payment obligations

CEO's Service contract

The CEO, Alberto Lavandeira, has a service agreement with Atalaya Mining Copper, S.A. and Atalaya Riotinto Minera, S.L. dated 14 March 2014 (as amended on 25 March 2014 and 21 September 2023) and a standard employment contract with Atalaya Riotinto Minera, S.L. dated 14 March 2014. They are available for inspection at the Company's registered office at Paseo de las Delicias, 1, 3, 41001, Sevilla, Spain. The details are:

NED fees, and those which operated during 2025 (both denominated in Sterling), are as follows:

Date of appointment	Notice period from Company to CEO	Notice period from CEO to Company	Unexpired term of contract	Potential termination payment
14 April 2014	6 months	3 months	Rolling contract	On a change of control*

* Mr. Lavandeira's service agreement includes a change of control provision whereby in the event that there is a change of control and within 12 months after the event (i) the contract is terminated by the Company; or (ii) the employee terminates his contract with at least three months' notice due to a pre-agreed good reason, the executive will receive the equivalent to 24 months' base salary less any payment made in lieu of notice and any legal severance payment.



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NEDs' letters of appointment

NEDs have letters of appointment with the Company for an initial three-year period, thereafter renewable with the agreement of both the Company and the NED. The letters of appointment are available for inspection at the Company's registered office at Paseo de las Delicias, 1, 3, 41001, Sevilla, Spain. The details are:

Non-Executive Director	Date of appointment	Notice Period
Jesús Fernández	23 June 2015	3 months
Neil Gregson	10 February 2021	3 months
Kate Harcourt	19 May 2022	3 months
Carole Whittall	3 June 2024	3 months
Coriseo González-Izquierdo	14 January 2025	3 months
Hennie Faul	24 June 2025	3 months
Mike Armitage	19 January 2026	3 months

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Payments to past Directors

There were no payments made to past Directors during 2025 (2024: Nil).

Payments for loss of office

No payments in lieu of notice or for loss of office were made during 2025 (2024: Nil).

Statement of Directors' shareholding and share interests

Directors' interests in shares as at 18 March 2026, 31 December 2025, and 31 December 2024 are set out in the table below.

Executive Director

Name	Nº Ordinary Shares		Nº Unvested Conditional Share Awards		Nº Unvested Share Options		Nº Vested Share Options		Shareholding Requirements
	31 Dec 25 18 Mar 26	31 Dec 24	31 Dec 25	31 Dec 24	31 Dec 25	31 Dec 24	31 Dec 25	31 Dec 24	
A. Lavandeira	880,000	880,000	218,000	0	666,667	400,000	2,133,333	1,600,000	Met*

* As at 31 December 2025, the CEO's shareholding requirement was 200% of his annual base salary. As at 31 December 2025 his shareholding of 880,000 equated to €1,244 million on a historical cost basis which represented 273.95% of his base annual salary as at that date.

Non-executive Directors

Name	Nº Ordinary Shares		Nº Unvested Conditional Share Awards		Nº Unvested Share Options		Nº Vested Share Options		Shareholding Requirements
	31 Dec 25 18 Mar 26	31 Dec 24	31 Dec 25	31 Dec 24	31 Dec 25	31 Dec 24	31 Dec 25	31 Dec 24	
H. Barma ¹	n/a	0	n/a	n/a	n/a	n/a	n/a	n/a	n/a
R. Davey ²	n/a	0	n/a	n/a	n/a	n/a	n/a	n/a	n/a
H. Faul ³	0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
J. Fernández ⁴	68,412	106,412	n/a	n/a	n/a	n/a	n/a	n/a	n/a
C. González-Izquierdo ⁵	0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
N. Gregson	12,800	10,000	n/a	n/a	n/a	n/a	n/a	n/a	n/a
K. Harcourt	0	0	n/a	n/a	n/a	n/a	n/a	n/a	n/a
S. Scott ⁶	0	0	n/a	n/a	n/a	n/a	n/a	n/a	n/a
C. Whittall	0	0	n/a	n/a	n/a	n/a	n/a	n/a	n/a

1 H. Barma retired from the Board on 24 June 2025.

2 R. Davey retired from the Board on 31 December 2024.

3 H. Faul was appointed to the Board on 24 June 2025.

4 J. Fernández is the appointee of Urion Holdings (Malta) Ltd, which holds 16,821,212 shares in the Company as at the date of this report (31 Dec 25 and 31 Dec 24: 30,821,213 shares) (excluding Mr. Fernández's personal holding).

5 C. González-Izquierdo was appointed to the Board on 14 January 2025.

6 S. Scott retired from the Board on 31 December 2025.

* M. Armitage was appointed to the Board on 19 January 2026. He holds 4,695 shares in the Company as at the date of this report.



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CEO pay history

The total remuneration of the CEO, Alberto Lavandeira, for the past five years:

Year	Fixed Pay			Variable Pay			Total
	Salary €	Pension €	Benefits* €	Total fixed €	Cash bonus** €	Share Options *** €	
FY2025	520,467	52,047	6,736	579,250	407,404	651,805	1,838,459
FY2024	498,188	50,531	5,580	554,299	293,787	409,000	1,257,086
FY2023	481,000	0	6,000	487,000	327,000	190,000	1,004,000
FY2022	467,000	0	9,000	476,000	322,999	426,000	1,224,999
FY2021	452,000	0	9,000	461,000	357,000	321,000	1,139,000



* Lease car benefit in kind and associated taxes paid by Atalaya.

** This is the bonus earned in respect of the relevant financial year - but it will not be/was not paid until the following year.

*** The amount relates to the non-cash expense recognised in accordance with IFRS 2 Share-based Payments.

On 9 July 2025 the CEO was granted options over 800,000 Ordinary Shares in the capital of the Company at an exercise price of 460.35 pence per share (being the market value at grant). 133,333 vested on grant and the balance will, subject to application of a performance underpin, vest as to 366,667 on the first anniversary of grant and as to 400,000 on the second anniversary of grant.

On 11 June 2024 the CEO was granted options over 400,000 Ordinary Shares at an exercise price of 413.5 pence per share (being the market value at grant). 266,667 have vested and the balance of 133,333 will vest on the second anniversary of grant. They expire on 11 June 2029.

On 22 May 2023 the CEO was granted options over 400,000 Ordinary Shares at an exercise price of 327.0 pence per share (being the market value at grant). All have now vested, and they expire on 21 May 2028.

On 22 June 2022 the CEO was granted options over 400,000 Ordinary Shares at an exercise price of 357.5 pence per share (being the market value at grant). All have now vested, and they expire on 30 June 2027.

On 24 June 2021 the CEO was granted options over 400,000 Ordinary Shares at an exercise price of 309.0 pence per share (being the market value at grant). All have now vested, and they expire on 23 June 2031.



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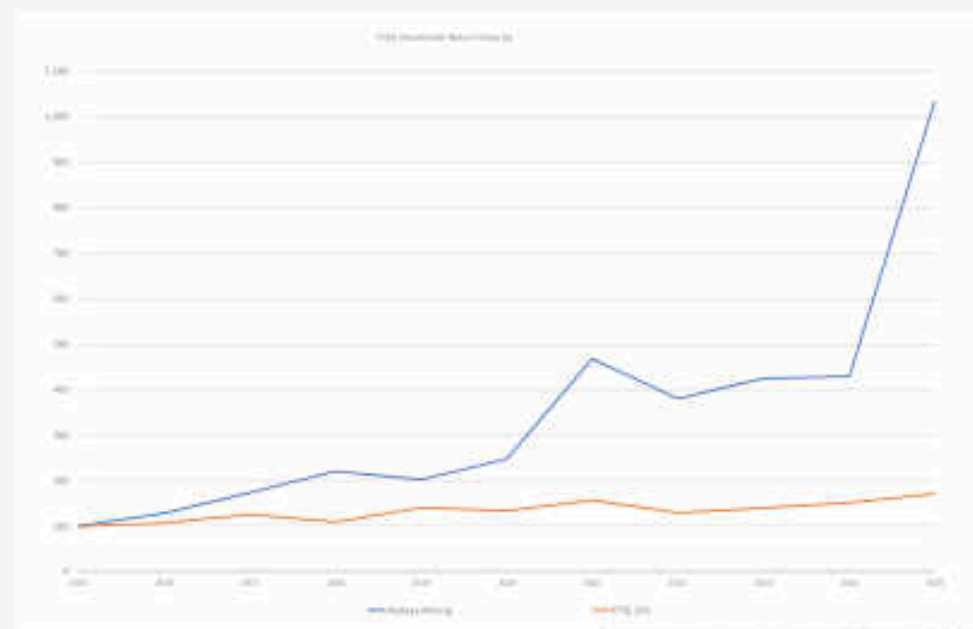
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Total shareholder return performance graph and table

The chart below shows the value by 31 December 2025 of a hypothetical £100 invested in Atalaya shares on 31 December 2015 compared with the value of £100 vested in the FTSE 250 Index over the same period. Although Atalaya was first listed on the London Stock Exchange on 29 April 2024 (and prior to that had been listed on AIM), the FTSE 250 was selected because, since 7 May 2025, it has been a constituent of the FTSE 250.



CEO pay ratio table

The Company has one employee employed in the UK and, as a result is exempt from the gender pay and average employee/ CEO pay disclosure requirements.

Relative importance of spend on pay

The table below show the amount of dividends, and capital expenditure against employee costs for the last two financial years.

	2025 €'m	2024 €'m	Change %
Total employee costs	29.3	27.9	5%
Dividends paid	10.1	10.3	(2%)
Capital expenditure	80.2	66.1	21%



APPROVAL

This report was approved by the Board of Directors on 18 March 2026 and signed on its behalf by:

CORISEO GONZÁLEZ-IZQUIERDO
Chair of Remuneration Committee

18 March 2026



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Directors' Report

The Directors present their report, together with the audited financial statements for the year ended 31 December 2025.

In addition to the information set out herein, this Directors' Report incorporates by reference the following sections of the Annual Report:

- Strategic Report.
- Governance Report.
- Additional Directors' Report disclosures.
- Financial statements.

In accordance with the requirements of Spanish corporate law for the preparation of consolidated financial statements, Atalaya Mining Copper, S.A. includes a Management Report as an integral part of this Annual Report. The information required under Article 262 of the Spanish Capital Companies Act (Ley de Sociedades de Capital) and Article 49 of the Commercial Code has been incorporated into the Strategic Report and the Governance Report.

These sections provide a comprehensive overview of the Group's business performance, financial position, principal risks and uncertainties, outlook, and non-financial information, ensuring full compliance with applicable Spanish regulatory requirements. Accordingly, the Annual Report, in its entirety, serves as the Group's Management Report, fulfilling all legal disclosure obligations.

Listing Rule 6.6.4R

Information required to be disclosed under the [Financial Conduct Authority's Listing Rule 6.6.1R](#) can be found in the following note to the financial statements:

	Note
LR 6.6.1R(l) Statement of capitalised interest	9

There is no further information to be disclosed pursuant to LR 6.6.1R.



Members of the Board of Directors

The Directors of the Company in office at the date of this report, together with their biographical and independence details, are listed in the [Board of Directors section](#). The Directors of the Company who served during the year under review are listed below:

Hussein Barma	Non-executive Director (independent) – retired 24 June 2025.
Jesús Fernández Lopez	Non-executive Director (not independent)
Hennie Johannes Paul	Non-executive Director (independent) – appointed 24 June 2025
Coriseo González-Izquierdo	Non-executive Director (independent) – appointed 14 January 2025
Neil Dean Gregson	Non-executive Chair
Kate Jane Harcourt	Senior Independent Non-executive Director
Alberto Arsenio Lavandeira Adán	Chief Executive Officer & Managing Director
Stephen Victor Scott	Non-executive Director (independent) – retired 31 December 2025
Carole Helene Whittall	Non-executive Director (independent)



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Principal activity

The principal activity of the Group is the production and sale of copper and other critical metals.

Results

The Group's results for the year ended 31 December 2025 are detailed in the Financial Review, and the consolidated income statement.

Dividends

An interim dividend of €0.044 per ordinary share (2024: €0.0362) was paid on 10 October 2025 to shareholders on the register as at 12 September 2025. The Board is recommending the payment of a final dividend of €0.065 per ordinary share (2024: €0.0275).¹

Information given to the auditor

Each Director has confirmed that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware. Furthermore, each Director has taken the necessary steps to ensure that they are aware of any relevant audit information.

Political donations and expenditure

The Group made no political donations during the year ended 31 December 2025 (2024: €nil). The Company's policy prohibits the payment of political donations and expenditure.

Important events since year-end

Details of any important events that occurred after the balance sheet date are provided in Note 35 to the financial statements.

Future Developments

The Company is focused on expanding its asset base, particularly through advancing exploration and development activities at Proyecto Touro and Proyecto Masa Valverde. Further details about these initiatives and our future growth strategy are outlined in the Strategic Report.

Research and Development Activities

R&D projects are an essential driver to increase the capacity and life of mine (LOM) of existing operations through more sustainable energy models and by addressing the challenge of decarbonisation in industrial production.

In alignment with Atalaya's corporate strategy, the R&D Department operates on a continuous basis to optimise processes and deliver innovative solutions to the technological challenges inherent to mining operations. This effort is underpinned by close cross-functional collaboration with internal departments, as well as by the active engagement of specialised external partners.

Core lines of activity remain focused on acidic water treatment, tailings circularity, and the development of advanced monitoring systems for critical infrastructure (tailings storage facilities and open-pit operations) and strategic resources (e.g., groundwater).

For further information, see our [Sustainability Report 2025](#).

Acquisition of own shares

The Company did not acquire any of its own shares during the period under review.

Branches

The Company does not operate any branches either inside or outside the UK.

Financial risk management

The required disclosure can be found in Note 3 to the financial statements.

Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and regulations. They ensure that the financial statements give a true and fair view of the state of the Company and are prepared in line with International Financial Reporting Standards (IFRS) as adopted by the European Union. A full statement of Directors' responsibilities is provided immediately following this report.



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Employee Engagement

Our employees are at the heart of our operations. The ways in which we engage with our workforce are discussed in the Sustainability Report, ensuring open communication, safety, and wellbeing across all operations.

Supplier and customer engagement

Information on the Board's engagement with its suppliers and customers is detailed in our [Sustainability Report](#).

Share capital

Structure

The Company has one class of ordinary shares of EUR 0.09 each nominal value.

Details of the Company's authorised and issued share capital, together with movements in the issued share capital during the year, can be found in Note 23 to the financial statements.

Restrictions

There are no specific restrictions on the size of a holding or on the transfer of shares, which are both governed by the provisions of the Company's articles of association and prevailing Spanish legislation.

Major shareholdings

As of 31 December 2025, the Company has been advised of the following major holdings in its issued share capital, in accordance with DTR 5:

	Nº Ordinary Shares as at 18 Mar 26	% as at 18 Mar 26	Nº Ordinary Shares as at 31 Dec 25	% as at 31 Dec 25
Urion Holdings (Malta) Ltd. (subsidiary of Trafigura Group Pte. Ltd.)	16,821,212	10.94%	30,821,212	21.93%
Cobas Asset Management, SGIC, S.A.	13,926,496	9.89%	20,373,785	14.47%
Itihaki Limited	11,750,140	7.64%	11,750,140	8.34%

The interests in the table above are as stated by the shareholder at the time of the notification and current interests may vary.

Special rights relating to control of the Company

No person has any special rights with regard to the control of the Company's share capital, and all issued shares are fully paid.

No shares relating to The Atalaya Mining Long-Term Incentive Plan 2020 have rights with regard to control of the Company that are not exercisable directly by the employees.

Restrictions on voting rights

Each share carries the right to one vote at general meetings of the Company.

Agreements between shareholders restricting transferability

The Directors are not aware of any agreements between holders of the Company's shares that may have resulted in restrictions on the transfer of shares or on voting rights.

Directors' interests in shares

Details of Directors' beneficial interests in the Company's shares are outlined in the Directors' Remuneration Report on [page 89](#).

Appointment and replacement of Directors

It is the Board's policy that all Directors should retire and, should the Director wish to continue in office, seek election or re-election annually.

The Company's articles of association provide that Directors serve for a term of one year, although they may be re-elected for further terms of the same maximum duration.

In accordance with Article 244 of the Spanish Companies Act, if a Director leaves their position before the end of their term, the Board of Directors can appoint a replacement to serve only until the date of the next general meeting. The appointment of the replacement Director is only temporary and must be ratified at the next general shareholder's meeting.

Directors may be removed from office at any time by shareholders, even if their removal is not on the agenda of a general meeting.



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Amendment to Articles of Association

Under the Spanish Companies Act (Ley de Sociedades de Capital), any amendment to a company's articles of association (*estatutos sociales*) must be approved by shareholders at a validly constituted general meeting (*junta general*).

For a general meeting to be validly constituted for this purpose, shareholders together holding at least 50% of all the shares in the capital of the Company which carry voting rights (the "Voting Share Capital") must be present in person or by proxy.

If this quorum is met, an absolute majority of the votes cast must be in favour for the amendment to be approved.

If this quorum is not met, a further general meeting may be held. That adjourned meeting will be validly constituted if it is attended by shareholders in person or by proxy representing at least 25% of the Voting Share Capital. In that event, the amendment will require:

- At least two-thirds of the votes cast to be in favour (where between 25% and 50% of the Voting Share Capital is present or represented).

- An absolute majority of the votes cast to be in favour (where more than 50% of the Voting Share Capital is present or represented).

Directors' powers

The powers of the Directors are determined by the Company's By-laws (*estatutos sociales*) and the Spanish Companies Act (*Ley de Sociedades de Capital*).

Change of control

The following significant agreements could allow counterparties to terminate or alter arrangements in the event of a change of control.

- The Group's borrowing facilities.
- Arrangements with Lain Technologies, Ltd., the owner of the E-LIX Technologies.

The Rules of the Long-Term Incentive Plan 2020 contain provisions as a result of which options and awards may vest and become exercisable on a change of control of the Company in accordance with the rules of that plan.

The CEO's service contract includes a change of control provision whereby in the event that there is a change of control and within 12 months after the

event (i) the contract is terminated by the Company; or (ii) the employee terminates his contract with at least three months' notice due to a pre-agreed good reason, the executive will receive the equivalent to 24 months' base salary less any payment made in lieu of notice and any legal severance payment.

In addition, five other members of the management team have similar provisions in their employment agreements.

Directors' liabilities

The Company has purchased insurance against Directors' and Officers' liability for the benefit of Directors and officers of the Company and its subsidiaries.

Auditor

PricewaterhouseCoopers, S.L. was appointed auditor effective for the three financial years starting 1 January 2024 and ending on 31 December 2027. Shareholders approved the appointment at the time that they approved the re-domiciliation of the Company from Cyprus to Spain.

Annual General Meeting

The Annual General Meeting (AGM) of the Company will be held at Hamilton House, 1 Temple Avenue, London EC4Y 0HA, United Kingdom on Thursday, 25 June 2026 at 11:00 BST. The notice convening the meeting will be given in a separate document and will include a commentary on the business of the AGM, will explain how shareholders can take part and will include notes to help shareholders exercise their rights at the meeting.

NEIL GREGSON

Chair
Atalaya Mining Copper, S.A.

18 March 2026



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Responsibility Statement of the Directors in respect of the Annual Report and Financial Statements

The Directors are responsible for preparing the Annual Report (which comprises the Strategic Report, the Governance Report, and Other Disclosures), and Financial Statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and applicable laws and regulations.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Company's and Group's transactions, and which disclose with reasonable accuracy at any time the financial position of the Company and of the Group and enable them to ensure that the financial statements comply with applicable law and regulations. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that, to the best of their knowledge:

- Suitable accounting policies have been selected and applied.
- Judgements and estimates made have been reasonable, relevant and reliable.
- The financial statements comply with IFRS as adopted by the European Union.
- The Company and Group's ability to continue as a going concern has been assessed and it is appropriate that the financial statements have been prepared on the going concern basis.

Responsibility Statement of the Directors in respect of the Annual Report and Financial Statements

The Annual Report and Financial Statements are the responsibility of, and have been approved by, the Directors. Each of the Directors named on pages 54 to 59 confirms that to the best of his/her knowledge:

- The Annual Report and Financial Statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's position and performance, business model and strategy.
- The consolidated financial statements, prepared in accordance with IFRS as adopted by the EU and the relevant provisions of Spanish law, give a true and fair view of the assets, liabilities, financial position and profit of the Company and the undertakings included in the consolidation taken as a whole.
- The Annual Report includes a fair review of the development and performance of the business and the position of the Group and Company, and the undertakings included in the consolidation taken as a whole, together with a description of the risks and uncertainties that they face.

This responsibility statement was approved by the Board of Directors on 18 March 2026 and is signed on its behalf by

NEIL GREGSON

Chair

18 March 2026



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Independent auditor's report
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Independent auditor's report

To the shareholders of Atalaya Mining Copper, S.A.

Opinion

We have audited the consolidated financial statements of Atalaya Mining Copper, S.A. (the Parent company) and its subsidiaries (the Group), which comprise the statement of financial position as at 31 December 2025, and the statement of comprehensive income, statement of changes in equity, and statement of cash flows, all consolidated, for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2025, as well as its financial performance and cash flows, all consolidated, for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report.

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have also fulfilled our other ethical responsibilities in accordance with the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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As to the audit of the consolidated financial statements, we have not performed any audit of the consolidated financial statements of the Group's subsidiaries.



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How our audit addressed the key audit matter

Recognition and measurement of mining assets

As detailed in note 1 of the accompanying notes to the consolidated financial statements, the Group has interests in four main mining projects: Proyecto Rotinto, Proyecto Taura, Proyecto Masa Valverde and Proyecto Ossa Morena, the first of which is currently in operation. The Group has determined that each mine is a Cash Generating Unit (CGU), which is the smallest identifiable group of assets capable of generating independent cash flows.

Thus, the Group has recognised in the accompanying consolidated statement of financial position property, plant and equipment and intangible assets for amounts of 447,729 thousand euro and 74,919 thousand euro, respectively; the disclosures relating to which are included in notes 13 and 14 of the accompanying notes to the consolidated financial statements. The accounting policies applied to these assets are set out in notes 2.9 and 2.11 of the aforementioned notes.

In addition to other additions to property, plant and equipment and intangible assets that took place in 2025, as disclosed in note 3.4 of the accompanying notes to the consolidated financial statements, during the year the Group reassessed the amount of its ore reserves related to Proyecto Rotinto, supported by the evaluation of an independent expert.

As indicated in notes 2.12 and 3.4(f) of the accompanying notes to the consolidated financial statements, annually for CGUs with intangible assets that are not yet available for use and at year end if there is any indication of impairment in respect of the Rotinto CGU, the Group estimates their recoverable amounts, which is the higher of their fair value less costs of disposal, considering, if applicable, the valuation of an independent expert, and their value in use. Any identified impairment losses, which arise when the carrying value of a CGU exceeds its recoverable amount, are immediately recognised in the consolidated statement of comprehensive income. In the same way, assets (other than goodwill) that suffered impairment in previous years are reviewed for possible reversal of the impairment at each reporting date. These evaluations require the use of estimates and assumptions, such as raw material prices, discount rates, future capital requirements, potential for exploration and operating performance.

Our auditing procedures included: firstly, the understanding of the Group's accounting policies in relation to the process of recording and measuring the costs incurred in each mining project, distinguishing the accounting treatment applied according to the stage of development of each project.

We have evaluated the consistency of the accounting treatment given to costs incurred and capitalised in the year in line with the Group's accounting policies, and that these policies are in accordance with the applicable accounting framework.

In addition, we have carried out detailed tests on a sample of the additions to property, plant and equipment and intangible assets for the year, examining the associated supporting documentation and, where appropriate, the reasonableness of the capitalised expense.

With the assistance of our mining specialists and valuation experts, we have evaluated the updated ore reserves report issued by management's independent expert, assessing the reasonableness of the methodology applied, as well as the key assumptions and conclusions reached. We also assessed the competence, capacity and objectivity of the expert engaged by management. In addition, we corroborated the accuracy of the accounting impacts arising from the change in ore reserves of Proyecto Rotinto, as reflected in the consolidated financial statements.

In relation to Proyecto Rotinto, we have obtained the expected cash flow forecast approved by management, confirming that such projected cash flows would be sufficient for the recoverability of the associated mining assets. In addition, with the support of our internal specialists, we have evaluated the reasonableness of the main assumptions and inputs to the discounted cash flow model, as well as the associated calculations.

In addition, we have obtained the valuation report prepared by the Group's independent expert in relation to the valuation of the mining assets of projects that are not yet in operation, and we have evaluated the expert's

We focus on this area because of the relevance of the Group's mining assets in the context of the accompanying consolidated financial statements as a whole, as well as the uncertainty associated with the estimates used to assess the measurement of mining assets recorded at year end.

competence, capacity and objectivity. We have also evaluated the reasonableness of the valuation methods employed, of the main hypotheses used, as well as the conclusions reached, with the help of our internal specialists.

As a result of our procedures, we consider that the criteria adopted by the Group to recognise capitalised costs and to measure its mining assets are reasonable and supported by the available evidence.

Revenue recognition for sales of concentrate

As indicated in note 2.22 of the accompanying notes to the consolidated financial statements, the Group is mainly engaged in the business of producing copper concentrate, in respect of which revenue of 482,915 thousand euro was recognised in the 2025 financial year. The disclosures relating to revenue are set out in note 5 of the accompanying notes to the consolidated financial statements.

Note 2.22 of the accompanying notes to the consolidated financial statements sets out the Group's accounting policies in relation to revenue recognition. In this regard, proceeds from the sales of concentrate are recognised at a point in time, when control of the metal in concentrated form is transferred, which depends on the commercial conditions agreed between the parties.

The majority of the Group's sales of metal in concentrated form allow for price adjustments based on the market price at the end of the relevant QP (quotation period). For these arrangements, any changes that occur during the QP are included in the trade receivables balance, which are therefore measured at fair value through profit or loss from initial recognition to the settlement date. Changes in fair value during the period and until the end of the QP are estimated with reference to updated market prices for copper.

We consider this area to be a key aspect of our audit because accuracy in revenue recognition is critical, which includes the recording of revenue in the correct accounting period. We also highlight this area due to the quantitative relevance of sales revenues within the consolidated statement of comprehensive income for the year.

We have understood the Group's accounting policies for the recognition of revenue from the sales of concentrate. In this regard, we have evaluated the design and implementation of key controls related to revenue recognition.

We have read and understood the sales contracts that the Group has signed with its main customers, considering the accounting implications of the main clauses of such agreements.

We have obtained direct confirmation from the Group's customers of the total volume of concentrate sales for the year and corroborated the reconciliations to the responses received where these confirmations do not coincide with the information recorded by the Group.

Likewise, for all concentrate sales for the year, we have reviewed the corresponding supporting documentation, consisting of invoices, weight and quality certificates, as well as the associated payments received.

We have also reperformed the calculations to estimate the fair value of all the QPs open at year end and have contrasted these calculations with those made by the Group's management.

In addition, we have carried out audit procedures on the final sales of the 2025 financial year and the first sales of the 2026 financial year, to ensure that the transactions were recorded in the correct accounting period. To this end, we have reviewed the appropriate supporting documentation which determines the point in time of the transfer of control of the



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Measurement and recoverability of E-LIX project-related assets

As detailed in notes 13 and 19 of the accompanying notes to the consolidated financial statements, the Group entered into a number of financing arrangements with Lain Technologies, S.L., for the construction of an industrial plant using E-LIX technology at Proyecto Ríoento.

As a result, the Group has accounted for a number of balances with this entity, specifically a long-term loan amounting to 2,728 thousand euro and a prepayment of 21,418 thousand euro relating to the future use of the technology. In addition, the Group has accounted for property, plant and equipment with a carrying amount of 22,118 thousand euro in connection with this project.

As disclosed in note 13 of the accompanying notes to the consolidated financial statements, the industrial plant is not yet operational as at the reporting date, and there is uncertainty regarding the capacity of Lain Technologies, S.L. to comply with its contractual obligations. As a result of this circumstance, the Group has recognised an impairment of the full carrying amount of the long-term loan relating to the pilot plant and the related prepayment, for a total amount of 24,144 thousand euro. The Group has assessed the alternative use of the related property, plant and equipment and concluded that no impairment is required.

In addition, as indicated in notes 3.2 and 19 of the accompanying notes to the consolidated financial statements, the Group granted a convertible loan to Lain Technologies, Ltd, the holding company of Lain Technologies, S.L., whereby the Group has the option to convert this receivable into a 20% equity interest in Lain Technologies, Ltd, the owner of the industrial secret associated with the E-LIX technology. This financial asset is measured at fair value through profit or loss, amounting to 9,725 thousand euro at the balance sheet date, as supported by the valuation of the independent expert engaged by the Group.

We consider this area to be a key matter of our audit due to the uncertainty associated with the

concentrate, depending on the commercial conditions agreed upon in the sale.

As a result of our procedures, we did not observe any significant aspects which need to be highlighted.

We have understood the Group's accounting policies for the recognition of the various balances associated with the E-LIX project, and we have read and understood the contracts signed with Lain Technologies, S.L. and Lain Technologies, Ltd, considering the accounting implications of such agreements.

We have held ongoing discussions with the Group's management and directors to obtain an appropriate understanding of the current status of the E-LIX project.

Likewise, we have analysed the movements in the relevant balances during the year and obtained the supporting documentation underlying such movements.

In addition, we have obtained and evaluated the Group's impairment assessment and assessed the reasonableness of key assumptions based on the evidence available at the reporting date.

In regard to the convertible loan, we have reviewed the fair value estimate performed by management's independent expert, evaluating their competence, capacity and objectivity. In addition, with the involvement of our internal specialists, we evaluated the valuation methodology applied and assessed the reasonableness of the key assumptions used and calculations performed.

Finally, we have assessed the adequacy of the disclosures included in the notes to the consolidated financial statements such that they facilitate an appropriate understanding of this matter.

Based on the procedures we have performed, we consider that the Group's evaluation of the measurement and recoverability of assets related to the E-LIX project, as well as the information disclosed in this regard, are consistent with the evidence obtained

measurement and recoverability of these balances, which has required Group management to apply significant judgement and make significant estimates.

Other matter

The Parent company's directors have prepared consolidated annual accounts separately for the year ended 31 December 2025, in accordance with IFRS-EU and other provisions of the financial reporting framework applicable in Spain, in respect of which we issued a separate auditor's report in the terms provided in the legislation governing the audit practice in Spain, dated 18 March 2026, in which we expressed an unmodified opinion.

As a result, the accompanying consolidated financial statements have not been prepared by virtue of legal requirements in Spain and have been audited applying ISA, so this report in no case can be understood to be an audit report in the terms provided in the legislation governing the audit practice in Spain.

Other information

The Parent company's directors are responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors and the audit committee for the consolidated financial statements

The Parent company's directors are responsible for the preparation and fair presentation of the accompanying consolidated financial statements, in accordance with IFRS-EU, and for such internal control as the aforementioned directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Parent company's directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the aforementioned directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Parent company's audit committee is responsible for overseeing the Group's financial reporting process.



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Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Parent company's directors.
- Conclude on the appropriateness of the Parent company's directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Parent company's audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Parent company's audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Parent company's audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers Auditores, S.L.



Juan Manuel Anguita Amate
18 March 2025



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Consolidated Statement of Comprehensive Income

for the year ended 31 December 2025

(Euro 000's)	Note	2025	2024
Revenue	5	482,915	326,797
Operating costs and mine site administrative expenses		(280,989)	(240,784)
Mine site depreciation, amortisation and impairment	13, 14	(47,520)	(36,617)
Gross profit		154,406	49,396
Administration and other expenses		(10,472)	(7,927)
Share-based benefits	23	(7,009)	(1,379)
Impairment loss on financial and contract assets	13, 20	(21,418)	(1,204)
Exploration expenses		(8,426)	(7,950)
Care and maintenance expenditure		(291)	(2,784)
Other income		4,028	383
Operating profit	6	110,818	28,535
Net foreign exchange gain/(loss)	4	(6,263)	3,090
Interest income from financial assets at fair value through profit and loss	8	-	-
Interest income from financial assets at amortised cost	8	1,834	1,887
Finance costs	9	(4,126)	(1,989)
Profit before tax		102,263	31,523
Tax	10	(16,900)	1,037
Profit for the year		85,363	32,560
Profit for the year attributable to:			
Owners of the parent	25	85,577	31,738
Non-controlling interests	25	(214)	822
		85,363	32,560

(Euro 000's)	Note	2025	2024
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	60.8	22.6
Diluted earnings per share (EUR cents per share)	11	58.3	21.8
Profit for the year		85,363	32,560
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	39	(7)
Total comprehensive income for the year		85,402	32,553
Total comprehensive income for the year attributable to:			
Owners of the parent	25	85,616	31,731
Non-controlling interests	25	(214)	822

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



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Consolidated Statement of Financial Position

As at 31 December 2025

(Euro 000's)	Note	31 Dec 2025	31 Dec 2024
Assets			
Non-current assets			
Property, plant and equipment	13	447,729	409,032
Intangible assets	14	74,919	70,209
Loans	19	9,725	2,627
Trade and other receivables	20	1,122	33,252
Non-current financial asset	21	1,101	1,101
Deferred tax asset	17	15,840	15,085
		550,436	531,306
Current assets			
Inventories	18	30,871	49,162
Loans	19	20	5,352
Trade and other receivables	20	41,113	36,863
Tax refundable		2,834	266
Other financial assets	21	62	23
Cash and cash equivalents	22	166,306	52,878
		241,206	144,544
Total assets		791,642	675,850

(Euro 000's)	Note	31 Dec 2025	31 Dec 2024
Equity and liabilities			
Equity attributable to owners of the parent			
Share capital	23	12,668	12,668
Share premium	23	321,856	321,856
Other reserves	24	89,255	88,774
Accumulated profit		166,091	93,085
		589,870	516,383
Non-controlling interests	25	1,940	2,154
Total equity		591,810	518,537
Liabilities			
Non-current liabilities			
Trade and other payables	26	14,142	13,983
Provisions	27	28,764	29,328
Lease liability	28	3,834	3,320
Borrowings	29	5,708	10,866
		52,448	57,497
Current liabilities			
Trade and other payables	26	106,117	90,090
Lease liability	28	639	481
Current tax liabilities		136	1,408
Dividend payable		9	
Provisions	27	1,845	916
Borrowings	29	38,638	6,921
		147,384	99,816
Total liabilities		199,832	157,313
Total equity and liabilities		791,642	675,850

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

The consolidated financial statements were authorized for issue by the Board of Directors on 18 March 2026 and were signed on its behalf.



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Consolidated Statement of Changes in Equity

for the year ended 31 December 2025

(Euro 000's)	Note	Share capital	Share premium	Other reserves ¹	Accum. Profits	Total	NCI	Total equity
1 Jan 2025		12,668	321,856	88,774	93,085	516,383	2,154	518,537
Profit for the period		-	-	-	85,577	85,577	(214)	85,363
Change in fair value of financial assets through other comprehensive income "OCI"	21	-	-	39	-	39	-	39
Total comprehensive (loss)/income		-	-	39	85,577	85,616	(214)	85,402
Issuance of share capital	23	-	-	-	-	-	-	-
Recognition of depletion factor	24	-	-	-	-	-	-	-
Recognition of share-based payments	24	-	-	428	(2,588)	(2,160)	-	(2,160)
Recognition of non-distributable reserve	24	-	-	1	-	1	-	1
Recognition of distributable reserve	24	-	-	13	-	13	-	13
Other changes in equity		-	-	-	81	81	-	81
Transactions with external shareholders		-	-	-	-	-	-	-
Dividends paid	12	-	-	-	(10,064)	(10,064)	-	(10,064)
31 Dec 2025		12,668	321,856	89,255	166,091	589,870	1,940	591,810

(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

¹ Refer to Note 23. The notes on subsequent pages are an integral part of these consolidated financial statements.



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Consolidated Statement of Cash Flows

for the year ended 31 December 2025

(Euro 000's)	Note	2025	2024
Cash flows from operating activities			
Profit before tax		102,263	31,523
Adjustments for:			
Depreciation of property, plant and equipment	13	42,718	39,658
Amortisation of intangible assets	14	4,802	3,907
Recognition of share-based payments	24	7,009	1,379
Interest income	8	(1,834)	(1,887)
Interest expense	9	604	116
Unwinding of discounting	9	796	828
Legal provisions	27	-	(1,255)
Loss on disposal of PP&E		39	-
Impairment loss on financial and contract assets	6	2,726	1,205
Impairment loss on non-financial assets		21,418	-
Reversal of Intangible Asset Impairment	14	-	(6,948)
Other tax provision	27	1,197	-
Net foreign exchange differences		6,263	(3,090)
Unrealised foreign exchange (loss)/gain on financing activities		-	(65)
Cash inflows from operating activities before working capital changes		188,001	66,396
Changes in working capital			
Inventories	18	17,342	(14,958)
Trade and other receivables	20	(1,500)	(1,247)
Trade and other payables	26	11,904	5,595
Provisions	27	(969)	(434)
Cash flows from operations		214,778	55,352
Interest expense on lease liabilities	28	(21)	(30)
Interest paid	9	(1,238)	(1,131)
Net tax (paid)/refund		(21,036)	(788)
Net cash from operating activities		192,483	53,403

(Euro 000's)	Note	2025	2024
Cash flows from investing activities			
Purchases of property, plant and equipment	13	(72,165)	(60,212)
Purchases of intangible assets	14	(9,483)	(1,198)
Payments for investments	19	(4,057)	(5,305)
Interest received	8	634	642
Net cash used in investing activities		(85,071)	(66,073)
Cash flows from financing activities			
Lease payment	28	(565)	(577)
Proceeds from borrowings	29(a)	37,916	3,000
Repayment of borrowings	29(a)	(11,357)	(51,900)
Proceeds from issue of share capital		-	2,522
Share option expense		(2,494)	-
Dividends paid	12	(10,055)	(10,306)
Net cash (used in)/from financing activities		13,445	(57,261)
Net increase in cash and cash equivalents		120,857	(69,931)
Net foreign exchange difference		(7,429)	1,802
Cash and cash equivalents:			
At beginning of the year	22	52,878	121,007
At end of the year	22	166,306	52,878

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



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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.
- 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.



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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.

The Group also has earn-in agreements related to two exploration projects in Sweden, the Skellefte Belt Project and the Rockliden Project, pursuant to agreements entered into in 2024 with Mineral Prospektering i Sverige AB.

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 Andalucía region of Spain, approximately 65 km northwest of Sevilla. 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, northwest 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.



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Following the declaration of Proyecto Touro as a strategic industrial project in June 2024 and subsequent progress in the permitting process, the Group reassessed the probability of completion of phases 2, 3 and 4 under the earn-in agreement. As a result of that reassessment, an intangible asset of €16.5 million was recognised in 2024 in accordance with the Group's policy on contingent payments (Note 2.31), together with the corresponding contingent liabilities (Note 26).

In accordance with the Group's policy on non-controlling interests (Note 2.3), 20% of this intangible asset was attributed to non-controlling interests.

During 2024, the Group also reversed an impairment previously recognised in 2019 in respect of Proyecto Touro (Note 14).

As at 31 December 2025, the permitting process continues under the simplified administrative framework granted by the strategic industrial project status. The Company has submitted the required sectoral reports and is awaiting the remaining responses from the relevant authorities. The Company continues to engage constructively with the XdG in relation to the

expected timeline for completion of the administrative procedures.

In parallel, engineering and preparatory activities have progressed during the year, supporting the potential future development of the project. Drilling programmes have continued as planned, and the Company remains engaged with local stakeholders and continues to operate its water treatment plant in the area.

Proyecto Masa Valverde

On 21 October 2020, the Company announced that it had 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.

During 2025, infill and extensional drilling continued at the Masa Valverde deposit, with two rigs active during the year and additional geotechnical drilling completed. Drilling has primarily focused on stockwork-style mineralisation, which is expected to be amenable for processing at the existing Riotinto facilities and supports the Company's initial focus on the Masa Valverde copper zones. Further infill drilling is planned for 2026.

Masa Valverde has been granted the two key permits required for development, the AAU and the exploitation permit. Development of the access ramp is subject to final Board approval.

Proyecto Ossa Morena

In December 2021, Atalaya announced the acquisition of a 51% interest in Rio Narcea Nickel, S.L., which owned nine 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 eight investigation permits.

Under the terms of the agreement, 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 become payable upon receipt of the environmental impact statement (EIS) and the final mining permits for any project within the acquired investigation permits. These outstanding instalments are disclosed as a non-current payable to the sellers (Note 26).

During 2025, exploration activities continued at the Alconchel-Pallares copper-gold project. A step-out drilling programme was underway during the year, and three drill holes were completed in the third quarter of 2025. Drilling is expected to commence at the Guijarro-Chaparral gold-copper project in the coming weeks.



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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.

During 2025, exploration activities progressed across the East Belt extension. Gravimetric ground surveys were completed to better define future drill targets, and soil geochemistry works were finalised at selected areas. As a result of these programmes, several coincident gravity and geochemical targets were outlined at Cerro Negro and Peñas Blancas. Drilling is expected to commence at the Cerro Negro and Peñas Blancas permits in the coming weeks.

Skellefte Belt Project and Rockliden Project

In November 2024, 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 2025, a total of €4.3 million (2024: €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). As these projects remain in the early exploration stage and are still far from obtaining operating mining permits, these impacts have been recorded directly in the comprehensive income statement for the financial year.

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	36,432	2,101	8,685	474,522*	450	522,190
Non-mining assets	-	-	-	458	-	458
Total	36,432	2,101	8,685	474,980	450	522,648

* €22.1m related to E-LIX Project, see Note 13

Composition of the Group

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 Polimetall 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 2025 and 31 December 2024 remained unchanged.
3. Recursos Cuenca Minera is a joint venture with ARM, see Note 16.



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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. (the "Parent Company") and its subsidiaries (collectively, the "Group") have been formulated in accordance with the International Financial Reporting Standards adopted by the European Union ("EU-IFRS") and other applicable provisions of the financial reporting regulatory framework, in particular the Commercial Code and the Capital Companies Act, in order to show a true and fair view of the Group's consolidated equity and consolidated financial position as of 31 December 2025, and of the consolidated financial performance, its consolidated cash flows and changes in consolidated equity for the year ended on that date.

EU-IFRS comprises the standards issued by the International Accounting Standards Board (IASB) approved by the EU for application by listed companies.

The definition of a Public-Interest Entity (PIE) is set out in Article 2.13 of Directive 2006/43/EC, as amended by Article 1 of Directive 2014/56/EU,

which states that the following are considered to be EIPs: (a) entities governed by the law of a Member State whose transferable securities are admitted to trading on a regulated market in 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 Parent Company does not fall into any of the above categories, it is not considered a PIE.

The Directors of the Parent Company estimate that the consolidated annual accounts for the financial year 2025, which have been prepared on 18 of March 2026, will be approved by the General Meeting of Shareholders without any modification.

The consolidated financial statements are presented in euros (€), rounding all amounts to the nearest thousand (€'000), unless otherwise indicated.

The preparation of the consolidated financial statements in accordance with EU-IFRS requires the application of relevant accounting estimates and the making of judgements, estimates and assumptions in the process of applying the Group's accounting policies. The aspects that have involved a greater degree of judgement, complexity or in which the assumptions and estimates are significant for the preparation of the consolidated financial statements are disclosed in Note 3.3.

Likewise, although the estimates made by the Directors of the Parent Company have been calculated based on the best information available as of December 31, 2025, it is possible that events that may take place in the future may require their modification in the coming years. The effect on the consolidated financial statements of the modifications that, if any, arise from the adjustments to be made during the coming years would be recognised prospectively.



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(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 EU-IFRSs which are relevant to its operations and are effective for accounting periods commencing on or after 1 January 2025.

IAS 21 (Modification) – Absence of interchangeability

The IASB has amended IAS 21 to introduce guidance for determining whether a currency is exchangeable into another currency and, where it is not, how to determine the appropriate spot exchange rate to apply. The amendments require an entity to assess exchangeability at the measurement date and, if a currency is deemed not to be exchangeable, to estimate a spot exchange rate that reflects the rate at which an orderly exchange transaction would take place between market participants under prevailing economic conditions.

The adoption of these amendments has not had a material impact on the Group's financial statements or accounting policies, as the Group operates in jurisdictions where currencies are freely exchangeable and observable market exchange rates are available.





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Standards issued but not yet in force and not yet implemented by the Group

The Group will apply the following amendments adopted by the European Union from 1 January 2026.

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

The main modifications include:

- Clarification of the date of recognition and derecognition of specific financial assets and liabilities, with a new exception for certain liabilities settled through electronic cash transfer systems.
- Additional guidance on how to assess whether a financial asset meets the criterion of only principal and interest payments on the outstanding principal amount (UPPI).
- New disaggregation requirements for financial instruments with contractual terms that may alter cash flows, including ESG-linked financial instruments.
- Update of the reporting requirements for equity instruments measured at fair value through other comprehensive income (FVOCI).

While the amendments relating to the SPPI criterion are primarily relevant to financial institutions, the changes concerning recognition, ESG-linked financial instruments and enhanced disclosure requirements are applicable to all entities.

These amendments will enter into force from 1 January 2026 and will be allowed to be adopted early. The amendments may introduce additional disclosure requirements but are not expected to have a significant impact on the Group's recognition and valuation of financial instruments.

IFRS 9 (Amendment) and IFRS 7 (Amendment) – Contracts relating to nature-dependent electricity

These amendments address the accounting for electricity supply contracts that depend on natural conditions (for example, wind or solar energy), enabling entities to reflect such contracts more accurately in their financial statements. The key changes include:

- Clarification of the "own use" exemption for electricity contracts.
- The ability to apply hedge accounting to certain contracts when they are designated as hedging instruments.
- New disaggregation requirements to improve transparency regarding the financial impact of such contracts.

These amendments will apply from 1 January 2026. They may require additional disclosures, particularly if the Group enters into renewable energy supply contracts but are not expected to have a material impact on the Group's recognition or measurement principles.

IFRS Annual Improvements – Volume 11

The IASB's Annual Improvements process addresses minor amendments to IFRS Standards in order to eliminate inconsistencies and improve clarity. Volume 11 includes amendments to the following standards:

- IFRS 1 – First-time Adoption of IFRS: improved references and drafting.
- IFRS 7 – Financial Instruments: Disclosures: simplification of cash flow disclosure requirements.
- IFRS 9 – Financial Instruments: elimination of an inconsistency between IFRS 9 and IFRS 15 relating to the initial measurement of trade receivables, and clarification of how a lessee accounts for the derecognition of a lease liability in accordance with paragraph 23 of IFRS 9.
- IFRS 10 – Consolidated Financial Statements: improvements to structure and wording.
- IAS 7 – Statement of Cash Flows: clarification that, under the indirect method, the starting point should be profit from operating activities rather than profit or loss for the year.

These amendments will become effective on 1 January 2026. Their impact is expected to be limited, as they primarily clarify existing guidance rather than introduce significant changes.



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

As at 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 have not yet been adopted by the European Union and therefore cannot yet be applied by the Group. The Group has, however, assessed their potential impact on its consolidated financial statements once they become applicable.

IFRS 18 - Presentation and Disclosure in Financial Statements

IFRS 18 is a recently issued standard that replaces IAS 1 Presentation of Financial Statements, while retaining many of its underlying principles. However, it introduces significant 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 management-defined performance measures presented in the financial statements.
- Enhanced aggregation and disaggregation principles applicable to both the primary financial statements and the notes.

Although IFRS 18 does not affect recognition or measurement principles, it may change the presentation of operating results.

This standard will become effective from 1 January 2027, subject to adoption by the European Union, and will apply to interim financial statements. Retrospective application is required and early adoption is permitted.

Management's preliminary assessment indicates that IFRS 18 will affect the presentation and disclosures in the Group's consolidated financial statements but will not impact the recognition or measurement principles applied by the Group.

IFRS 19 - Non-Publicly Accountable Subsidiaries: Disclosures

IFRS 19 is a new standard designed for subsidiaries without public accountability whose parent prepares consolidated financial statements in accordance with IFRS. It reduces disclosure requirements for such subsidiaries while maintaining IFRS recognition and measurement principles.

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

In the case of Spanish groups, its application primarily relates to foreign subsidiaries that apply IFRS in their individual financial statements. Subsidiaries that currently apply IFRS for SMEs or local GAAP in their statutory financial statements would not need to prepare a separate set of accounts for group reporting purposes if they adopt IFRS 19.

IFRS 19 will become effective from 1 January 2027. Early adoption is permitted, subject to approval by the European Union.

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 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 of sales and contributions of assets between an investor and its associate or joint venture, depending on whether the transferred non-cash assets constitute a "business" under IFRS 3. Where the assets qualify as a business, the investor recognises the full gain or loss on the transaction. Otherwise, only the portion of the gain or loss attributable to other investors is recognised.

These amendments were originally intended to apply prospectively from 1 January 2016. However, at the end of 2015, the IASB deferred their effective date indefinitely, pending a broader review of the accounting for associates and joint ventures. As the amendments remain deferred indefinitely and have not been adopted by the European Union, the Group has adopted the following accounting policy in accordance with IAS 8: the sale or contribution of assets to an associate or joint venture is accounted for by recognising only the portion of the gain or loss attributable to other investors.



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2.3 Subsidiaries

Subsidiaries, including structured entities, are those entities over which the Parent Company, directly or indirectly through its subsidiaries, exercises control. The Parent Company controls a subsidiary when, through its involvement with the entity, it is exposed, or has rights, to variable returns and has the ability to affect those returns through the power it exercises over the entity. The Parent Company has power when it holds substantive rights that are currently exercisable and provide the ability to direct the relevant activities. The Parent Company is exposed, or has rights, to variable returns from its involvement with a subsidiary when the returns it obtains may vary as a result of the economic performance of the entity.

A structured entity is an entity designed in such a way that voting rights or similar rights are not the dominant factor in determining who controls the entity, for example where potential voting rights relate solely to administrative activities and those activities are governed by contractual arrangements.

Control is typically achieved through ownership of more than 50% of the voting rights, whether directly or

indirectly. However, control may also be exercised over another entity even when holding less than half of the voting rights, as is the case of Cobre San Rafael, S.L., as explained in Note 3.3.

The Group reassesses whether it continues to control its subsidiaries whenever facts and circumstances indicate that one or more of the elements of control may have changed.

The income, expenses and cash flows of subsidiaries are included in the consolidated financial statements from the date of acquisition, being the date on which the Group effectively obtains control. Subsidiaries are excluded from consolidation from the date on which control is lost.

Transactions and balances between Group companies, together with any unrealised gains or losses, are eliminated in the consolidation process. However, unrealised losses are considered as an indicator of impairment of the assets transferred.

The accounting policies of subsidiaries have been aligned with those of the Group for transactions and other events of a similar nature occurring in similar circumstances.



The annual accounts or financial statements of subsidiaries used in the consolidation process are prepared as at the same reporting date and for the same reporting period as those of the Parent Company.

Where a reduction in the Group's interest in a subsidiary results in a loss of control, the Group recognises a gain or loss for the difference between the consideration received, plus the fair value of any retained investment in the entity, plus the carrying amount of non-controlling interests, and the carrying amount of the consolidated net assets. The cumulative amount recognised in other comprehensive income relating to the subsidiary is reclassified in

full to profit or loss or to reserves, depending on its nature. The consolidated net assets include goodwill, to the extent that the entity disposed of constitutes a business. If the entity disposed of constitutes a business that formed part of a cash-generating unit or a group of cash-generating units to which goodwill had been allocated, such goodwill is allocated between the portion disposed of and the portion retained on the basis of their relative fair values and recoverable amounts, respectively.

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



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transaction. Accordingly, no new acquisition cost arises on increases in ownership and no gain or loss is recognised on reductions. Instead, the difference between the consideration paid or received and the carrying amount of non-controlling interests is recognised directly in reserves attributable to the shareholders of the Parent Company, without prejudice to the reclassification of consolidation reserves and the reallocation of other comprehensive income between the Group and non-controlling interests. Upon a reduction in the Group's interest in a subsidiary, non-controlling interests are recognised at their proportionate share of the consolidated net assets, including goodwill.

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.

Intercompany 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.

(b) 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.

(c) 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.



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(d) 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.





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(e) 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.

(f) 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 Business combinations

The Group applies the acquisition method to account for business combinations.

The acquisition date is the date on which the Group obtains control of the acquired business.

The consideration transferred in a business combination is determined at the acquisition date as the aggregate of the fair values of the assets transferred, the liabilities incurred or assumed, the equity instruments issued and any contingent consideration dependent on future events or the fulfilment of certain conditions in exchange for control of the acquired business.

The consideration transferred excludes any payment that does not form part of the exchange for

the acquired business. Acquisition related costs are recognised as an expense as incurred.

At the acquisition date, the Group recognises the assets acquired and liabilities assumed at their fair value. The non-controlling interest in the acquired business is recognised at the amount corresponding to its proportionate share of the fair value of the net assets acquired. This criterion is only applicable to non-controlling interests that provide a present ownership interest entitling their holders to a proportionate share of the entity's net assets in the event of liquidation. Otherwise, non-controlling interests are measured at fair value or at the value based on market conditions. The liabilities assumed include contingent liabilities to the extent that they represent present obligations arising from past events and their fair value can be measured reliably. In addition, the Group recognises indemnification assets granted by the seller at the same time and using the same measurement criteria as the indemnified item of the acquired business, taking into account, where applicable, the risk of insolvency and any contractual limitations on the indemnified amount.



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This criterion does not apply to non-current assets or disposal groups classified as held for sale, defined benefit long-term employee benefit liabilities, share-based payment transactions, deferred tax assets and liabilities, and intangible assets arising from the reacquisition of previously granted rights.

The assets and liabilities assumed are classified and designated for subsequent measurement on the basis of the contractual arrangements, economic conditions, accounting policies and operating policies and other conditions existing at the acquisition date, except for lease contracts in which the acquired business is the lessor and insurance contracts.

Any excess of the consideration transferred, plus the amount recognised for non-controlling interests, over the net amount of the assets acquired and liabilities assumed is recognised as goodwill. Where applicable, any shortfall, after reassessing the amount of the consideration transferred, the amount recognised for non-controlling interests and the identification and measurement of the net assets acquired, is recognised in a separate line item in the consolidated income statement.

Contingent consideration is classified in accordance with the underlying contractual terms as a financial asset or liability, an equity instrument or a provision. To the extent that subsequent changes in the fair value of a financial asset or liability do not correspond to a measurement period adjustment, they are recognised in profit or loss. Contingent consideration classified as equity is not subsequently remeasured, and its settlement is recognised in equity. Contingent consideration classified as a provision is subsequently recognised at fair value with changes recognised in profit or loss.

2.5 Non-controlling interests

Non-controlling interests in subsidiaries are recognised at the acquisition date at their proportionate share of the fair value of the identifiable net assets.

Non-controlling interests are presented in consolidated equity separately from the equity attributable to the shareholders of the Parent. Non-controlling interests in the consolidated results for the year are likewise presented separately in the consolidated income statement.

The Group's interest and the non-controlling interests in the consolidated results for the year and in the changes in equity of subsidiaries, after taking into account consolidation adjustments and eliminations, are determined on the basis of ownership interests at the reporting date, without considering the possible exercise or conversion of potential voting rights and after deducting the effect of dividends, whether agreed or not, on cumulative preference shares classified in equity. However, the Group's interest and the non-controlling interests are determined taking into account the possible exercise of potential voting rights and other derivative financial instruments that, in substance, currently provide access to the returns associated with ownership interests in subsidiaries.

Profit or loss and each component of other comprehensive income are attributed to the equity attributable to the shareholders of the Parent and to non-controlling interests in proportion to their ownership interests, even if this results in a deficit balance in non-controlling interests. Agreements entered into between the Group and non-controlling interests are recognised as a separate transaction.

The Group recognises put options over interests in subsidiaries granted to non-controlling interests at the acquisition date of a business combination as an anticipated acquisition of those interests, recognising a financial liability at the present value of the best estimate of the amount payable, which forms part of the consideration transferred. Put options over interests in subsidiaries granted to non-controlling interests subsequent to the business combination are recognised as a financial liability at the present value of the best estimate of the amount payable, with a corresponding entry in reserves.

In subsequent periods, changes in the financial liability are recognised as a finance expense or finance income in profit or loss. Any discretionary dividends paid to non-controlling interests up to the exercise date of the options are recognised as a distribution of profits. If the options are ultimately not exercised, the transaction is recognised as a sale of interests to non-controlling shareholders.



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2.6 Associates and joint ventures

An associate is an entity over which the Parent, directly or indirectly through subsidiaries, exercises significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee (generally accompanied by an ownership interest of between 20% and 50% of the voting rights), without constituting control or joint control. In assessing whether significant influence exists, potential voting rights that are exercisable or convertible at the reporting date of each year are considered, including potential voting rights held by the Group or by another entity.

Joint arrangements are those in which there is a contractual agreement to share control over an economic activity, such that decisions about the relevant activities require the unanimous consent of the Group and the other parties or operators. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

Investments in associates and joint ventures are accounted for using the equity method from the date on

which significant influence or joint control is obtained, respectively, until the date on which the Parent can no longer justify their existence.

Investments in associates and joint ventures are initially recognised at cost, including any directly attributable acquisition costs and any contingent consideration asset or liability dependent on future events or the fulfilment of certain conditions.

Any excess of the cost of the investment over the Group's share of the fair values of the identifiable net assets is recognised as goodwill, which is included in the carrying amount of the investment. Any shortfall, after reassessing the cost of the investment and the identification and measurement of the net assets of the associate or joint venture, is recognised as income in determining the investor's share of the profit or loss of the associate or joint venture in the year of acquisition.

The accounting policies of associates and joint ventures have been aligned in terms of reporting date and measurement on the same basis as that applied to subsidiaries.

The Group's share of the profits or losses of associates and joint

ventures arising from the acquisition date is recognised as an increase or decrease in the carrying amount of the investments, with a corresponding entry in the line item Share of profit or loss of associates accounted for using the equity method in the consolidated income statement. Similarly, the Group's share of other comprehensive income of associates and joint ventures arising from the acquisition date is recognised as an increase or decrease in the carrying amount of the investments, with the corresponding entry recognised by nature in other comprehensive income. Dividend distributions are recognised as a reduction in the carrying amount of the investments. In determining the Group's share of profits or losses, including impairment losses recognised by associates or joint ventures, income and expenses arising from the acquisition method are taken into account.

The Group's share of the profits or losses of associates and joint ventures and of changes in equity is determined on the basis of ownership interests at the reporting date, without considering the possible exercise or conversion of potential voting rights. However, the Group's share is determined taking into

account the possible exercise of potential voting rights and other derivative financial instruments that, in substance, currently provide access to the returns associated with ownership interests in associates or joint ventures.

Losses of associates and joint ventures attributable to the Group are limited to the amount of the net investment, except where the Group has incurred legal or constructive obligations or has made payments on behalf of the associates or joint ventures. For the purposes of recognising impairment losses in associates and joint ventures, the net investment is determined as the carrying amount resulting from the application of the equity method together with any other item that, in substance, forms part of the investment in the associates or joint ventures. Any excess of losses over the investment in equity instruments is allocated to the remaining components in reverse order of their priority in liquidation. Profits subsequently generated by those associates or joint ventures for which recognition of losses had been limited to the amount of the investment are recognised to the extent that they exceed previously unrecognised losses. The Group applies the measurement



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criteria for financial instruments to the other components that form part of the net investment and to which the equity method is not applied, prior to recognising the losses referred to above. In applying those criteria, the Group does not take into account the recognition of losses arising from the equity method in the carrying amount of those items. As a result, the measurement of those items at fair value and, where applicable, impairment, affects the recognition of losses arising from the equity method in prior periods and in the current year.

Unrealised gains and losses arising from transactions between the Group and associates or joint ventures are recognised only to the extent of the interests of other unrelated investors. This criterion does not apply to the recognition of unrealised losses that provide evidence of impairment of the asset transferred. However, gains and losses arising from transactions between the Group and associates or joint ventures involving net assets that constitute a business are recognised in full.

Unrealised gains and losses on non-monetary contributions of assets that do not constitute a business by the Group to associates or joint ventures are recognised in accordance with the substance of the transaction. In this

respect, where the assets transferred are retained in the associate or joint venture and the transaction has commercial substance, only the proportionate share of gains or losses attributable to the other parties is recognised. Otherwise, no gain or loss is recognised on the transaction. Deferred gains or losses are recognised against the carrying amount of the investment. Unrealised losses are not eliminated to the extent that they provide evidence of impairment of the asset transferred. Where, in addition to the interest received, the Group receives monetary or non-monetary assets, the result of the transaction relating to the latter is recognised.

In non-monetary contributions of businesses by the Group to associates, gains and losses are recognised in full.

On the reduction of an interest in an associate or joint venture resulting in the loss of significant influence or joint control, respectively, the Group recognises a gain or loss equal to the difference between the consideration received, plus the fair value of any retained investment, and the carrying amount of the interest. The other comprehensive income relating to the associate or joint venture is reclassified in full to profit or loss or reserves as if the associate or joint

venture had directly disposed of the related assets or liabilities.

On the reduction of an interest in an associate that does not result in the loss of significant influence, or where the Group loses joint control of a joint venture but retains significant influence, the Group recognises a gain or loss equal to the difference between the consideration received and the proportionate share of the carrying amount of the interest disposed of. The other comprehensive income relating to the proportionate share of the associate disposed of is reclassified to profit or loss or reserves as if the associate had directly disposed of the related assets or liabilities. If the transaction results in a loss, the Group assesses the retained investment for impairment.

On the additional acquisition of interests in an associate, including obtaining joint control, the Group applies the criteria established for the initial acquisition of investments in associates at the date significant influence is obtained, to the proportionate share of the investment acquired.

After application of the equity method, the Group assesses whether there is objective evidence of

impairment of the net investment in the associate or joint venture.

Impairment is determined by comparing the carrying amount of the net investment in the associate or joint venture with its recoverable amount, being the higher of value in use and fair value less costs of disposal. In this regard, value in use is determined by reference to the Group's share of the present value of the estimated cash flows from ordinary activities and the amounts that may arise from the ultimate disposal of the associate or joint venture.

The recoverable amount of the investment in an associate or joint venture is assessed for each associate or joint venture individually, unless it does not constitute a cash generating unit.

Impairment losses are not allocated to goodwill or to other assets implicit in the investment in associates or joint ventures arising from the application of the acquisition method. In subsequent periods, reversals of impairment of investments are recognised in profit or loss to the extent that there is an increase in the recoverable amount. Impairment losses are presented separately from the Group's share of the results of associates and joint ventures.



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2.7 Joint ventures

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities relating to the arrangement.

In joint operations, the Group recognises in the consolidated financial statements its assets, including its share of jointly controlled assets; its liabilities, including its share of liabilities incurred jointly with the other operators; the revenue from the sale of its share of the output arising from the joint operation; its share of the revenue from the sale of the output arising from the joint operation; and its expenses, including its share of any jointly incurred expenses.

The acquisition by the Group of an initial and subsequent interest in a joint operation that constitutes a business is recognised by applying the criteria developed for business combinations to the extent of the percentage interest held in the individual assets and liabilities. However, on the subsequent acquisition of an additional interest in a joint operation, the previously

held interest in the individual assets and liabilities is not remeasured, provided that the Group retains joint control.

In transactions involving the sale or contribution of assets by the Group to joint operations, gains or losses are recognised only to the extent of the interests of the other operators, unless the losses provide evidence of a loss or impairment of the assets transferred, in which case they are recognised in full.

In transactions involving purchases by the Group from joint operations, gains or losses are recognised only when the acquired assets are sold to third parties, unless the losses provide evidence of a loss or impairment of the assets acquired, in which case the Group recognises in full its proportionate share of the losses.

2.8 Foreign currency transactions and balances

The consolidated financial statements are presented in thousands of euros, rounded to the nearest thousand, which is the functional and presentation currency of the Parent.

Foreign currency transactions are translated into the functional currency using the spot exchange rates between the functional currency and the foreign currency at the dates of the transactions. The spot exchange rate is the rate used in transactions with immediate delivery.

Monetary assets and liabilities denominated in foreign currency are translated into euros at the closing rate at the reporting date, whereas non-monetary items measured at historical cost are translated using the exchange rates at the date of the transaction. For these purposes, advances to suppliers and from customers are treated as non-monetary items and are therefore translated at the exchange rate prevailing on the date of payment or receipt. The subsequent recognition of inventories received or revenue from sales, in respect of the advance, is measured at the original exchange rate and not at the rate prevailing at the transaction date. Finally, non-

monetary assets measured at fair value are translated into euros using the exchange rate at the date on which the fair value was determined.

In presenting the consolidated statement of cash flows, cash flows arising from foreign currency transactions are translated into euros using the exchange rates at the dates on which the cash flows occurred. The effect of exchange rate changes on cash and cash equivalents denominated in foreign currency is presented separately in the statement of cash flows as "Effect of exchange rate differences on cash".

Exchange differences arising on the settlement of foreign currency transactions and on the translation into euros of monetary assets and liabilities denominated in foreign currency are recognised in profit or loss. However, exchange differences arising on monetary items that form part of the net investment in foreign operations are recognised as translation differences in other comprehensive income.

Exchange gains or losses relating to monetary financial assets or liabilities denominated in foreign currency are also recognised in profit or loss.



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Monetary financial assets denominated in foreign currency classified at fair value through other comprehensive income are considered to be measured at amortised cost in the foreign currency and, accordingly, exchange differences arising from changes in amortised cost are recognised in profit or loss, with the remaining change in fair value recognised in accordance with section 2.13 (financial instruments).

The Group presents the effect of translating deferred tax assets and liabilities denominated in foreign currency together with deferred income tax in profit or loss.

Exchange gains or losses on non-monetary financial assets and liabilities and on monetary financial assets and liabilities measured at fair value through profit or loss are recognised together with the change in fair value in other comprehensive income or in profit or loss. The remaining change in fair value is recognised in accordance with section 2.13 (financial instruments). However, the exchange component of equity instruments denominated in foreign currency and measured at fair value through other comprehensive income that are designated as

hedged items in fair value hedges of that component is recognised in other comprehensive income.

The translation into euros of foreign operations whose functional currency is not that of a hyperinflationary economy is performed using the following criteria:

- ▢ Assets and liabilities, including goodwill and adjustments to net assets arising on acquisition of the operations, including comparative balances, are translated at the closing rate at the date of each balance sheet.
- ▢ Income and expenses, including comparative balances, are translated at the exchange rates prevailing on the date of each transaction.
- ▢ The resulting exchange differences arising from the application of the above criteria are recognised as translation differences in other comprehensive income.

The same criteria apply to the translation of the financial statements of entities accounted for using the equity method, with the translation differences corresponding to the Group's interest recognised in other comprehensive income.

In presenting the consolidated statement of cash flows, the cash flows, including comparative balances, of foreign subsidiaries

and joint ventures are translated into euros using the exchange rates prevailing at the dates on which the cash flows occurred.

Translation differences recognised in other comprehensive income are reclassified to profit or loss, as an adjustment to the gain or loss on disposal, in accordance with the criteria set out in the sections on subsidiaries and associates.





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2.9 Property, plant and equipment

Property, plant and equipment is recognised at historical cost less accumulated depreciation and, where applicable, accumulated impairment losses.

When property, plant and equipment is acquired through a non-monetary exchange, the asset is measured at fair value unless the exchange transaction lacks commercial substance or the fair value of neither the asset received nor the asset given up can be measured reliably.

An exchange transaction is considered to have commercial substance when the configuration of the cash flows of the asset received differs from that of the asset transferred, or when the entity-specific value of the portion of the Group's operations is affected by the transaction changes as a result of the exchange, and such difference is significant relative to the fair value of the assets exchanged.

If the exchange lacks commercial substance or fair value cannot be measured reliably, the asset received is measured at the carrying amount of the asset given up, adjusted for any monetary consideration transferred, and subject to a ceiling equal to the fair value of the asset received, where available.

The cost of property, plant and equipment constructed by the Group is determined using the same principles as for acquired assets, and additionally incorporates the criteria applied in determining the cost of inventories. Revenue from the sale of items produced during the commissioning period of property, plant and equipment and the related costs are recognised in the consolidated income statement.

The cost of property, plant and equipment includes an estimate of dismantling and removal costs and site restoration costs, where these constitute obligations incurred as a consequence of their use and for purposes other than the production of inventories.

Spare parts intended to be installed in facilities, equipment and machinery as replacements for similar items are measured in accordance with the principles described above. Spare parts with a storage cycle of less than one year are recorded as inventories. Spare parts with a storage cycle exceeding one year and which relate exclusively to specific assets are recognised and depreciated together with those assets. In other cases, they are

recognised as "Other property, plant and equipment" and depreciated, where identifiable, in line with the depreciation pattern of the asset being replaced. In general, such spare parts are depreciated from the date they are incorporated into the asset, taking into account the weighted technological or economic useful life of the assets to which they may be attached and their own technical obsolescence.

Subsequent costs are included in the carrying amount of the asset 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 replaced components is derecognised. Where the cost of replaced elements has not been depreciated separately and it is impracticable to determine their carrying amount, the replacement cost is used as an indication of the cost of those elements at the time of acquisition or construction. All other repairs and maintenance are charged to the consolidated income statement in the period in which they are incurred.

Depreciation of property, plant and equipment is calculated by allocating the depreciable amount of the asset systematically over its estimated useful life or the remaining life of mine (LOM), field or lease. The depreciable amount represents the acquisition cost less residual value. The Group determines depreciation expense separately for each component, whether physical or non-physical, including costs related to major overhauls of property, plant and equipment that are significant in relation to the total cost of the asset and have a useful life different from the remainder of the asset. Depreciation commences when the asset is available for use.

The principal categories of property, plant and equipment are depreciated either on a units of production (UOP) basis or on a straight-line basis over their useful lives 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



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The Group reviews the residual value, useful life and depreciation method of property, plant and equipment at each reporting date. Changes to the originally established criteria are recognised as changes in accounting estimates.

In particular, the Group considers the impact of health, safety and environmental legislation in assessing expected useful lives and estimated residual values. The Group also considers climate-related matters, including physical and transition risks. Specifically, the Group assesses whether climate-related legislation and regulation could affect useful lives or residual values, for example by prohibiting or restricting the use of fossil fuel-powered machinery or imposing additional energy efficiency requirements on buildings and offices.

The Group assesses impairment losses and reversals of impairment losses of property, plant and equipment in accordance with the criteria set out in Note 2.32 Impairment of non-financial assets.

Property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The disposal date is the date on which the buyer obtains control

of the asset in accordance with the accounting policy for Revenue from contracts with customers. The consideration received and any subsequent changes thereto are determined in accordance with that revenue policy. Gains and losses on disposal are recognised within "Other income" in the consolidated income statement.

a) Mining rights

Ore Reserves and Mineral Resources that can be reliably measured are recognised at fair value at the acquisition date of the business in accordance with Note 2.4 Business combinations. Mining rights whose fair value cannot be measured reliably are not recognised.

Exploitable mining rights are depreciated using the UOP method over commercially recoverable Ore Reserves and, in certain circumstances, over additional Mineral Resources. Mineral Resources are included in depreciation calculations when there is a high degree of confidence that they will be economically extracted.

b) Deferred mining costs: stripping costs

These primarily comprise certain capitalised costs relating to stripping activities in both the pre-production and production phases, as described below.

Stripping costs incurred during the development phase of a mine (or pit) prior to the commencement of production are capitalised as part of the cost of constructing the mine (or pit) and subsequently depreciated over the life of mine on a UOP basis.

Production stripping costs that relate to improving access to an identifiable component of the ore body, and that provide future economic benefits through improved access to ore to be mined in future periods (stripping activity asset), are capitalised within deferred-mining costs provided that all of 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 improved access can be measured reliably.



If all criteria are not met, production stripping costs are expensed as incurred.

The stripping activity asset is initially measured at cost, being the accumulation of costs directly incurred to perform the stripping activity that improves access to the identified ore component, together with an allocation of directly attributable overheads in accordance with the principles used to determine the cost of inventories.



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c) Exploration expenditure

In accordance with the Group's accounting policy, exploration expenditure is not capitalised until management determines that the project has entered the development phase and that construction of the related mining or infrastructure asset will commence. This does not refer to real estate property, but to the development of a mining asset or associated infrastructure in accordance with IAS 16 and IFRS 6. Capitalisation only occurs once a high degree of confidence exists in the technical and economic viability of the project and it is considered probable that future economic benefits will flow to the Group.

The development decision is taken based on the economic prospects of the project, including future metal prices, Ore Reserves and Mineral Resources, and estimated operating and capital costs.

Subsequent recovery of the resulting carrying amount depends on the successful development or sale of the undeveloped project. If a project is determined to be non-viable, all irrecoverable costs associated with the project, net of any related impairment provisions, are recognised in the consolidated income statement.

d) Assets under construction

All subsequent expenditure incurred in the construction, installation or completion of infrastructure facilities, including processing plants and other works necessary for mining operations, is capitalised under "Assets under construction". Costs incurred in testing assets to determine whether they are functioning as intended are capitalised.

In accordance with IAS 16, revenue from the sale of any products produced during the testing phase is recognised as revenue in the consolidated income statement, and the related production costs are recognised in accordance with IAS 2 Inventories. Such revenue is not offset against the cost of assets under construction.

Development expenditure, including investment in intangible assets, is capitalised when the following criteria are met:

- ▣ The costs are directly attributable to the preparation 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, based on an economic evaluation of the

project that considers market conditions, resource estimates, expected operating and capital costs and management's strategic intent.

Costs incurred before technical and commercial feasibility has been demonstrated, or those relating to general research activities, are expensed as incurred.

Assets under construction are transferred to the appropriate asset categories when they are substantially completed and ready for their intended productive use. Depreciation commences at that date.

e) Borrowing costs

The Group capitalises borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets as part of the cost of those assets. Qualifying assets are those that necessarily take a substantial period of time to get ready for their intended use or sale.

To the extent that funds are borrowed specifically for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined based on the actual borrowing costs incurred during the period, less any investment income earned on the temporary investment of those funds.

Borrowings obtained specifically for a qualifying asset are treated as general borrowings once substantially all the activities necessary to prepare the asset for its intended use or sale have been completed.

The amount of borrowing costs capitalised in respect of general borrowings is determined by applying a weighted average capitalisation rate to the expenditure on qualifying assets, without exceeding the total borrowing costs incurred during the period.

Capitalisation of borrowing costs commences when expenditure for the asset is incurred, borrowing costs are incurred and activities necessary to prepare the asset (or part thereof) for its intended use or sale are in progress. Capitalisation ceases when substantially all the activities necessary to prepare the asset (or part thereof) for its intended use or sale have been completed.

Capitalisation of borrowing costs is suspended during extended periods in which development activities are interrupted, unless such temporary delay is necessary to bring the asset into a condition suitable for its intended use or sale.

2.10 Leases

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

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. That is, whether 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.

At the commencement date, the Group recognises a right of use asset and a lease liability. The right of use asset comprises the amount of the lease liability, any lease payments made at or before the

commencement date less any lease incentives received, any initial direct costs incurred and an estimate of dismantling or restoration costs to be incurred, as set out in the accounting policy on provisions.

The Group measures the lease liability at the present value of the lease payments that are unpaid at the commencement date. The lease payments are discounted using the appropriate incremental borrowing rate, unless the interest rate implicit in the lease can be reliably determined.

Outstanding lease payments comprise fixed payments, less any incentives receivable, variable payments that depend on an index or rate, initially measured using the index or rate at the commencement date, amounts expected to be payable under residual value guarantees, the exercise price of a purchase option if exercise is reasonably certain and payments of penalties for terminating the lease, if the lease term reflects the exercise of the termination option.

The Group measures right of use assets at cost, less accumulated depreciation and accumulated impairment losses, adjusted for any remeasurement of the lease liability.

- ❑ If the contract transfers ownership of the asset to the Group at the end of the lease term or the right of use asset includes the exercise price of a purchase option, depreciation is charged in accordance with the criteria set out for property, plant and equipment from the commencement date to the end of the useful life of the asset. Otherwise, the Group depreciates the right of use asset from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term.
- ❑ The Group applies the impairment criteria for non-current assets set out in section 2.12 to right of use assets.
- ❑ The lease liability is increased by the finance cost accrued, reduced by lease payments made and remeasured to reflect any lease modifications or revisions to in substance fixed payments.
- ❑ Variable lease payments not included in the initial measurement of the lease liability are recognised in profit or loss in the period in which the events or conditions that trigger those payments occur.

- ❑ Remeasurements of the lease liability are recognised as an adjustment to the right of use asset, until it is reduced to zero and thereafter in profit or loss.
- ❑ The Group remeasures the lease liability by discounting the revised lease payments using a revised discount rate if there is a change in the lease term or a change in the assessment of whether a purchase option will be exercised.
- ❑ The Group remeasures the lease liability if there is a change in the amounts expected to be payable under a residual value guarantee or a change in the index or rate used to determine lease payments, including a change to reflect revisions to market rents once such revisions take effect.

The Group accounts for the full or partial derecognition of a lease liability in accordance with the criteria applicable to the derecognition of financial liabilities.



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A reassessment after the commencement date is made only if one of the following conditions applies:

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

The Group accounts for a lease modification as a separate lease if the scope of the lease increases by adding one or more rights of use, and the consideration for the lease increases by an amount commensurate with the stand alone price for the increase in scope and any appropriate adjustments to that stand alone price to reflect the particular circumstances of the contract.

If the modification does not result in a separate lease, at the effective date of the modification the Group

allocates the consideration to the modified contract as described above, redetermines the lease term and remeasures the lease liability by discounting the revised lease payments using a revised discount rate. The Group decreases the carrying amount of the right of use asset to reflect the partial or full termination of the lease in modifications that decrease the scope of the lease and recognises any gain or loss in profit or loss. For all other modifications, the Group makes a corresponding adjustment to the carrying amount of the right of use asset.

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, that is, leases with a lease term of 12 months or less from the commencement date and that do not contain a purchase option. It also applies the low value asset recognition exemption to leases of office equipment that are considered to be of low value, that is, below €5,000. Lease payments on short-term leases and leases of low value assets are recognised as an expense on a straight-line basis over the lease term.

2.11 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 these permits are capitalised as intangible assets, provided that they meet the recognition criteria set out in IAS 38 – Intangible Assets. These costs generally include application fees, environmental and engineering studies, legal fees and other necessary expenditure incurred to obtain the permits.

No amortisation is recognised in respect of these intangible assets until the associated project enters the commercial production phase. Once the required permits have been obtained and production commences, the capitalised permit costs are amortised using the units of production (UOP) method, based on the commercially recoverable Ore Reserves of the related mining project.

If at any time it is determined that a permit will not be utilised due to project suspension or regulatory changes, the capitalised costs are immediately impaired and

recognised as an expense in the consolidated income statement. The Group periodically assesses the status of each project. If a subsequent evaluation determines that the circumstances that gave rise to the impairment have ceased to exist or have been reasonably mitigated, the Group reverses the previously recognised impairment loss.

b) Other intangible assets, including computer software

Intangible assets are presented in the consolidated statement of financial position at cost less accumulated amortisation and accumulated impairment losses. The cost of intangible assets acquired in a business combination is their fair value at the acquisition date, provided that they meet the recognition criteria set out in IFRS 3.

The Group assesses, for each acquired intangible asset, whether its useful life is finite or indefinite. An intangible asset is considered to have an indefinite useful life when there is no foreseeable limit to the period over which it is expected to generate net cash inflows.



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Amortisation of intangible assets with finite useful lives is calculated by allocating the depreciable amount systematically over their estimated useful lives as follows:

Administrative concessions	UOP
Mining rights	UOP
Development costs	Straight-line, over the estimated useful life of the project, not exceeding 5 years
Licences and trademarks	Straight-line, 2 to 10 years
Computer software	Straight-line at an annual rate of 15%
Other intangible assets	Straight-line, 3 to 10 years

For this purpose, the depreciable amount represents the acquisition cost or deemed cost less residual value.

Intangible assets with indefinite useful lives are not amortised but are tested annually for impairment, or more frequently if indicators of impairment exist.

The Group reviews the residual value, useful life and amortisation method of intangible assets at each reporting date. Changes to the originally established estimates are accounted for as changes in accounting estimates.

The Group assesses and recognises impairment losses and reversals of impairment losses on intangible assets in accordance with the criteria set out in Note 2.12.

An intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The disposal date is the date on which the buyer obtains control of the asset in accordance with the accounting policy for Revenue from contracts with customers. The consideration received on disposal and any subsequent adjustments thereto are determined in accordance with that policy.

c) Contingent liabilities in the acquisition of intangible assets

The Group has adopted the approach set out in IFRIC 1 for contingent payments related to the acquisition of assets. When acquiring intangible assets subject to contingent payments dependent on future events, such as in the case of the Touro, Masa Valverde and Ossa Morena projects (see Note 1), the Group assesses whether such 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 rights acquired and a corresponding liability based on the best estimate of the expected future payment, including any 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 in which it is incurred.

Subsequent changes in the estimated liability resulting from revisions to assumptions, project viability or economic factors are recognised as an adjustment to the carrying amount of the intangible

asset. If, at a later stage, uncertainty arises regarding 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 carrying amount of the asset.

Where intangible assets include non-controlling interests, the Group allocates the corresponding portion of the asset to non-controlling shareholders, ensuring that valuation adjustments to contingent liabilities are appropriately reflected. This policy is applied consistently across all projects to ensure compliance with IFRS and alignment with industry practice.

2.12 Impairment of non-financial assets

Assets that have an indefinite useful life (for example, goodwill or intangible assets not yet available 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 in profit or loss when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use.

Value in use is determined based on the expected future cash flows to be derived from the use of the asset, expectations about possible variations in the amount or timing of those cash flows, the time value of money, the price for bearing the uncertainty inherent in the asset and other factors that market participants would consider in assessing the future cash flows related to the asset. The Group assesses whether climate related risks, including physical risks and transition risks, could have a

significant impact on the value in use of assets.

The recoverable amount is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

When testing a CGU for impairment, the Group identifies the common assets related to it. If a portion of the common assets can be allocated to the CGU on a reasonable and consistent basis, the Group compares the carrying amount of the CGU, including the allocated common assets, with its recoverable amount and recognises any impairment loss at the CGU level. If the Group cannot allocate a portion of the common assets to the CGU on a reasonable and consistent basis, it compares the carrying amount of the CGU, excluding the common assets, with its recoverable amount and recognises any impairment loss at the CGU level. The Group then identifies the smallest group of CGUs to which the carrying

amount of the common assets can be allocated on a reasonable and consistent basis and compares the carrying amount of that group of CGUs, including the common assets, with its recoverable amount and recognises any impairment loss at the level of that group of CGUs.

Impairment losses relating to a CGU are allocated first to reduce, where applicable, the carrying amount of any goodwill allocated to the CGU and then to the other assets of the CGU on a pro rata basis according to the carrying amount of each asset, subject to the limit that the carrying amount of each asset is not reduced below the highest of its fair value less costs of disposal, its value in use and zero.

At each reporting date, the Group assesses whether there is any indication that an impairment loss recognised in prior periods may no longer exist or may have decreased. Impairment losses relating to goodwill are not reversible. Impairment losses for other assets are reversed only if there has been a change in the estimates used to determine the asset's recoverable amount.

A reversal of an impairment loss is recognised in profit or loss. However, the increased carrying amount of an asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined, net of amortisation, had no impairment loss been recognised.

The reversal of an impairment loss for a CGU is allocated to the assets of the CGU, except for goodwill, on a pro rata basis according to the carrying amount of those assets, subject to the limit that the carrying amount of each asset does not exceed the lower of its recoverable amount and the carrying amount that would have been determined, net of amortisation, had no impairment loss been recognised.



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2.13 Financial instruments

a) Recognition and classification of financial instruments

Financial instruments are classified on initial recognition as a financial asset, a financial liability or an equity instrument, in accordance with the substance of the contractual arrangement and the definitions of a financial asset, financial liability or equity instrument set out in IAS 32 Financial Instruments: Presentation.

Financial instruments are recognised when the Group becomes a party to the contractual provisions of the instrument.

For measurement purposes, the Group classifies financial instruments into the following categories:

- ▣ Financial assets and liabilities at fair value through profit or loss, distinguishing those designated on initial recognition from those held for trading or mandatorily measured at fair value through profit or loss.
- ▣ Financial assets and liabilities measured at amortised cost.
- ▣ Financial assets measured at fair value through other comprehensive income, distinguishing equity instruments designated as such from other financial assets.

The Group classifies financial assets, other than those designated at fair value through profit or loss and equity instruments designated at fair value through other comprehensive income, based on the business model and the characteristics of the contractual cash flows. Financial liabilities are classified as measured at amortised cost, except for those designated at fair value through profit or loss and those held for trading.

A financial asset or liability is classified as held for trading if:

- ▣ It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term.
- ▣ On initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking.
- ▣ It is a derivative, except for a derivative designated as a hedging instrument that meets the conditions for hedge effectiveness and a derivative that is a financial guarantee contract.
- ▣ It is an obligation to deliver financial assets borrowed that are not owned.

A financial asset is classified at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. In a basic lending arrangement, interest typically consists of consideration for the time value of money and credit risk. However, in such an arrangement, interest may also include consideration for other risks, such as liquidity risk, and costs, such as administrative costs associated with holding the financial asset for a particular period. In addition, interest may include a profit margin consistent with a basic lending arrangement.

A financial asset is classified at fair value through other comprehensive income if it is held within a business model whose objective is achieved both by collecting contractual cash flows and by selling financial assets and the contractual terms of the

financial asset give rise, on specified dates, to cash flows that are SPPI.

The Group has designated its investments in listed equity instruments as financial assets measured at fair value through other comprehensive income.

All other financial assets are classified at fair value through profit or loss.

Financial assets and liabilities arising from contingent consideration in a business combination are classified as financial assets and liabilities at fair value through profit or loss.

Other financial liabilities, except for financial guarantee contracts, loan commitments at below market interest rates and financial liabilities arising from a transfer of financial assets that does not qualify for derecognition or that is accounted for using the continuing involvement approach, are classified as financial liabilities at amortised cost.

A financial asset and a financial liability are offset only when the Group has a currently enforceable legal right to set off the recognised amounts and intends either to settle on a net basis or to realise

the asset and settle the liability simultaneously. The legal right must not be contingent on a future event and must be legally enforceable in the normal course of business, in the event of insolvency or in the event of judicially declared liquidation and in the event of default.

The Group reclassifies financial assets when it changes its business model for managing those assets. Financial liabilities are not reclassified.

b) Financial assets and liabilities at amortised cost

Financial assets and liabilities at amortised cost are initially recognised at fair value, plus or minus transaction costs incurred, and are subsequently measured at amortised cost using the effective interest method.

c) Financial assets and liabilities at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are initially recognised at fair value plus directly attributable transaction costs.

Subsequent to initial recognition, financial assets in this category are measured at fair value, with

gains or losses recognised in other comprehensive income, except for foreign exchange gains and losses as described in section 2.8 and expected credit losses. Amounts recognised in other comprehensive income are reclassified to profit or loss on derecognition of the financial assets. However, interest calculated using the effective interest method is recognised in profit or loss.

As indicated above, the Group has designated certain equity instruments as measured at fair value through other comprehensive income. Subsequent to initial recognition, these equity instruments are measured at fair value, with gains or losses recognised in other comprehensive income. Amounts recognised in other comprehensive income are not reclassified to profit or loss, although they may be transferred to reserves on derecognition of the instruments. Dividends are recognised as set out in section h) of this note.

d) Financial assets and liabilities at fair value through profit or loss

Financial assets and liabilities at fair value through profit or loss are initially recognised at fair value. Directly attributable transaction costs are recognised in profit or loss as incurred.

Subsequent to initial recognition, they are measured at fair value, with changes recognised in profit or loss. Changes in fair value include the interest and dividend components. Fair value is not reduced by transaction costs that may be incurred on sale or other disposal.

However, for financial liabilities designated at fair value through profit or loss, changes in fair value attributable to the entity's own credit risk are recognised in other comprehensive income. Amounts recognised in other comprehensive income are not subsequently reclassified to the consolidated income statement.

In accordance with IFRS 9, where the Group holds a hybrid contract containing a non-derivative host that is a financial asset within the scope of IFRS 9, the hybrid instrument is assessed in its entirety for classification purposes. Embedded derivatives are not separated from the host contract in such cases.

Where the contractual cash flows of the hybrid instrument do not represent solely payments of principal and interest on the principal amount outstanding, the instrument is classified and measured at fair value through profit or loss.

Convertible instruments held by the Group are assessed under this framework. Where the conversion feature results in cash flows that do not meet the solely payments of principal and interest criterion, the instrument is measured at fair value through profit or loss.

e) Financial assets measured at cost

Investments in equity instruments for which there is insufficient information to measure fair value, or where there is a wide range of possible fair value measurements, and derivatives linked to such investments that must be settled by delivery of those investments, are measured at cost.

However, if at any time the Group is able to obtain a reliable measurement of fair value, the asset or contract is measured at fair value, with gains or losses recognised in profit or loss or in other comprehensive income if the instrument is designated at fair value through other comprehensive income.

f) Derecognition and modification 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.

In transactions in which a financial asset is derecognised in its entirety, any financial assets obtained or financial liabilities incurred, including liabilities relating to servicing arrangements, are recognised at fair value.

Derecognition of a financial asset in its entirety results in the recognition in profit or loss of the difference between its carrying amount and the sum of the consideration received, net of transaction costs, including any assets obtained or liabilities assumed and any cumulative gain or loss previously recognised in other comprehensive income, except for equity instruments designated at fair value through other comprehensive income.

If the Group modifies the contractual cash flows of a financial asset without resulting in derecognition, the carrying amount

is recalculated as the present value of the modified cash flows discounted at the original effective interest rate or the original credit adjusted effective interest rate, with any difference recognised in profit or loss. Fees and costs charged by the Group adjust the carrying amount of the financial asset and are amortised over the remaining term of the modified financial asset.

g) Impairment of financial assets

The Group recognises in profit or loss a loss allowance for expected credit losses on financial assets measured at amortised cost and at fair value through other comprehensive income.

For financial assets measured at fair value through other comprehensive income, the expected credit loss is recognised in other comprehensive income and does not reduce the carrying amount of the assets.

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. Expected

cash flows include cash flows from the sale of collateral or other credit enhancements that are integral to the contractual terms.

The Group's trade receivables mainly arise from sales of copper concentrate to large international commodity trading companies. Based on historical experience and the creditworthiness of counterparties, expected credit losses are considered immaterial.

For receivables (other than trade receivables measured at fair value through profit or loss), the Group applies the simplified approach permitted by IFRS 9, which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

At each reporting date, the Group measures the loss allowance at an amount equal to 12-month expected credit losses for financial assets for which credit risk has not increased significantly since initial recognition or where the Group determines that the credit risk of a financial asset has not increased significantly.

The Group considers a financial asset to be 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 it is unlikely that the Group will receive the outstanding contractual amounts in full before taking into account any credit enhancements held.

The Group considers cash and cash equivalents to have low credit risk based on the credit ratings of the financial institutions with which the cash or deposits are held.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows, which generally occurs when collection is more than one year past due and there is no enforceable collateral.



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h) Interest and dividends

Interest income is recognised using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the carrying amount of the instrument, based on its contractual terms and without considering expected credit losses.

Dividend income from investments in equity instruments is recognised in profit or loss when the Group's right to receive payment is established. It is probable that the economic benefits will flow to the Group and the amount can be measured reliably.

Dividends on equity instruments classified at fair value through other comprehensive income are recognised in profit or loss unless they clearly represent a recovery of part of the cost of the investment, in which case they are recognised in other comprehensive income.

i) Derecognition and modification of financial liabilities

The Group derecognises a financial liability, or part of it, when the obligation specified in the liability is discharged or is legally released, either by a judicial process or by the creditor.

An exchange of debt instruments between the Group and a counterparty, or substantial modifications of the terms of an existing financial liability, is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability where the terms are substantially different.

The Group considers the terms to be substantially different if the present value of the cash flows under the new terms, including any fees paid net of any fees received, discounted using the original effective interest rate, differs by at least 10% from the present value of the remaining cash flows of the original financial liability. For this purpose, only fees paid or received between the borrower and the lender are considered, including fees paid or received by either party on behalf of the other.

If the exchange is accounted for as an extinguishment of the original financial liability, any costs or fees are recognised in profit or loss as part of the gain or loss on extinguishment. Otherwise, the modified cash flows are discounted using the original effective interest rate, with any difference from the previous carrying amount recognised in profit or loss. Fees and costs adjust the carrying amount of the financial liability and are amortised using the amortised cost method over the remaining term of the modified liability.

The Group recognises in profit or loss the difference between the carrying amount of a financial liability, or part of it, extinguished or transferred to a third-party and the consideration paid, including any non-cash assets transferred or liabilities assumed.





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2.14 Contracts for the purchase or sale of non-financial assets

The Group enters into forward contracts for the purchase or sale of inventories in accordance with its production requirements and others for trading purposes. At inception and on an ongoing basis, the Group assesses whether such contracts should be recognised as derivative financial instruments. For this purpose, the Group maintains separate records of contracts that meet the conditions not to be classified as derivative financial instruments and those that must be considered as held for trading.

The Group treats as own use contracts those contracts for the purchase or sale of a non-financial item that were entered into and continue to be held for the purpose of receipt or delivery in accordance with the entity's expected purchase, sale or usage requirements.

Transaction costs relating to contracts classified as own use contracts are recognised in accordance with the general criteria applicable to costs related to purchase and sale transactions.

The Group enters into contracts relating to nature dependent electricity. Contracts relating to nature dependent electricity are contracts that expose the entity to variability in the underlying volume of electricity because the source of its generation depends on uncontrollable natural conditions (for example, weather conditions). Contracts relating to nature dependent electricity include both contracts for the purchase or sale of such electricity and financial instruments based on that electricity.

Certain contracts relating to nature dependent electricity require the Group to purchase and take delivery of electricity as it is generated. Such contractual features expose the Group to the risk of being required to purchase electricity during a supply period in which it cannot use that electricity. In practice, the Group may also be unable to avoid selling unused electricity because the design and operation of the electricity market in which the electricity is traded under the contract require unused electricity to be sold within a specified period.

In applying the above requirements, such sales are not necessarily

inconsistent with holding a contract in accordance with the Group's expected usage requirements. The Group is considered to have entered into and to hold such a contract in accordance with its expected electricity usage requirements if it has been, and is expected to be, a net purchaser of electricity over the term of the contract. The Group is a net purchaser of electricity if it purchases sufficient electricity to offset sales of unused electricity in the same market in which those sales occur.

In determining whether it is a net purchaser of electricity, the Group considers reasonable and supportable information that is available without undue cost or effort regarding its past, current and expected electricity transactions over a reasonable period. In determining what constitutes a reasonable period, the Group considers the variability in the volume of electricity expected to be generated due to the seasonal cycle of natural conditions and the variability in its own electricity demand due to its operating cycle. For the purpose of determining whether the Group has been a net purchaser, the reasonable period does not exceed 12 months.



2.15 Inventories

The Group's inventories comprise copper concentrates, ore stockpiles and metal in circuit, materials and supplies and spare parts. Inventory is physically measured or estimated and is stated at the lower of cost and net realisable value.

Cost of purchase includes the amount invoiced by the supplier after deducting any discounts, rebates or similar items, as well as interest incorporated in the nominal amount of payables and any additional costs incurred until the goods are in their location for sale, other costs directly attributable to the acquisition and non-recoverable indirect taxes.

Cost of production comprises the purchase cost of raw materials and other consumables and costs directly related to the units produced, together with a systematic allocation of variable and fixed production overheads incurred in the process of conversion, including depreciation. Fixed production overheads are allocated based on normal production capacity or actual production, whichever is higher. Identifiable conversion costs for each metal are specifically allocated.

The cost of raw materials and other supplies and the cost of production are assigned to the individual items of inventory using the FIFO method. The Group uses the same cost formula for all inventories having a similar nature and use within the Group.

The cost of inventories is written down to profit or loss where their cost exceeds their net realisable value. For this purpose, net realisable value is defined as follows:

- ▢ Raw materials and other supplies: replacement cost. However, no write down is made where the finished products into which the raw materials and other supplies will be incorporated are expected to be sold at or above their cost of production.
- ▢ Finished goods: estimated selling price less the costs necessary to make the sale.
- ▢ Work in progress: estimated selling price of the related finished goods less the estimated costs to complete production and the costs necessary to make the sale. Where the time value of money is material, these future prices and completion costs are discounted.

A previously recognised write down is reversed through profit or loss if the circumstances that caused the write down no longer exist or where there is clear evidence of an increase in net realisable value as a result of a change in economic circumstances. The reversal of a write down is limited to the lower of the cost and the revised net realisable value of the inventories.

2.16 Cash and cash equivalents

Cash and cash equivalents include cash on hand and demand deposits with credit institutions. This category also includes other short-term highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value. For this purpose, investments with maturities of less than three months from the date of acquisition are included.

2.17 Share capital and dividend distribution

The Parent recognises share capital increases and reductions in equity when the shares have been issued and subscribed.

Ordinary shares are classified as equity. The difference between the fair value of the consideration received by the Parent and the nominal value of the share capital issued is recognised in the share premium account.

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

Dividends of a discretionary nature, whether paid in cash or in-kind, are recognised as a reduction in equity when they are approved by the General Meeting of Shareholders.



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2.18 Provisions

Provisions are recognised when the Group has a present obligation, whether legal or constructive, as a result of a past event; it is probable that an outflow of resources embodying future economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

The amounts recognised in the consolidated statement of financial position represent the best estimate at the reporting date of the expenditure required to settle the present obligation, taking into account the risks and uncertainties surrounding the provision and, where material, the financial effect of discounting, provided that the amounts to be paid in each period can be reliably determined. The discount rate is determined on a pre tax basis, taking into account the time value of money and the specific risks not reflected in the future cash flows relating to the provision at each reporting date.

Individual obligations are measured at the most likely individual outcome. Where the obligation involves a large population of homogeneous items, it is measured by weighting

all possible outcomes by their associated probabilities. Where there is a continuous range of possible outcomes and each point in that range is as likely as any other, the obligation is measured at the mid point of the range.

The unwinding of the discount on provisions is recognised as a finance cost in profit or loss.

Provisions do not include tax effects or expected gains from the disposal or abandonment of assets.

Reimbursement rights receivable from third parties to settle the provision are recognised as a separate asset when recovery is virtually certain. The related income from reimbursement is recognised in profit or loss as a reduction of the expense relating to the provision, limited to the amount of the provision.

Provisions are reversed through profit or loss when it is no longer probable that an outflow of resources will be required to settle the obligation. The reversal is recognised in the same line item in which the related expense was originally recorded and any excess is recognised in other income.

Provision for dismantling, restoration and similar obligations

The Group recognises the present value of the estimated costs of legal or constructive obligations to restore operating sites in the period in which the obligation arises. These restoration activities include the dismantling and removal of structures, rehabilitation of mines and tailings dams, decommissioning of operating facilities, closure of plants and waste sites, and the restoration, remediation and revegetation of affected areas.

The obligation generally arises when the asset is installed or the land or environment at the production site is disturbed. When the provision is initially recognised, the present value of the estimated restoration cost is capitalised as part of the cost of the related mining assets to the extent that the obligation has been incurred before production of the related ore commences.

Changes in the provision arising from revisions to the estimated amount, timing of cash flows or discount rate increase or decrease the cost of the asset, limited to its carrying amount, with any excess recognised in profit or loss. The Group assesses whether

an increase in the carrying amount of property, plant and equipment is an indication of impairment. For closed sites, changes in estimated costs are recognised immediately in the consolidated income statement. Similarly, the unwinding of the discount on the provision is recognised as a finance cost in profit or loss.

Changes in the amount of the provision arising after the end of the useful life of the asset are recognised in profit or loss as they occur.

The Group reviews its mine rehabilitation provision annually, which involves the use of significant estimates, including estimates of the scope and cost of rehabilitation activities, technological changes, regulatory changes and changes in discount rates. The Group also considers the impact of climate related matters, such as changes in environmental regulations and other relevant laws, when estimating the rehabilitation provision. These factors may result in future required outflows differing from the amounts provided. The amounts recognised in the consolidated statement of financial position represent the best estimate at the reporting date.

2.19 Income tax

Income tax expense or income comprises both current tax and deferred tax.

Current tax is the amount payable or recoverable in respect of the consolidated taxable profit or loss for the year. Current income tax assets or liabilities are measured at the amounts expected to be paid to or recovered from the tax authorities, using tax laws and rates that have been enacted or substantively enacted at the reporting date.

Deferred tax liabilities are the amounts of income tax payable in future periods in respect of taxable temporary differences, while deferred tax assets are the amounts of income tax recoverable in future periods arising from deductible temporary differences, unused tax losses or unused tax credits. A temporary difference is the difference between the carrying amount of an asset or liability and its tax base.

Income tax is recognised in profit or loss unless it arises from a transaction or economic event recognised, in the same or a different period, directly in equity or from a business combination.

The Group recognises deferred tax liabilities in all cases except where:

- They arise from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit and does not give rise to equal taxable and deductible temporary differences.
- They relate to temporary differences associated with investments in subsidiaries, associates and joint ventures over which the Group is able to control the timing of the reversal and it is probable that the temporary difference will not reverse in the foreseeable future.

The Group recognises deferred tax assets provided that:

- It is probable that sufficient future taxable profits will be available against which they can be utilised or where tax legislation provides for the future conversion of deferred tax assets into a receivable from the tax authorities. However, deferred tax assets arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit and does not give rise to equal taxable and deductible temporary differences are not recognised.
- They relate to temporary differences associated with investments in subsidiaries, associates and joint ventures, to the extent that the temporary differences are expected to reverse in the foreseeable future and sufficient future taxable profits are expected to be available against which the temporary differences can be utilised.

Where, in a transaction that is not a business combination, a deferred tax asset and a deferred tax liability of the same amount arise on initial recognition but the deferred tax asset cannot be recognised because it is not probable that sufficient future taxable profits will be available or different tax rates apply, the difference is recognised in profit or loss.

The Group considers that sufficient taxable profits will be available to recover deferred tax assets where there are sufficient taxable temporary differences relating to the same tax authority and the same taxable entity, the reversal of which is expected in the same tax period as the reversal of the deductible temporary differences or in periods in which a tax loss arising from a deductible temporary difference can be carried back or forward.

In determining future taxable profits, the Group takes into account tax planning opportunities, provided that it intends to adopt them or it is probable that it will adopt them.

Deferred tax assets and liabilities are measured using the tax rates expected to apply in the periods in which the assets are realised or



the liabilities are settled, based on tax laws and rates that have been enacted or substantively enacted, and taking into account the tax consequences that would follow from the manner in which the Group expects to recover the assets or settle the liabilities.

At each reporting date, the Group reviews the carrying amount of deferred tax assets and reduces that amount to the extent that it is no longer probable that sufficient future taxable profits will be available to allow the benefit of all or part of those deferred tax assets to be utilised.

Deferred tax assets that do not meet the above conditions are not

recognised in the consolidated statement of financial position. At the reporting date, the Group reassesses whether the conditions for recognising previously unrecognised deferred tax assets are met.

Management periodically evaluates the positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation. Where it concludes that it is not probable that the tax authority will accept an uncertain tax treatment or a group of uncertain tax treatments, it reflects the effect of the uncertainty in determining taxable profit or loss, tax bases, unused tax losses, unused tax credits or tax rates. The Group measures the

effect of the uncertainty in income tax using either the expected value method, where there is a wide range of possible outcomes, or the most likely amount method, where the outcome is binary or concentrated on a single value. Where the tax asset or liability determined under these criteria exceeds the amount presented in the tax returns, it is presented as current or non-current in the consolidated statement of financial position based on the expected timing of recovery or settlement and includes, where applicable, the corresponding late payment interest accrued in the consolidated income statement. The Group accounts for changes in facts and circumstances relating

to tax uncertainties as changes in estimates.

The Group offsets current income tax assets and liabilities only when it has a legally enforceable right to offset the amounts with the tax authorities and intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

The Group offsets deferred tax assets and liabilities only when it has a legally enforceable right to offset current tax assets and liabilities with the tax authorities and the deferred tax assets and liabilities relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities that intend either to settle current tax assets and liabilities on a net basis or to realise the assets and settle the liabilities simultaneously in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

Deferred tax assets and liabilities are presented in the consolidated statement of financial position as non-current assets or non-current liabilities, irrespective of the expected timing of their realisation or settlement.



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2.20 Share-based employee payments

The Group operates a long-term incentive plan (LTIP 2020) under which share options have been granted to employees of the Group.

LTIP 2020 – background

Up to and including 2024, options granted under the LTIP 2020 could only be settled through the issuance of equity instruments of the Parent Company. Accordingly, these awards were accounted for as equity-settled share-based payments in accordance with IFRS 2.

The Group's compensation plan establishes the following vesting conditions: (i) the beneficiary must be an employee providing services to the Group; and (ii) the beneficiary must remain in continuous employment for a period of three years. Specific arrangements may exist with senior management and members of the Board of Directors under which their options remain outstanding for a longer period (see Note 24).

Equity instruments granted in exchange for services rendered by employees of the Group are measured by reference to the fair value of the equity instruments granted using the Black-Scholes valuation model.

When the awards are accounted for as equity-settled share-based payments, the fair value is determined at the grant date and recognised over the vesting period without subsequent remeasurement.

Market conditions and other non-vesting conditions, such as non-transferability, exercise restrictions and expected behavioural patterns, are considered in measuring the fair value of the instrument. Other vesting conditions are considered by adjusting the number of equity instruments included in the measurement of the transaction amount, so that the amount recognised for services received is ultimately based on the number of equity instruments that eventually vest.

Accordingly, the Group recognises the amount for services received over the vesting period based on the best estimate of the number of instruments expected to vest and revises that estimate to reflect the number of instruments expected to vest.

Once the services received and the corresponding increase in equity have been recognised, no further adjustments are made to equity after

the vesting date, without prejudice to any reclassifications within equity.

If the Group withholds equity instruments to settle the employee's income tax liability with the tax authorities, the plan is treated in its entirety as equity-settled, except for the portion of the instruments withheld that exceeds the fair value of the tax obligation.

Under current Spanish tax legislation, share-based employee payments are deductible for income tax purposes based on the intrinsic value of the share options at the date they are exercised, giving rise to a deductible temporary difference equal to the difference between the amount that the tax authorities will allow as a deduction in the future and the nil carrying amount of the share-based payments. At the reporting date, the Group estimates the future tax deduction based on the share price at that date. The amount of the tax deduction is recognised as current or deferred income tax in profit or loss, with any excess recognised in equity.

Changes introduced during 2025

During 2025 several changes were introduced in the Group's share-based compensation arrangements.

In May 2025 the Board of Directors approved an amendment to the LTIP 2020 introducing Rule 6.2.2A, which allows the Board, at its discretion, to settle the exercise of options granted to non-C-Suite employees in cash instead of issuing equity instruments.

Following this amendment, the Board approved a number of authorisations allowing the settlement of option exercises in cash for non-C-Suite employees:

- On 23 June 2025 the Board authorised cash settlement of option exercises up to an aggregate amount of €500,000.
- On 11 August 2025 the authorised amount was increased to €1 million.
- On 9 September 2025 the Board approved an additional €2 million, increasing the total authorised amount for cash settlement to €3 million.



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The amount of €3 million represents a maximum aggregate limit approved by the Board and does not constitute a recurring or annual amount.

During 2025, option exercises by non-C-Suite employees were settled in cash, resulting in total payments of €2.5 million.

In addition, during 2025 the Group granted share awards to members of the C-Suite. These awards are settled through the issuance of equity instruments and their vesting is subject to the achievement of market and non-market performance conditions.

Furthermore, the Group introduced a deferred cash incentive arrangement for non-C-Suite employees under which participants are granted units that are economically linked to the Company's share price but that are settled exclusively in cash.

Accounting treatment

Equity-settled share-based payments

Employee payments settled through the issue of equity instruments are accounted for as follows:

- If the equity instruments granted vest immediately at the grant date, the services received are recognised in profit or loss with a corresponding increase in equity.
- If the equity instruments granted vest when employees complete a specified period of service, the services received are recognised over the vesting period with a corresponding entry in equity.

Cash-settled share-based payments

Where share-based payment arrangements are settled in cash, a liability is recognised for the services received.

The liability is measured at fair value at each reporting date and at the date of settlement, with changes in fair value recognised in profit or loss. Accordingly, unlike equity-settled share-based payments, the liability recognised for cash-settled arrangements is remeasured after the grant date until the awards are settled.

Arrangements with discretionary cash settlement

Share-based payment transactions in which the terms of the arrangement provide the Group with the option to settle in cash or

by issuing equity instruments are accounted for as cash-settled if the Group has incurred a liability to settle in cash or as equity-settled if no such liability has been incurred.

Where the Group has the choice of settlement in cash or by issuing equity instruments, it has a present obligation to settle in cash only if the choice to settle in equity instruments lacks commercial substance or there is a past practice or stated policy of settling in cash or the Group generally settles in cash whenever the employee requests it.

Management assessed the pattern of settlements observed during 2025 together with the authorisations granted by the Board in relation to cash settlements.

Based on this assessment, the Group concluded that sufficient evidence of a past practice of cash settlement arose on 9 September 2025, when the Board approved the increase of the authorised cash settlement limit to €3 million.

Accordingly, from that date the Group recognises a liability for share-based payments expected to be settled in cash, as management concluded that a present obligation to settle such awards in cash had

arisen based on the established settlement practice.

The liability is measured at fair value at each reporting date and at the date of settlement, with changes in fair value recognised in profit or loss.

The remaining portion of the LTIP 2020 relating to members of the C-Suite continues to be accounted for as equity-settled, as the Group retains the practical ability to settle those awards through the issuance of equity instruments.

Deferred Cash Incentive Plan

During 2025 the Group introduced a deferred cash incentive arrangement under which participants are granted units that are referable to ordinary shares of the Company but that are settled exclusively in cash. Each unit entitles the participant, upon vesting and exercise, to receive a cash amount equal to the excess of the market price of a share over a predetermined exercise price.

These awards are accounted for as cash-settled share-based payments in accordance with IFRS 2. The liability arising from these arrangements is measured at fair value at each reporting date, with changes in fair value recognised in profit or loss.



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2.21 Classification of assets and liabilities as current and non-current

The Group presents assets and liabilities in the consolidated statement of financial position based on a current or non-current classification. For these purposes:

(a) An asset is classified as current when:

- It is expected to be realised, or is intended to be sold or consumed, in the Group's normal operating cycle.
- It is held primarily for trading purposes.
- It is expected to be realised within 12 months after the reporting date; or
- It is cash or a cash equivalent, unless it cannot be exchanged or used to settle a liability for at least 12 months after the reporting date.

(b) A liability is classified as current when:

- It is expected to be settled in the Group's normal operating cycle.
- It is held primarily for trading purposes.
- It is due to be settled within 12 months after the reporting date.
- The Group does not have, at the reporting date, a right to defer settlement of the liability for at least 12 months after the reporting date.

All other assets and liabilities are classified as non-current.

2.22 Revenue recognition from contracts with customers

a) Revenue from contracts with customers

The Group is primarily engaged in the production and sale of copper concentrate and, in certain cases, provides loading and 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 the Group expects to be entitled in exchange for those goods or services. The Group considers that it acts as principal in its contracts with customers because it controls the goods or services before transferring them to the customer.

b) Sales of copper concentrate (metal concentrate)

In most sales of copper concentrate (metal concentrate), each purchase order constitutes a separate short-term contract. In transactions not executed under CIF Incoterms, the sole performance obligation is the delivery of the concentrate. However, a portion of the Group's metal concentrate sales are executed under CIF Incoterms, under which the Group is also responsible for providing freight services. In such

cases, the freight services represent a separate performance obligation (see section (c) below).

Most of the Group's metal concentrate sales allow for price adjustments based on the market price at the end of the relevant quotation period (QP) specified in the contract. These are referred to as provisional pricing arrangements, under which the sales price of the metal concentrate is based on prevailing spot prices at a specified future date after shipment of the goods to the customer. Adjustments to the sales price arise as a result of fluctuations in quoted market prices until the end of the QP. The period between provisional invoicing and the end of the QP may range from one to three months.

Revenue is recognised when control transfers to the customer, which occurs at the point in time when the metal concentrate is physically transferred to a vessel, train, conveyor or other delivery mechanism. Revenue is measured at the amount the Group expects to receive, corresponding to the estimated price at the end of the QP, that is, the forward price, and a receivable is recognised to the extent that an



unconditional right to consideration arises at that time. For arrangements subject to CIF shipping terms, a portion of the transaction price is allocated to the separate freight services provided (see section (c) below).

Under provisional pricing arrangements, as the receivables are exposed to commodity price risk, they do not meet the definition of SPPI and are therefore measured at fair value through profit or loss from initial recognition until settlement. Changes in fair value, estimated by reference to quoted forward market prices for copper and taking into account adjustments for interest rate and credit risk, are recognised in the consolidated income statement separately from revenue from contracts with customers, within the line item "Fair value gain/(loss) relating to provisional pricing arrangements within sales".

Final settlement is based on quantities adjusted as necessary following customer inspection of the product, as well as applicable commodity prices. IFRS 15 requires variable consideration to be recognised only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue will not occur. As adjustments relating to final assay



results based on the quantity and quality of concentrate sold are not significant, they do not constrain revenue recognition.

c) Freight services

As noted above, a portion of the Group's metal concentrate sales are made under CIF Incoterms, whereby the Group is responsible for providing freight services (as principal) after the date on which control of the metal concentrate is transferred to the customer. The Group therefore has a separate performance obligation for freight services, which are provided solely to facilitate the sale of the products it produces.

Revenue from freight services is recognised over time as the service is provided. Accordingly, at the reporting date, a portion of the

revenue, together with the associated insurance costs, is deferred.

Other Incoterms commonly used by the Group include:

- ❑ FOB, where the Group has no responsibility for freight or insurance once the goods have passed the port of loading.
- ❑ Ex Works, where control of the goods passes to the customer when the product is made available at the Group's premises.
- ❑ CIP, where control of the goods passes to the customer when the product is delivered to the agreed destination.

In arrangements under these Incoterms, the sole performance obligation is the delivery of the product.

d) Sales of services

The Group provides accounting services, management, technical support, administrative and other services to other companies. Revenue is recognised over the period in which the services are rendered.

Contract assets and contract liabilities

Revenue recognised is presented as a contract asset to the extent that the amount is not yet billable and as a receivable where there is an unconditional right to consideration. If consideration received from the customer exceeds the revenue recognised, a contract liability is recognised.

The Group does not have any contract assets, as all rights to consideration are unconditional.

The Group occasionally recognises contract liabilities in relation to certain metal concentrate sales made under CIF Incoterms, where a portion of the cash is received from the customer before the freight services are provided.



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2.23 Care and maintenance expenses

Care and maintenance expenses include costs incurred to maintain assets and infrastructure in an appropriate operational condition during periods of reduced or suspended activity. These costs may relate to preparatory work for potential projects, ongoing maintenance of assets that are not currently in active production or regulatory compliance obligations.

In accordance with IFRS as adopted by the European Union, these expenses are presented below "Gross profit" in the consolidated income statement because they are not directly attributable to revenue generating operations. Instead, they represent period costs incurred while assets are not in active use and are therefore recognised as an operating expense rather than as part of cost of sales.

2.24 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's chief operating decision maker, identified

as the CEO, in order to allocate resources to the segment and assess its performance and for which discrete financial information is available.

The Group has a single business segment, being mining operations, exploration and mineral development.

2.25 Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share are calculated by dividing the profit or loss attributable to ordinary shareholders of the Parent by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share are 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.

2.26 Climate related matters

The Group considers climate related matters in its estimates and assumptions, where relevant. This

assessment includes a wide range of potential impacts on the Group arising from both physical and transition risks. Although the Group believes that its business model and products will remain viable following the transition to a low carbon economy, climate related matters increase the uncertainty in the estimates and assumptions underlying several items in the consolidated financial statements. While climate related risks may not currently have a significant impact on measurement, the Group is closely monitoring relevant changes and developments, such as new climate related legislation. The areas and considerations most directly affected by climate related matters are as follows:

- Useful life of property, plant and equipment. In reviewing residual values and the 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 investment. Based on the assessment performed of climate related matters, there has been no impact on the Group.
- Impairment of non-financial assets. Value in use may be affected in various ways, particularly by

transition risk, climate related legislation and regulations and changes in demand for the Group's products. Based on the assessment performed of climate related matters, there has been no impact on the Group.

- In determining the fair value of assets and liabilities, the impact of potential climate related matters, including legislation, that may affect them has been considered. Based on the assessment performed of climate related matters, there has been no impact on the Group.
- Restoration provision. The impact of climate related legislation and regulations is considered when estimating the timing and future costs of rehabilitating the Group's facilities. Based on the assessment performed of climate related matters, there has been no impact on the Group.

2.27 Amendment of the consolidated financial statements after issue

The Board of Directors and the shareholders do not have the right to amend the consolidated financial statements after they have been issued.



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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	Contractual cash flows	Less than 3 months	Between 3-12 months	Between 1-2 years	Between 2-5 years	Over 5 years
31 Dec 2025							
Lease liability	4,473	4,793	-	654	-	2,615	1,524
Other financial liabilities	44,346	44,346	1,266	37,374	5,706	-	-
Non-current payables	12,506	13,850	-	-	-	11,850	2,000
Trade and other payables	99,552	99,552	48,065	51,432	55	-	-
	160,877	162,541	49,331	89,460	5,761	14,465	3,524
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



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Financial Instruments by category

(Euro 000's)	2025	2024
Financial assets		
Financial assets at amortised cost	192,178	132,096
Financial assets at FV through In OCI	62	-
Financial assets at FV through profit or loss	9,725	-
	201,965	132,096

Financial liabilities

Financial liabilities at amortised cost	159,004	121,665
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The carrying amounts of financial assets recognised in the consolidated statement of financial position represent the Group's maximum exposure to credit risk at the reporting date.



(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 2025 and 31 December 2024, categorised by currency and nature of balance:

(Euro 000's)	2025	2024
USD		
Cash and cash equivalents	61,262	15,513
Trade and other receivables	21,254	10,769
	82,516	26,282
GBP		
Cash and cash equivalents	142	70
CHF		
Trade and other receivables	161	-

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:

(Euro 000's)	(+5%)	(-5%)
Effect on profit before tax for the year ended 31 Dec 2025 increase/(decrease)	18,890	(18,890)
Effect on profit before tax for the year ended 31 Dec 2024 increase/(decrease)	20,364	(20,364)
Effect on equity for the year ended 31 Dec 2025 increase/(decrease)	15,490	(15,490)
Effect on equity for the year ended 31 Dec 2024 increase/(decrease)	16,698	(16,698)

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 although during 2025 Atalaya maintained full exposure to the copper price.



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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.

Increase/(decrease) in copper prices (Euro 000's)	Increase \$0.05/lb (2024: \$0.05)	Decrease \$0.05/lb (2024: \$0.05)
Effect on profit before tax for the year ended 31 Dec 2025 increase/(decrease)	7,060	(7,060)
Effect on profit before tax for the year ended 31 Dec 2024 increase/(decrease)	5,012	(5,012)
Effect on equity for the year ended 31 Dec 2025 increase/(decrease)	5,789	(5,789)
Effect on equity for the year ended 31 Dec 2024 increase/(decrease)	4,310	(4,310)

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

The Group applies the expected credit loss (ECL) model under IFRS 9 to financial assets measured at amortised cost, including loans and trade and other receivables. ECLs are measured as the probability-weighted present value of all cash shortfalls over the expected life of the financial instrument. The measurement of ECL incorporates historical loss experience, counterparty-specific factors and forward-looking information where relevant.

For trade receivables and similar short-term receivables, the Group applies the simplified approach permitted by IFRS 9 and recognises lifetime ECLs from initial recognition.

For other financial assets measured at amortised cost, the Group assesses at each reporting date whether credit risk has increased significantly since initial recognition. Where credit risk has not increased significantly, a loss allowance based on 12-month ECLs is recognised.

A financial asset is considered to have experienced a significant increase in credit risk when there is a material deterioration in the creditworthiness of the counterparty or where contractual payments are more than 30 days past due.

A financial asset is considered credit-impaired when contractual payments are more than 90 days past due or when there is other objective evidence of impairment.

Forward-looking information is incorporated into the determination of ECLs where relevant, including consideration of macroeconomic conditions and counterparty-specific developments.

There were no significant changes in estimation techniques or significant assumptions applied in measuring ECLs during the year.

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.



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Credit risk exposure by stage

(Euro 000's)	Stage 1 (12-months ECL)	Stage 2 (Lifetime ECL)	Stage 3 (Credit)
31 December 2025			
Cash and cash equivalents	166,306	-	-
Loans (impaired)	20	-	(2,726)
Trade and other financial receivables (impaired)	24,689	-	(21,418)
Other financial assets	1,163	-	-
	192,178	-	(24,144)
31 December 2024			
Cash and cash equivalents	52,878	-	-
Loans	2,627	-	-
Trade and other financial receivables	70,115	-	-
Other financial assets	1,124	-	-

The credit risk exposure presented above includes only financial assets measured at amortised cost that are within the scope of the expected credit loss model under IFRS 9.

The prepayment granted to Lain Technologies S.A. which represents an advance payment for services to be received in the future, has been considered in the credit risk analysis. As the recoverability of this prepayment depends on the counterparty's ability to perform the contracted services, management has included it in the assessment of credit risk in accordance with IFRS 9.

The Group's exposure to credit risk arises primarily from cash balances held with financial institutions and from receivables from copper concentrate customers.

Cash balances are held with major international financial institutions with high credit ratings. Trade receivables primarily relate to a limited number of internationally recognised smelting and refining counterparties. Management considers the credit risk associated with these counterparties to be low. The Group does not hold collateral as security in respect of its financial assets.

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 2025	31 Dec 2024
Unrestricted cash and cash equivalents at Group level	146,505	43,184
Unrestricted cash and cash equivalents at Operation level	19,801	9,694
Consolidated cash and cash equivalents	166,306	52,878
Net cash position	121,960	35,091
Working capital surplus	93,822	44,728

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 2025 and 2024.

The table below presents the Group's financial assets exposed to credit risk as at 31 December 2025 and 31 December 2024, classified by type of asset.

(Euro 000's)	2025	2024
Non-current financial assets		
Non-current loans	9,834	2,768
Non-current deposits	902	611
	10,736	3,379
Current financial assets		
Current loans	20	5,352
Current receivables	21,668	11,458
	21,688	16,810
Total	32,424	20,189



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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)	2025	2024
Variable rate instruments		
Financial assets	166,306	52,878

An increase of 100 basis points in interest rates at 31 December 2025 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)	2025	2024
Variable rate instruments		
Equity	1,663	529
Profit or loss	1,663	529

(d) 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.

(e) 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.

(f) 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.





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3.2 Fair value measurement

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 those listed on stock exchanges, and the fair value of assets and liabilities measured at fair value through profit or loss are 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 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 using valuation techniques. The Group uses a variety of methods, such as estimated discounted cash flows, and makes assumptions based on market conditions existing at the reporting date.

Fair value measurements recognised in the consolidated statement of financial position

The following table provides an analysis of financial instruments 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 (that is, as prices) or indirectly (that is, 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 December 2025				
Other current financial assets				
Financial assets at FV through OCI	62	-	1,101	1,163
Financial assets at FV through P&L (*)	-	-	9,725	9,725
Trade and other receivables				
Receivables (subject to provisional pricing)	-	21,254	-	21,254
Total	62	21,254	10,826	32,142
31 December 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

(*) The fair value of the convertible loan was determined using a valuation model reflecting expected outcomes of Lain UK Ltd.

On 30 September 2024 the Company entered into a convertible loan agreement with Lain Technologies, Ltd., granting a credit facility of up to €10 million (the "Convertible Loan"). The Convertible Loan was granted for a fixed term to 31 December 2025 and bears interest at EURIBOR 3M + 2% per annum.

As at 31 December 2025, the carrying value of the Convertible Loan amounts €9.7 million, comprising €9.3 million of principal and €0.5 million of accrued interest.

If, at the Loan's maturity, if Lain Technologies, Ltd. has not repaid the principal and accrued interest, Atalaya has the right to acquire 20% of the shares of Lain Technologies, Ltd. at zero consideration (in exchange for the outstanding principal and interest of the Convertible Loan). Upon receipt of such equity interest, the Convertible Loan will be cancelled.

As at the date of approval of these financial statements, Atalaya has neither collected the outstanding amount nor exercised the conversion right.



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Lain Technologies, Ltd. is the owner of the E-LIX technology, which is safeguarded as a trade secret, and the Company's value is fundamentally driven by ownership of that technology. The functionality of the E-LIX process has been demonstrated, however, the only demonstration scale plant using this technology is located at Proyecto Riotinto and is currently in ramping up and has not yet achieved consistent commercial production levels.

Given the nature of the asset and the expectation that recovery will occur through conversion into a 20% equity interest rather than through cash flows of principal and interest, the instrument is measured at fair value through profit or loss in accordance with IFRS 9.

Atalaya has relied on the work of an independent valuation expert to determine the fair value of its 20% interest in Lain Technologies, Ltd.

The fair value of the 20% interest in Lain Technologies, Ltd. has been estimated using the Discounted Incremental Cash Flows method (DICF), applying an appropriate discount rate (Weighted Average Cost of Capital, WACC).

The DICF methodology determines value based on the present value of incremental cash flows expected to be generated from the application of the E-LIX technology.

These incremental cash flows are calculated as follows:

- (Scenario 1) cash flows estimated for Proyecto Riotinto including the application of the E-LIX technology; minus
- (Scenario 2) cash flows estimated for Proyecto Riotinto without the application of the E-LIX technology.

Key assumptions applied in the valuation model include an 8% discount for lack of marketability (DLOM) and commodity price assumptions based on a combination of forward market prices and management's long-term forecasts, which are broadly consistent with those used in the Group's impairment testing and internal planning processes.

The valuation has been prepared using Cerro Colorado open-pit at Proyecto Riotinto as a reference operating scenario and does not include potential applications of the E-LIX technology to other mines, reflecting the early stage of deployment of the technology and providing a conservative estimate of value.

The following scenarios were considered in determining the range of reasonable values:

- **Base Case:** based on planned copper extraction for the Cerro Colorado mine and WACC of 9.3%.
- **Low Range:** based on planned copper extraction for the Cerro Colorado mine and WACC of 11%.
- **High Range:** based on planned copper extraction for the Cerro Colorado mine and WACC of 7%.

The incremental cash flows for each of these scenarios are as follows:

(Million of Euro)	Incremental Cash Flows
Low Range	10.1
Base Case	10.9
High Range	13.4

Sensitivity analysis has also been performed, including scenarios with increased production volumes and lower discount rates. Under an illustrative scenario assuming an increase of up to 20% in copper payable and a minimum WACC of 7%, the resulting valuation would amount to €16.1 million. The valuation incorporates assumptions regarding the resolution of current operational constraints and the achievement of improved production levels, which are inherently uncertain and subject to execution risk.

Based on the above considerations, management has estimated the fair value at year-end to be €9.7 million. The maximum credit risk to which Atalaya is exposed in relation to the Convertible Loan amounts to €9.7 million.





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3.3 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 2025	31 Dec 2024
Total liabilities less cash	33,526	104,433
Total equity (excluding NCI)	589,870	516,384
Total capital	623,396	620,187
Gearing ratio	5.38%	16.82%

3.4 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 JUDGEMENTS

(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 2025, 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.



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(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, judgement 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).

Certain financial assets contain features such as early termination options, variable or linked interest rates, or conversion options into equity instruments. These contractual features require management to assess whether the SPPI criterion is met and whether the instrument should be measured at amortised cost, fair value through OCI, or fair value through profit or loss. In particular, the existence of conversion options into shares may introduce exposure to equity risk and therefore may preclude measurement at amortised cost.

Significant judgement is therefore required in evaluating the economic substance of these contractual arrangements and determining the appropriate accounting classification

under IFRS 9 and, where applicable, IAS 32.

(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



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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 judgement 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 (Note 13).

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.

(g) Classification of share-based payment arrangements

The amendment to the LTIP 2020 approved by the Board of Directors in May 2025 introduced a discretionary mechanism allowing the settlement of certain option exercises in cash instead of issuing equity instruments. This mechanism applies exclusively to options exercised by non-C-Suite employees and is subject to a maximum aggregate cash settlement limit of €3 million approved by the Board.

The classification of these awards requires judgement in determining whether the Group has incurred a present obligation to settle in cash in accordance with IFRS 2.41.

In making this assessment, management considered the following factors:

- The contractual terms of the amended LTIP 2020 plan.
- The authorisations granted by the Board of Directors and the cumulative limits approved for cash settlement during 2025.

- The pattern of settlements observed since the introduction of the amendment.
- Whether the Group retains a realistic alternative to settle the awards by issuing equity instruments.

Based on this analysis, management concluded that sufficient evidence of a past practice of cash settlement arose on 9 September 2025, when the Board approved the increase of the authorised cash settlement limit to €3 million.

From that date, the Group considers that a constructive obligation exists to settle certain awards in cash in accordance with IFRS 2.41. However, this obligation is limited to the maximum aggregate amount authorised by the Board of Directors.

For awards exceeding this limit, the Group retains the practical ability to settle the options through the issuance of equity instruments. Accordingly, no present obligation to settle in cash exists for the remaining options outstanding.

The measurement of liabilities arising from cash-settled share-based payment arrangements requires the use of market-based inputs, including the share price at the reporting date and expected vesting conditions.

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KEY SOURCES OF ESTIMATION UNCERTAINTY

(h) 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 Ore Reserves.
- ▣ Capitalisation of stripping costs, which determines whether waste removal costs should be recognised as an asset or expensed.
- ▣ Rehabilitation and decommissioning provisions, as Ore 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 independent qualified persons to compile this data in accordance with the JORC Code. Changes in the judgements surrounding Ore 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 Ore 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 June 2025, Atalaya incorporated a further update of its Ore Reserves based on an independent expert analysis in accordance with the JORC Code (2012).

This update reflects a revised understanding of the geological model, mine planning parameters and economic assumptions applicable to Proyecto Riotinto. As a result, certain accounting estimates linked to depreciation and stripping activity have been revised accordingly.

Judgements and Assumptions:

The update in Ore Reserves requires significant judgements 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.

Management has applied considerable expertise and relied on independent expert opinions to ensure these estimates are robust and reflect the best available information.



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Impact on Profit and Loss Statement:

The June 2025 Ore Reserves update resulted in a net decrease in operating expenses recognised in profit or loss of approximately €4.7 million for the year. This net impact reflects a decrease in depreciation of mining assets of €5.4 million and a decrease in depreciation of slow-moving tooling and related assets of €0.2 million. In additions, there was a decrease in the capitalisation of stripping costs of €1.4 million and a decrease in depreciation of previously capitalised stripping costs of €0.5 million.

Overall, the updated Ore Reserves model resulted in lower depletion and depreciation charges and a revised allocation of production stripping costs, reflecting the updated life of mine profile.

Accumulated Depreciation of Mining Assets:

The revised Ore Reserves estimates have led to a reduction in depreciation expense for mining assets during the year, amounting to €5.4 million. This adjustment reflects changes in the depletion profile under the units of production method, based on the updated estimate of commercially recoverable Ore Reserves.

The revised Ore Reserves base results in a recalibration of the remaining depreciable amount over the updated life of mine.

Capitalised Stripping Costs:

As a consequence of the updated Ore Reserves model and mine plan sequencing, both the level of capitalised stripping costs and the related amortisation profile have been revised.

Depreciation of capitalised stripping assets decreased by €0.5 million during the year, reflecting the updated production profile. In addition, the capitalisation of stripping costs decreased by €1.4 million compared with previous estimates, consistent with the revised assessment of improved access to identifiable ore components in accordance with IFRIC 20.

Compliance with Reporting Standards:

The Group reports its Mineral Resources and Ore Reserves in accordance with the JORC Code. 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 2025 was 3.67% (2024: 3.23%), which is the 15-year Spain Government Bond rate for 2025. An inflation rate in the range of 2%-2.90% (2024: 2%-2.80%) is applied on 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 €2.0 million, while a 1% decrease would increase the provision by €2.0 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



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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

For the purposes of assessing impairment, the Group assessed the recoverability of the assets associated with E-LIX project by considering their individual recoverability characteristics distinguishing between: (i) the Convertible Loan that may be converted into 20% of the equity of Lain Technologies, Ltd., the Company which owns the E-LIX technology; and (ii) assets related directly to the Industrial Plant located at Proyecto Riotinto.

For (i) above, the Company has measured at fair value through profit or loss in accordance with IFRS 9 (refer to Note 3.2).

The 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 in and funded Lain through various phases of development, including the construction of a pilot plant, feasibility studies testing activities, and the development of an industrial-scale plant to apply the E-LIX electrochemical extraction technology to a variety of 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 volumes, recovery rates and cost efficiencies is critical.
- ❑ Exclusivity and operational agreements – The Group holds limited exclusive rights to the E-LIX technology within the Iberian Pyrite Belt, which may support potential future economic benefits.

Given these factors, management assesses both qualitative and quantitative indicators when determining the recoverability of the investment at asset level.

The key estimation uncertainties relate to:

- ❑ The financial capability of the owner of the E-LIX technology to operate the Industrial Plant. Financial difficulty could impact the viability of the Industrial Plant at Riotinto.
- ❑ The finalisation of the ramp-up and the expected operational efficiency of the Industrial Plant operating at continuous production levels. Any delays or underperformance could impact future cash flow generation.
- ❑ Identification of appropriate feedstock. It is recognised that the technology will not be appropriate for all types of ore/feed material and so establishing suitable feed material will be a critical part of ongoing testwork/financial analysis.
- ❑ 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.

At 31 December 2025, the Group recognised an impairment of €24.1 million in relation to certain assets associated with the E-LIX project. Due to the inherent estimation uncertainty, the Group will continue to monitor operational performance and market conditions, and will reassess the recoverability of the related assets when new information becomes available. Refer to Note 13 of the financial statements.





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4. Segments

Segments

The Group has only one distinct business segment, that being mining operations, which includes 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.

(Euro 000's)	2025	2024
Revenue – from external customers		
Switzerland	276,975	256,243
Singapore	205,422	69,676
Spain	518	878
Total	482,915	326,797

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

(Euro 000's)	2025	2024
Revenue – from external customers		
Cyprus	36,488	25,404
Spain	446,427	301,393
Total	482,915	326,797

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.

(Euro 000's)	2025	2024
Non-current assets		
Spain	522,648	479,241
Total	522,648	479,241

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.

		2025	2024
Offtaker 1	Segment	Copper	Copper
	€'000	205,422	69,676
Offtaker 2	Segment	Copper	Copper
	€'000	91,875	91,849
Offtaker 3	Segment	Copper	Copper
	€'000	131,840	164,394



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5. Revenue

(Euro 000's)	2025	2024
Revenue from contracts with customers ¹	474,863	341,787
Price finalisation adjustments on provisionally priced sales	2,372	-
Fair value (loss)/gain relating to provisional pricing within sales ²	5,209	(15,868)
Other income ³	471	878
Total revenue	482,915	326,797

1. Included within 2025 revenue there is a transaction price of €12,095 thousand (€11,709 thousand in 2024) related to the freight services provided by the Group to the customers arising from the sales of copper concentrate under CIF Incoterms.
2. Provisional pricing impact represented the change in fair value of the embedded derivative arising on sale of concentrate.
3. Other income mainly represents scraps.

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 increase in revenues was mainly due to higher concentrate sales volumes and higher realised prices and lower TC/RC prices. Inventories of concentrates at year-end was 4,050 tonnes, compared with 21,815 tonnes in 2024.

The Group applies the practical expedient in IFRS 15.121 and does not disclose information about remaining performance obligations for contracts with an original expected duration of one year or less. Concentrate sales and associated freight services under CIF terms are short-term in nature. Accordingly, at 31 December 2025, the Group did not have material remaining performance obligations requiring disclosure.

6. Expenses by nature

(Euro 000's)	2025	2024
Operating costs**	234,707	197,793
Care and maintenance expenditure	13,008	16,723
Exploration expenses	7,621	4,975
Employee benefit expense (Note 7)	27,875	27,868
Compensation of Directors and key management personnel	3,261	2,397
Auditors' remuneration – audit (Note 32)	332	401
Other accountants' remuneration	848	1,291
Consultants' remuneration	1,690	1,775
Depreciation of property, plant and equipment (Note 13)	42,718	39,658
Amortisation of intangible assets (Note 14)	4,802	3,907
Share option-based employee benefits (Note 24)	7,009	1,379
Shareholders' communication expense	113	125
On-going listing costs	357	1,114
Legal costs	769	368
Public relations and communication development	1,740	963
Rents (Note 28)	7,230	5,492
Other expenses and provisions	627	(1,841)
Reversal of impairment losses (*) (Note 14)	-	(6,948)
Impairment loss on trade receivables and contract assets	21,418	1,205
Total	376,125	298,645

*An impairment charge for the same amount was recorded in the same caption during 2024: mine site depreciation, amortisation and impairment, in the consolidated statement of comprehensive income of 2019.

**Operating costs primarily include mining and processing costs related to the Proyecto Riotinto operation. These comprise costs for raw materials (€53.0m), utilities (€38.5m), professional and contract services (€91.3m), maintenance (€12.8m) and other direct production expenses incurred in the extraction and processing of copper concentrate.

The increase in costs was mainly due to higher input costs and a reduce in copper concentrate stock at the end of the period.

During 2025, the Group recognised personnel expenses of €7.0 million in relation to the Share option-based employee benefits plan granted to members of key management and other employees. The expense reflects the fair value of the shares granted in accordance with IFRS 2.



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7. Employee benefit expense

(Euro 000's)	2025	2024
Wages and salaries	20,516	20,430
Social security and social contributions	6,642	6,613
Employees' other allowances	19	24
Bonus to employees	698	801
Total	27,875	27,868

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

Number of employees	Average		At year-end	
	2025	2024	2025	2024
Spain – Full time	478	492	480	490
Spain – Part time	27	3	34	3
Cyprus – Full time	1	1	1	1
Cyprus – Part time	2	2	2	2
United Kingdom – Full time	1	-	1	1
Total	509	498	518	497

8. Finance income

(Euro 000's)	2025	2024
Financial interest	1,834	1,887
Other received interest	-	-
Total	1,834	1,887

Financial interests include interest received on bank balances of €0.6 million (2024: €0.6 million) and €1.2 million related to the contractual accrual of interest on funding provided in connection with the E-LIX project (see Note 13). The recognition of this interest income reflects the contractual terms of the relevant agreements and does not imply recoverability of the underlying balances, which have been assessed for impairment as described in Note 13.

9. Finance costs

(Euro 000's)	2025	2024
Interest expense:		
Interest payable for borrowings	583	1,131
Interest expense on lease liabilities	21	30
Unwinding of discount on mine rehabilitation provision (Note 27)	796	828
Impairment and gains/(losses) on disposal of financial instruments	2,726	-
Total	4,126	1,989

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

During the year ended 31 December 2025, the Group capitalised €0.7 million (2024: €1.0 million) of borrowing costs related to the construction of the solar plant and an area of the plant in accordance with IAS 23.

The aggregate net foreign exchange gain/losses recognised in profit or loss were:

(Euro 000's)	2025	2024
Net foreign exchange gain(loss) included in other gain(losses)	(6,263)	3,090
Total net foreign exchange gain/(losses) recognised in profit before income tax for the period	(6,263)	3,090



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10. Tax

(Euro 000's)	2025	2024
Current income tax charge	17,646	2,732
Deferred tax income relating to the origination of temporary differences (Note 17)	(2,725)	(6,297)
Deferred tax expense relating to reversal of temporary differences (Note 17)	1,979	2,528
Total	16,900	(1,037)

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)	2025	2024
Accounting profit before tax	102,263	31,523
Tax calculated at the applicable tax rates of the Company – 25% Spain (2024: 12.5% Cyprus)	25,566	7,881
Tax effect of expenses not deductible for tax purposes	-	-
Tax effect of tax loss for the year	1,052	4,018
Tax effect of allowances and income not subject to tax	(9,215)	(5,769)
Effect of lower tax rates in other jurisdictions of the Group	242	(2,921)
Tax effect of tax losses brought forward	-	-
Deferred tax (Note 17)	(745)	(4,246)
Tax (credit)/charge	16,900	(1,037)

Dividends proposed by the Parent Company after the reporting date do not give rise to income tax consequences for the Group.

The Group has tax refundable as at 31 December 2025 €2.8 million (2024: €nil).

Tax losses carried forward

As at 31 December 2025, the Group had tax losses carried forward amounting to €72 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. As of 2026 tax year, the corporate income tax (CIT) rate has increased from 12.50% to 15%.

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 seven 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 2025 is 25% (25% in 2024), 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	2022-2025
Cyprus	2020-2025
United Kingdom	2020-2025



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The Group hasn't recognised tax provisions related to Administrative and judicial proceedings with tax implications in 2025 (2024: €nil).

Tax inspections

On 1 October 2025, the AEAT (Spanish Tax Authorities) notified the Company, in its capacity as representative entity of Spanish tax group 288/18, of the commencement of a tax inspection procedure.

The inspection has a partial scope and relates primarily to Corporate Income Tax and Non-Resident Withholding Tax obligations for the 2024 financial year, with review of certain aspects of prior periods within the statutory inspection timeframe (2021 to 2024 under the tax consolidation regime).

The inspection focuses, inter alia, on the deductibility of finance expenses arising from participative loans; the arm's length nature of interest charged on intra-group financing arrangements and the withholding tax treatment of dividends paid to non-resident entities.

As at the date of approval of these consolidated financial statements, the inspection remains ongoing and no proposed assessment has been issued. Management, supported by external tax advisers, considers that the Group has applied the relevant tax legislation appropriately and does not expect the outcome of the inspection to have a material adverse effect on the Group's financial position.

Accordingly, no provision has been recognised in respect of this matter.

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)	2025	2024
Parent Company	(24,703)	(2,468)
Subsidiaries	110,280	34,206
Profit attributable to equity holders of the parent	85,577	31,738
Weighted number of ordinary shares for the purposes of basic earnings per share ('000)	140,759	140,404
Basic earnings per share (EUR cents/share)	60.8	22.6
Weighted number of ordinary shares for the purposes of diluted earnings per share ('000)	146,884	145,457
Diluted earnings per share (EUR cents/share)	58.3	21.8

At 31 December 2025 there are nil warrants and 6,026,334 options (Note 23) (31 December 2024: nil warrants and 5,423,666 options) which have been included when calculating the weighted average number of shares for FY2025.

12. Dividends

Cash dividends declared and paid during the year:

(Euro 000's)	2025	2024
Final Dividends declared and paid	3,871	5,243
Interim Dividends declared and paid	6,193	5,063
Total	10,064	10,306

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

FY2024

A final dividend of US\$0.03 per ordinary share was proposed on 17 March 2025 for approval by shareholders at the 2025 AGM, which gave a total dividend for 2024 of US\$0.07 per share. Following the approval of Resolution 11 by the Company's shareholders at the 2025 AGM, which took place on 24 June 2025, 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 23 July 2025.

FY2025

On 11 August 2025, the Company's Board of Directors elected to declare an interim dividend of €0.044 (or US\$0.0510 or £0.0380) per share. The interim dividend was paid on 10 October 2025.

A final dividend of €0.065 per share has been proposed for approval by shareholders at the 2026 Annual General Meeting. If approved, this would give a total dividend for 2025 of €0.109 per share.



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13. Property, plant and equipment

2025 (Euro 000's)	Land and buildings	Right of use assets ¹	Plant and equipment	Assets under construction ²	Deferred mining costs ³	Other assets ⁴	Total
Cost							
At 1 January 2025	86,452	6,328	340,516	100,448	73,974	980	609,298
Additions ⁵	459	1,237	836	47,549	22,084	-	72,165
Increase in rehab. provision (Note 27)	116	-	-	-	-	-	116
Reclassifications ⁶	-	-	2,895	7,013	-	19	9,927
Other transfer	-	-	-	-	-	-	-
Changes in rehab. provision	(775)	-	-	-	-	-	(775)
Disposals	-	-	-	(14)	-	(24)	(38)
31 Dec 2025	86,252	8,165	344,247	154,996	96,058	975	690,693
Depreciation							
At 1 January 2025	30,894	2,971	140,876	-	24,718	807	200,266
Charge for the year ⁶	5,370	562	28,356	-	8,378	52	42,718
Write-off	-	-	-	-	-	(20)	(20)
31 Dec 2025	36,264	3,533	169,232	-	33,096	839	242,964
Net book value at 31 December 2025	49,989	4,632	175,015	154,996	62,962	136	447,729

2024 (Euro 000's)	Land and buildings	Right of use assets ¹	Plant and equipment	Assets under construction ²	Deferred mining costs ³	Other assets ⁴	Total
Cost							
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	213	-	112	52,801	9,902	-	63,268
Increase in rehab. provision (Note 27)	3,274	-	-	-	-	-	3,274
Reclassifications	-	-	21,050	(21,969)	-	29	(890)
Other transfer	(572)	-	-	(2,586)	-	-	(3,158)
Write-off	-	(148)	-	-	-	-	(148)
Advances	-	-	-	1,601	-	-	1,601
31 Dec 2024	86,452	6,328	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	6,192	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

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

2. Capitalised stripping related to Cerro Colorado (Note 2.9 (b)).

3. Assets under construction at 31 December 2025 amounted to €155.0 million (2024: €100.4 million), this balance includes €49.3 million related to Project slope stabilisation of Cerro Atalaya and Concordia, €6.4 million are road deviation, €43.6 million Solar plant, €14.1 million sustaining capital, €22.1 million E-LIX plant and €15.7 million tailings dams capital expenditure. Additions include sustaining capital expenditures with an investment of €3.3 million (2024: €4.0 million), tailings dams project €15.8 million (2024: €14.8 million), E-LIX plant amounted to €0.2 million (€2.1 million in 2024), solar plant €2.6 million (2024: €8.4 million) and Concordia project spending €25.3 million (2024: €25.7 million) of which waste stripping activities at the San Dionisio area €24.2 million and new road €1.0 million.

4. Reclassifications of €0.0 million related to E-LIX project (see below Non-Monetary Exchange), €2.83 million to plant and equipment are associated with sustaining capex and €0.9 million related to low-rotation stock were reclassified to inventories (material supplies).

5. See leases in Note 28.

6. Depreciation has been affected due to the increase of Ore Reserves (Note 2.9 (b)).

7. During the year ended 31 December 2025, the Group capitalised €0.7 million (2024: €1.0 million) of borrowing costs in accordance with IAS 23. The average effective interest rate applied was 1.35%. 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 weighted average capitalisation rate applied to general borrowings during the year was 4.75% (2024: 4.49%).



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Non-Monetary Exchange During the Year

On 25 September 2025, the Group executed a Payment and Credit Compensation Agreement with Lain to formalise the settlement and mutual compensation of payments and credits deriving from previous arrangements. As a result of this agreement, Lain transferred certain equipment to Atalaya in exchange for a partial settlement of the Industrial Loan previously classified as Prepayments (refer to Note 20). The transaction had commercial substance and fair values as at 31 December 2025 were reliably measurable as follows:

- ▣ **Fair value of prepayment given up:** €9.0m
- ▣ **Carrying amount of prepayment given up:** €9.0m
- ▣ **Fair value of equipment received:** €9.0m
- ▣ **Gain/(loss) recognised in profit or loss:** Enil

The equipment is classified under "Assets under construction" and will be depreciated over its estimated useful life once the Industrial Plant achieves commercial production.

The above fixed assets are mainly located in Spain.

E-LIX Project

In May 2019, after approximately four years of laboratory work, Atalaya initiated a partnership with Lain Technologies, Ltd. for the development of a technology known as E-LIX. The E-LIX technology is an electrochemical extraction process developed by Lain that aims to enable the production of zinc and copper cathodes, as well as other derivatives of these metals, from complex sulphide ores.

In July 2020, Atalaya and Lain executed a Memorandum of Understanding (MOU), and have collaborated in the development of the E-LIX technology through several 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.
- ▣ **Phase 3:** Construction and commissioning of an Industrial Scale Plant.

In accordance with the phases stated above, 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;
- ▣ Operational agreements for the construction of the Industrial Plant; and
- ▣ Payment and Credit Compensation Agreement.

The Pilot Plant was constructed during 2021 and confirmed the technical feasibility of E-LIX, demonstrating the ability to selectively leach metals from concentrates and achieve high recovery rates for copper and zinc.

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

the approval of the construction of the Industrial Plant in 2021, Lain Technologies has been working on constructing and ramping-up the Industrial Plant.

During 2025, Lain intermittently operated the Industrial Plant processing copper concentrates produced by Atalaya and producing a saleable mixed zinc hydroxide product.

While the Industrial Plant has demonstrated the technical functionality of the E-LIX technology at an industrial scale, production volumes have been significantly lower than originally designed resulting in challenging operational and financial results.

As of 31 December 2025, the Industrial Plant has not achieved the level of commercial production envisaged in the feasibility studies. Although the E-LIX technology has been performing broadly in line with the design parameters, certain operational bottlenecks have been identified that limit the plant's ability to achieve the originally designed production levels without additional capital investments.



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As of 31 December 2025, Atalaya had the following balances relating to the Pilot Plant and the Industrial Plant arising from the agreements with Lain:

Description	Caption	Note	Net Asset Value (€k)	
			31 Dec 2025	31 Dec 2024
Pilot Plant	Non-current loan	19	-	2,627
Industrial Plant	Non-current receivables (prepayment)	20	-	29,662
Industrial Plant	PPE	13	22,118*	12,978
Convertible Loan	Non-current loan	19	9,725	5,332
			31,823	50,619

*22k corresponding to capitalised interest.



Impairment of E-LIX Technology Assets

The E-LIX technology has demonstrated positive results in the recovery of zinc and copper metal, as well as their derivatives, through the treatment of complex sulphide ores. If the E-LIX technology is proven to be financially viable at an industrial scale, the E-LIX technology has the potential to unlock the production of metals from complex ore and its use at an industrial scale could potentially significantly extend the life of mine at Proyecto Riotinto. E-LIX technology is owned by Lain Technology, Ltd.

Atalaya has reviewed both external and internal indicators of impairment in assessing the recoverability of the assets associated with the E-LIX technology (Note 3.4.).

Based on the information currently available, Atalaya has identified Lain's financial situation as an impairment indicator affecting the recoverability of certain assets, due to:

- (i) the possibility that Lain's financial constraints may limit the availability of capital investment required to address operational bottlenecks and the ability the Industrial Plant to achieve throughput volumes sufficient to operate in a financially viable manner; and
- (ii) the risk that Lain may not be able to meet its contractual obligations which could limit Atalaya's ability to recover outstanding balances.

Description	Nature of the Asset (recoverability)	Value at 31 Dec 2025 (€k)	Impairment (€k)	Net Asset Value at 31 December 2025 (€k)
Pilot Plant	Repayments from operational cash flow from the Industrial Plant	2,726	(2,726)	-
Industrial Plant - Loan	Repayments depends on the use of the technology and operation in the Industrial Plant	21,418	(21,418)	-
Industrial Plant - PPE	Recoverable asset through alternative use in Atalaya's processing plant ¹	22,098	-	22,098
Convertible Loan	Recoverable by 20% of equity in the E-LIX technology	9,725	-	9,725
		55,967	(24,144)	31,823

¹ Atalaya has carried out an analysis to identify assets that could be used in the existing processing plant other than the E-LIX technology.



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14. Intangible assets

2025 (Euro 000's)	Permits (1)	Licences, R&D and Software	Other intangible assets	Total
Cost				
At 1 January 2025	78,071	1,810	27,847	107,728
Additions	400	10	9,073(2)	9,483
Reclassification	52	28	(51)	29
31 Dec 2025	78,523	1,848	36,869	117,240
Amortisation				
At 1 January 2025	35,958	1,561	-	37,519
Charge for the year	4,771	31	-	4,802
31 Dec 2025	40,729	1,592	-	42,321
Net book value at 31 December 2025	37,794	256	36,869	74,919

2024 (Euro 000's)	Permits (1)	Licences, R&D and Software	Other intangible assets	Total
Cost				
At 1 January 2024	81,199	6,758	-	89,957
Additions	-	-	17,771(3)	17,771
Reclassification	(3,128)	(6,948)	10,076	-
31 Dec 2024	78,071	1,810	27,847	107,728
Amortisation				
At 1 January 2025	32,080	8,480	-	40,560
Charge for the year	3,876	29	-	3,907
Reversal of impairment losses(*)	-	(6,945)	-	(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

1. Permits include the mining rights of Proyecto Riotinto, Proyecto Touro, Masa Valverde and Ossa Morena. Additions correspond to the acquisition of new investigation permits.
2. Additions include capitalisation costs of Masa Valverde €4.4 million and €4.8 million of Cobre San Rafael.
3. Additions during 2024 included €16.7 million at fair value related to the interest to acquire the 80% of the shares of Cobre San Rafael, S.L., 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 a 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 2025 and 2024.

The Group's principal amortised intangible asset relates to the mining rights associated with Proyecto Riotinto. These rights are amortised on a units-of-production basis over the commercially recoverable Ore Reserves of the mine. The last Ore Reserves statement implies a mine life of approximately nine years.

Other mining-related intangible assets, including Proyecto Touro, Proyecto Masa Valverde and Proyecto Riotinto East, are not yet available for use and are therefore not amortised. Amortisation will commence once commercial production begins.

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 reassessed the uncertainty about the feasibility of obtaining the necessary permits for Touro, impacting the project's development prospects.

As a result of the reassessment, 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 actively worked with stakeholders to advance the permitting process.



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and improve the regulatory framework for Proyecto Touro. In 2024, the permitting and operational environment for the project improved significantly, leading to a reassessment of its technical and financial feasibility.

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

In compliance with IAS 36 – Impairment of Assets, the Company 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 was 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 considered:

- Technical viability, based on updated Mineral Resource and Ore 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 was conducted. The valuation 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 was 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 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 2024, 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 2025, a total of €3.8 million (2024: €1.2 million) in funding was provided to MPS in relation to the exploration campaigns.

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

(Euro 000's)	2025	2024
Opening balance as of 1 January	-	-
Additions during the year	-	1,205
Impairment losses	-	(1,205)
Closing balance as of 31 December	-	-

During 2025 this investment was recognised as expenses due to the early exploration stage. 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.



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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 2025	31 Dec 2024
Intangible assets	94	94
Trade and other receivables	4	4
Cash and cash equivalents	15	15
Trade and other payables	(114)	(115)
Net assets	(1)	2
Revenue	-	-
Expenses	-	-
Net profit/(loss) after tax	-	-

17. Deferred tax

(Euro 000's)	Consolidated statement of financial position		Consolidated income statement	
	2025	2024	2025	2024
Deferred tax asset				
At 1 January	15,085	11,262	-	-
Deferred tax income relating to the origination of temporary differences (Note 10)	2,725	6,297	(2,725)	(6,297)
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)	(1,970)	(2,528)	1,970	2,528
At 31 December	15,840	15,085		
Deferred tax income/(expense) (Note 10)			(755)	(3,769)

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 €7.2 million in Spain (2024: €9.7 million).

18. Inventories

(Euro 000's)	31 Dec 2025	31 Dec 2024
Finished products	3,799	19,732
Materials and supplies	25,087	25,540
Work in progress	1,985	3,890
	30,871	49,162

As at 31 December 2025, copper concentrate produced and not sold amounted to 4,050 tonnes (FY2024: 21,815 tonnes), due to timing on shipments. Accordingly, the inventory for copper concentrate was €3.8 million (FY2024: €19.7 million). During the year 2025 the Group recorded cost of sales

amounting to €280.2 million (FY2024: €242.2 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.



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19. Loans

(Euro 000's)	2025	2024
Non-current loans		
Loans	12,451	2,627
Impairment loss on loans	(2,726)	-
	9,725	2,627
Current loans		
Loans	20	5,352
	20	5,352

Non-current loans relate to the loans with Lain Technologies regarding the Pilot Plant and convertible loan agreement. That balance includes principal of €2.3 million plus €0.3 million of interest accrued of Pilot Plant (Note 13) with Lain Technologies S.A. and €9.3 million relating to the Convertible Loan with Lain Technologies, Ltd. plus €0.4 of interest accrued (Note 3.2. and Note 13).

In relation to the loan agreement with Lain Technologies for the Pilot Plant, Atalaya has recognised a

full impairment of this balance, as recovery is not expected in the short-term (Note 13). This balance bears interest at EURIBOR 12M + 2% per annum.

On 30 September 2024 the Group signed a convertible loan agreement, granting a credit facility of up to €10 million with a fixed term until 31 December 2025. As at 31 December 2025, the loan has been classified as non-current. This balance bears interest at EURIBOR 3M + 2% per annum.

20. Trade and other receivables

(Euro 000's)	2025	2024
Non-current trade and other receivables		
Deposits	902	611
Loans	109	141
Prepayments for service contract ¹	-	29,662
Other non-current receivables	111	2,838
	1,122	33,252
Current trade and other receivables		
Trade receivables at fair value – subject to provisional pricing	5,484	9,727
Trade receivables from shareholders at fair value – subject to provisional pricing (Note 31.5)	15,770	1,042
Deposits	35	35
VAT receivable	12,739	20,898
Tax advances	71	-
Prepayments	4,736	4,507
Other current assets	2,278	654
	41,113	36,863
Allowance for expected credit losses	-	-
Total trade and other receivables	42,235	70,115

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. On 25 September 2025, a payment and set-off agreement was executed for a total amount of €9.0 million. The agreement was settled through the acquisition of assets by Atalaya, resulting in non-monetary exchanges. At year-end, the Group reassessed its investment in the E-LIX project and, as a result, recognised an impairment of the full balance of Prepayments for service contract, amounting to €21.4 million (refer to 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 2024) as a collateral for bank guarantees, which was recorded as restricted cash (or deposit) in Proyecto Riotinto and €334k related to Proyecto Masa Valverde.



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21. Other financial assets

(Euro 000's)	31 Dec 2025	31 Dec 2024
Financial asset at fair value through OCI (see (a) below)	1,162	1,124
Total current	61	23
Total non-current	1,101	1,101

a) Financial assets at fair value through OCI

(Euro 000's)	31 Dec 2025	31 Dec 2024
At 1 January	1,124	1,131
Fair value change recorded in equity (Note 24)	38	(7)
At 31 December	1,162	1,124

Company name	Principal activities	Country of incorporation	Effective proportion of shares held at 31 December 2015
Explotaciones Callegas del Cobre S.L.	Exploration company	Spain	12.5%
KEFI Minerals Plc	Exploration and development mining company listed on AIM	UK	0.04%
Prospech Limited	Exploration company	Australia	0.09%

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 Callegas 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 2025	31 Dec 2024
Unrestricted cash and cash equivalents at Group level	146,505	43,184
Unrestricted cash and cash equivalents at Operation level	19,801	9,694
Consolidated cash and cash equivalents	166,306	52,878

Cash and cash equivalents denominated in the following currencies:

(Euro 000's)	31 Dec 2025	31 Dec 2024
Euro – functional and presentation currency	104,902	37,299
Great Britain Pound	142	70
United States Dollar	61,262	15,509
	166,306	52,878





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23. Share capital

Issue Date	Price (£)	Details	Shares 000's	Share Capital €'000	Share premium €'000	Total €'000
1 January 2024			140,759	12,668	321,856	334,524
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-24			140,759	12,668	321,856	334,524
At 31 December 2024			140,759	12,668	321,856	334,524
1 January 2025			140,759	12,668	321,856	334,524
At 31 December 2025			140,759	12,668	321,856	334,524

* Decrease of capital from 75p to €0.09 per share

Authorised capital

The Company's authorised share capital was 200,000,000 ordinary shares until the re-domiciliation to Spain. After the re-domiciliation of Atalaya to Spain in 2024, in order to comply with Spanish law, redenominate it to euros, thereby increased 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 agreed to increase the Company's share capital from €12,395,853.02, by €272,460.85. This 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 was 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 FY2025.

The Company's share capital at 31 December 2025 is 140,759,043 ordinary shares of €0.09 each.



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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 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 2024/1 Jan 2025	12,869	208	46,727	(1,163)	8,458	21,675	88,774
Recognition of non-distributable reserve	-	-	-	-	1	-	1
Recognition of distributable reserve	-	-	-	-	-	13	13
Recognition of share-based payments	428	-	-	-	-	-	428
Change in fair value of financial assets at fair value through OCI (Note 21)	-	-	-	39	-	-	39
31 Dec 2025	13,297	208	46,727	(1,124)	8,459	21,688	89,255

- 1. Depletion factor reserve**
During the 12-month period ended 31 December 2025, the Group has recognised €8.9 million (FY2024: addition of €8.9 million) 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 classifies 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; at the end of 2025 the balance is for an amount of €8.3 million.
- 4. Distributable reserve**
This heading includes the transfer from income for the year attributable to the parent for 2025.

Share options

Details of share options outstanding as at 31 December 2025:

Grant date	Expiry date	Exercise price £	Share options
30 Jun 2020	30 Jun 2030	1.475	410,000
24 Jun 2021	23 Jun 2031	3.090	838,000
23 Jun 2022	30 Jun 2027	3.575	910,000
22 May 2023	21 May 2028	3.270	1,040,000
11 June 2024	10 Jun 2029	4.135	1,078,334
20 Dec 2024	19 Dec 2029	3.335	150,000
9 Jul 2025	9 Jul 2030	4.603	1,600,000
Total			6,026,334

	Weighted average exercise price £	Share options
At 1 January 2025	3.343	5,423,666
Granted options during the year	4.603	1,600,000
Options executed during the year	3.282	(907,333)
Options expired during the year	3.845	(89,999)
31 December 2025	3.676	6,026,334

Pursuant to the amendment to the LTIP 2020 approved by the Board, during 2025 the Group reassessed the settlement mechanism applicable to certain options granted to non-C-Suite employees. As a result of this reassessment, certain options that had previously been accounted for as equity-settled share-based payments were reclassified as cash-settled share-based payments.



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In accordance with IFRS 2, at the date of modification the cumulative amount previously recognised in equity in respect of those awards was reclassified from the share-based payment reserve to a liability representing the obligation to settle the awards in cash. This reclassification was recognised directly within equity. The liability was measured at fair value at the modification date. Any difference between the fair value of the liability and the amount reclassified from equity was recognised in profit or loss as a share-based payment expense.

This reassessment occurred in two stages during the year:

- On 1 January 2025, relating to the options held by certain employees. The cumulative amount previously recognised in equity of €0.2 million was reclassified and the liability was remeasured at fair value at that date.
- On 9 September 2025, the Group concluded that the options granted to the remaining non-C-Suite employees were expected to be settled in cash. The cumulative amount previously recognised in share-based reserve of €1.2 million was therefore reclassified to liabilities and the awards

were remeasured at fair value at that date. As a result of this remeasurement, an additional amount of €2.1 million was recognised, which has been recorded directly in equity.

Following these modifications, the liability relating to cash-settled share-based payments is subsequently remeasured at fair value at each reporting date, with changes in fair value recognised in profit or loss.

As at 31 December 2025, the Group recognised a liability for share-based

payments expected to be settled in cash of €5.2 million (see Note 26).

During 2025, a total of 907,333 options were exercised and settled in cash, resulting in cash payments of €2.5 million (see Note 26). Of this amount, €1.0 million relates to options exercised prior to the date from which management concluded that an obligation to settle options in cash had arisen for non-C-Suite employees and was therefore recognised directly against equity (share-based payment reserve). The remaining €1.5 million relates to awards accounted for as

cash-settled share-based payments following that assessment.

The remaining portion of the LTIP 2020 relating to C-Suite participants continues to be accounted for as equity-settled, with the corresponding amounts recognised within the share-based payment reserve in equity.

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:

GrantDate	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	49.38%	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
9 July 2025	4.603	4.603	37.6%	5	3.96%	1.15%	1.66

The volatility has been estimated based on the underlying volatility of the price of the Company's shares in the preceding 12 months.



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Conditional share awards

As agreed on 24 April 2025, the Company granted conditional share awards under the Atalaya LTIP 2020 to Directors and PDMRs. These awards are subject to the achievement of performance conditions over a three-year period and their continuing employment at that time, after which the shares are granted. However, they remain subject to a two-year holding period, meaning the beneficiary may not fully realise or dispose of the shares until the end of year five.

The conditional share awards granted during the period are summarised below:

Name	Role	Maximum number of shares awarded	Grant date	Vesting schedule
Alberto Lavandeira	Chief Executive Officer	218,000	23/04/2025	Vesting of 3 years, subject to performance
César Sánchez	Chief Financial Officer (PDMR)	113,091	23/04/2025	Same as above
Enrique Delgado	Corporate Institutional Adviser (Former GM Riotinto)	112,431	23/04/2025	Same as above
		443,522		

No consideration was paid for the grant of these awards. Vesting is conditional on performance criteria and continued employment, as detailed in the Directors' Remuneration Report section of this consolidated financial statements. The awards are subject to malus and clawback provisions.

25. Non-controlling interest

(Euro 000's)	2025	2024
Opening balance	2,154	(9,104)
Share of total comprehensive income for the year	-	822
Revaluation of NCI	(214)	10,436
Closing balance	1,940	2,154

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 the Touro project 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 Note 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 12-month period ended 31 December 2025 and 2024 is as follows:

(Euro 000's)	2025	2024
Non-current assets	20,284	15,322
Current assets	1,918	1,636
Non-current liabilities	(27,148)	(21,624)
Grants	(167)	(177)
Current liabilities	(1,771)	(960)
Equity	5,803	9,915
(Profit)/loss for the year and total comprehensive income	1,081	(4,112)
Allocation of consolidated intangible assets	3,315	3,315



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26. Trade and other payables

(Euro 000's)	31 Dec 2025	31 Dec 2024
Non-current trade and other payables		
Other non-current payables	12,506	12,492
Shared-based payment non-financial liability	225	-
Government grant	1,411	1,491
	14,142	13,983
Current trade and other payables		
Trade payables	87,938	78,965
Trade payables to shareholders (Note 31.4)	155	109
Share-based payment non-financial liability	6,565	-
Accruals	1,873	2,505
VAT payable	-	-
Other	9,586	8,511
	106,117	90,090

As of 31 December 2025, 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, S.L., as per the Shareholders' Agreement (Note 14). This amount represents the present value of payments expected to become payable upon the commencement of commercial production at the project. In addition, there are €2.8 million related with the acquisition of Atalaya Masa Valverde S.L. formerly Cambridge Minería España, S.L. and Atalaya Ossa Morena S.L.U. formerly Rio Narcea Nickel, S.L. (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 2026.

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.

Share-based payment liabilities

At 31 December 2025, the Group recognised share-based payment liabilities totalling €6.8 million in respect of cash-settled share-based payment arrangements.

These liabilities comprise:

- €1.6 million relating to the 2025 Deferred Cash Incentive Plan, under which participants receive units that are economically linked to the Company's share price and that are settled exclusively in cash.
- €5.2 million relating to share options granted to non-C-Suite employees under the LTIP 2020 that are accounted for as cash-settled share-based payments (833,195 options).

The liabilities represent the fair value of outstanding awards at the reporting date and will be remeasured at each reporting date until settlement, with changes

recognised in profit or loss in accordance with IFRS 2.

2025 Deferred Cash Incentive Plan

On 9 March 2026 the Company formally approved the 2025 Deferred Cash Incentive Plan and granted a number of market-value share-linked units to certain non-C-Suite employees. The plan has an effective date of 9 July 2025 and intent to replace the annual share option grants historically awarded to non-C-Suite employees under the LTIP 2020 up to and including 2024.

Under the plan, participants receive units that are economically linked to the Company's share price but are settled exclusively in cash. Each unit represents a conditional right to receive a cash payment equal to the excess of the market price of a share over the exercise price.

The exercise price was set at £4.6035 per share, corresponding to the average of the mid-market closing price of the Company's shares over the five dealing days preceding 9 July 2025.

The units vest in three tranches: one third vested on the grant date, one third will vest on 9 July 2026 and the remaining one third will vest on



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9 July 2027, subject to continued employment.

Vested units may be exercised until 9 July 2030. Upon exercise, participants receive a cash payment determined by reference to the market price of the Company's shares.

Cash settlement of LTIP 2020 options granted to non-C-Suite employees

In May 2025, the Board approved an amendment to the LTIP 2020 introducing a mechanism that allows the Company, at its discretion, to settle certain option exercises in cash instead of issuing shares.

Based on the settlement practices observed during the year and the assessment performed by management, from 9 September 2025 share options granted to non-C-Suite employees are accounted for as cash-settled share-based payments in accordance with IFRS 2. This date reflects the point at which the Group's settlement practice and the Board's authorisations established an obligation to settle certain option exercises in cash.

As a result, the Group recognised a liability of €5.2 million at 31 December 2025 representing the fair value of the outstanding awards relating to these options.

The liability is measured at fair value at each reporting date and will continue to be remeasured until settlement, with changes recognised in profit or loss.

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	2025	2024
Days		
Average payment days for payment to suppliers	57	28
Ratio of transactions paid	62	31
Ratio of transactions outstanding for payment	28	15
(€m)		
Total payments made	259.2	187.8
Total payments made within the legal term	160.3	115.3
Percentage over total payments	62%	80%
Total payments outstanding	44.0	50.8
Number of invoices		
Number of invoices within the legal term ¹	8,519	7,013
Percentage over total invoices	65%	85%





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27. Provisions

(Euro 000's)	Other provisions	Legal costs	Rehabilitation costs	Total
31 Dec 2023/1 Jan 2024	750	227	26,691	27,668
Additions	-	230	-	230
Use 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 2024/1 Jan 2025	-	395	29,849	30,244
Additions	1,197	-	116	1,313
Use of provision	-	(150)	(819)	(969)
Revision of estimates	-	-	(775)	(775)
Finance cost (Note 9)	-	-	796	796
31 Dec 2025	1,197	245	29,167	30,609

(Euro 000's)	2025	2024
Non-current	28,764	29,328
Current	1,845	916
Total	30,609	30,244

Other provisions – Property tax (IBI) contingency

During 2025, the Huelva Cadastral Office notified Atalaya Riotinto Minera, S.L.U., subsidiary of the Group, of a revision of the cadastral value of certain properties from €5.2 million to €90.1 million, effective from 30 December 2021. The Group has challenged this revision and an economic-administrative appeal has been filed before the Regional Economic-Administrative Court of Andalusia,

which remains pending resolution at the date of approval of these financial statements.

Following the revision, additional property tax assessments relating to the years 2022 to 2025 amounting to €3.4 million were issued by the Huelva Provincial Tax Authority. These assessments were paid in January 2026 in order to avoid late payment interest while the Group continues to challenge the underlying cadastral valuation.

The maximum potential exposure associated with this matter is estimated at approximately €4.4 million. Based on the assessment performed by management and its external advisers, the Group has recognised a provision of €1.2 million, included within "Other provisions", representing management's best estimate of the probable obligation at the reporting date. The final outcome of this matter remains uncertain and may differ from the estimate recorded.

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 2025 was 3.67% (2024: 3.23%), which is the 15-year Spain Government Bond rate for 2025. An inflation rate of 2%-2.90% (2024: 2%-2.80%) is applied on annual basis. The effect of both rates included in the revision of estimates above.

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	6,112	19,304	3,751

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 2025. Management has reviewed individually each case and made a provision of €245k (€395k in 2024) for these claims, which has been reflected in these consolidated financial statements.



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28. Leases

(Euro 000's)	31 Dec 2025	31 Dec 2024
Non-current		
Leases	3,834	3,320
	3,834	3,320
Current		
Leases	639	481
	639	481

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 Lands and buildings	Lease liabilities
As at 1 January 2025	3,957	3,801
Additions	1,237	1,237
Depreciation expense	(562)	-
Interest expense	-	21
Payments	-	(586)
As at 31 December 2025	4,632	4,473

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

As at 31 December (Euro 000's)	Twelve months ended 31 Dec 2025	Twelve months ended 31 Dec 2024
Depreciation expense of right of use assets	(562)	(440)
Interest expense on lease liabilities	(21)	(30)
Total amounts recognised in profit or loss	(583)	(470)

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

The duration of the land and building lease is for a period of 12 years. Payments are due at the beginning of the month escalating annually on average by 1.5%. At 31 December 2025, the remaining term of this lease is eight years (Note 2).

(Euro 000's)	31 Dec 2025	31 Dec 2024
Present value of minimum lease payments due		
Within one year	639	481
2 to 5 years	2,464	1,856
Over 5 years	1,370	1,464
	4,473	3,801
Minimum lease payments due		
Within one year	654	518
2 to 5 years	2,615	2,075
Over 5 years	1,524	1,729
	4,793	4,322

(Euro 000's)	Lease liabilities
Balance 1 January 2025	3,801
Additions	1,237
Interest expense	21
Lease payments	(586)
Balance at 31 Dec 2025	4,473
Non-current liabilities	3,834
Current liabilities	639
	4,473



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29. Borrowings

(Euro 000's)	2025	2024
Non-current borrowings		
Credit facilities - variable interest	5,708	10,866
	5,708	10,866
Current borrowings		
Credit facilities - variable interest	38,638	6,921
	38,638	6,921

The Group had credit approval for unsecured facilities totalling €97.2 million (€97.4 million at 31 December 2024). During 2025, Atalaya drew down some of its existing credit facilities to finance the solar plant, payable amount of €9.0 million at 31 December 2025 (2024: €13.9 million) and for the construction of a new part of the processing plant payable amount of €1.9 million at 31 December 2025 (2024: €2.8 million). The increase in short-term borrowings at the end of the period is the result of temporary credit facility drawdowns to finance the settlement of an intercompany loan.

Margins on borrowings with variable interest rates in 2025, usually three

(€ 000's)	2025	2024
Cash and cash equivalents	166,306	52,878
Borrowings - repayable within one year	(38,638)	(6,921)
Borrowings - repayable after one year	(5,708)	(10,866)
Lease	(4,473)	(3,801)
Net cash	117,487	31,290

months EURIBOR and 12 months EURIBOR, range from 0.90% to 1.93% with an average margin of 1.25%.

At 31 December 2025, the Group had used €44.4 million of its facilities and had undrawn facilities of €43.8 million.

29(a) Net cash 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.



(Euro 000's)	Cash	Borrowings	Lease	Total
Net cash as at 1 January 2024	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 cash as at 31 December 2024	52,878	(17,787)	(3,801)	31,290
Financing cash flows	120,857	-	-	120,857
Proceeds from borrowings	-	(37,916)	-	(37,916)
Repayment of borrowings	-	11,357	565	11,922
Foreign exchanges adjustments	(7,429)	-	-	(7,429)
Other changes				
Interest paid	-	1,238	21	1,259
Interest expense	-	(1,238)	(21)	(1,259)
Other changes (Note 28)	-	-	(1,237)	(1,237)
Net cash as at 31 December 2025	166,306	(44,346)	(4,473)	117,487



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30. Acquisition, incorporation and disposals of subsidiaries

2025

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.

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.

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 S.L.U.	Dormant	Spain	1-V
Fundacion Atalaya Riotinto	Atalaya Riotinto Minera S.L.U.	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. ²	Atalaya Servicios Mineros, S.L.U.	Exploration	Spain	99.9%
Iberian Polimetall 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) (i)).

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)).

2. 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.



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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)	2025	2024
Directors' remuneration and fees	1,252	1,275
Directors' bonus ¹	407	294
Share-based benefits to Directors	852	409
Share award benefits to Directors	160	-
Key management personnel remuneration ²	857	598
Key management bonus ³	343	325
Share-based and other benefits to key management personnel ³	1,830	409
Share award benefits to key management	115	-
	5,816	3,310

1. These amounts related to the performance bonus for 2025 (and 2024 in respect of the comparative) approved by the Board of Directors following the proposal of the Remuneration Committee.
2. Includes wages and salaries of key management personnel of €1,263k (2024: €568k) and other benefits of €30k (2024: €30k).
3. Includes the expense recognised in 2025 in respect of the 2025 Deferred Cash Incentive Plan granted to certain members of key management, as well as €0.3 million recognised from the remeasurement of share options granted to non-C-Suite employees as result of the introduction of the cash settlement mechanism under the LTIP 2020. Further details are provided in Note 24.

At 31 December 2025 amounts due to Directors, as from the Company, are €nil (€nil at 31 December 2024) and €nil (€nil at 31 December 2024) to key management.

Effective 1 January 2025, the Group included the General Manager of Proyecto Touro as a member of its key management personnel. The decision reflected the formal

creation of the role and its strategic relevance, as the position entails direct responsibility over the planning, direction and control of all operational and development activities at Proyecto Touro. On 24 July 2025, Fernando Araúz de Robles Villalón was appointed General Manager of Proyecto Riotinto, succeeding Enrique Delgado,

thereby becoming a member of key management from that date.

Share-based benefits

In 2025, the Company granted new conditional share awards under the Atalaya Mining Long-Term Incentive Plan 2020, which was approved by shareholders at the Annual General Meeting on 25 June 2020. These awards are subject to performance conditions measured over a three-year period and a subsequent two-year holding period following vesting. The awards were granted on 24 April 2025 at a market price of 358.60 pence per share and were made to certain members of senior management and PDMRs.

The maximum number of shares conditionally awarded was as follows:

- Chief Executive Officer (Director): 218,000 shares
- Chief Financial Officer (PDMR): 113,091 shares
- General Manager Riotinto (PDMR): 112,431 shares

The awards will vest subject to the extent to which performance conditions are satisfied and continued employment. No consideration was paid for the grant. The total charge recognised in the

period 2025 in respect of these awards amounted to €0.3 million.

Also during the period, the Company granted a total of 1,600,000 share options to Persons Discharging Managerial Responsibilities (PDMRs) at an exercise price of 460.35 pence per share and an expiry date of 9 July 2030 under the Long-Term Incentive Plan 2020 (LTIP 2020). The options vest 1/6th on grant, 1/3rd on the first anniversary and 50% on the second anniversary, subject to performance conditions, and expire on 9 July 2030.

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).

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 2025 the Directors and key management personnel have not been granted any bonus shares (2024: nil).



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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 authorisation has been obtained.

31.3 Transactions with shareholders and related parties

(Euro 000's)	2025	2024
Trafigura Pte Ltd. – Revenue from contracts (a)	202,437	73,433
Gains/(Losses) relating provisional pricing within sales	2,985	(3,757)
	205,422	69,676
Impala Terminals Huelva S.L.U. - Port Handling and Warehousing services (b)	(2,377)	(2,201)
Related parties - total amounts from contracts	203,045	67,475

(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 2025, the Company completed 6 sales transactions under the terms of the Offtake Agreements valued at €65.7 million (2024: 10 sales valued at €71.6 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 2025, the Company completed 10 spot sales with Trafigura valued at €139.7 million (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).

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

The Group has in place a port handling, storage and shipping services agreement with Impala Terminals Huelva S.L.U. ("Impala Terminals") in respect of copper concentrates produced from Proyecto Riotinto.

The agreement covers export concentrate volumes that are not

committed under the Group's offtake arrangements, as well as volumes committed to the Trafigura Group under its offtake agreement. The agreement remains in force at 31 December 2025.

Impala Terminals forms part of the Trafigura Group, which is under joint control. As a result, Impala Terminals is considered a related party of the Group in accordance with IAS 24 Related Party Disclosures.

The Group reassessed its relationship with Impala Terminals in prior periods and concluded that the criteria for related party classification are met. This assessment remains unchanged at 31 December 2025.

Transactions with Impala Terminals are conducted under normal commercial terms and on an arm's length basis, consistent with arrangements that would be entered into with independent third parties.

The amounts recognised during the year and outstanding balances at 31 December 2025 and 2024 are presented in Notes 31.3 and 31.4.



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31.4 Year-end balances with shareholders and their joint ventures

(Euro 000's)	2025	2024
Receivable from shareholder (Note 20)		
Trafigura Pte. Ltd. – Debtor balance - subject to provisional pricing	15,770	1,042
	15,770	1,042
Payable from joint venture of shareholder (Note 26)		
Impala Terminals Huelva S.L.U. - payable balance	(155)	(109)
	(155)	(109)

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 2025 and 31 December 2024, 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)	2025	2024
Fees payable for the audit of the Group and individual accounts	332	401
Other non-audit services	59	70
	391	471

For the year 2025, the audit services related to the audit of the British subsidiaries were performed by Rayner Essex LLP, amounting to GBP 41 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.



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35. Significant events

The global macroeconomic environment continued to be impacted by a variety of factors, including geopolitical tensions, economic uncertainty and several regional conflicts. Sanctions and various trade barriers, such as tariff policies and export restrictions for critical inputs and technologies, have the potential to disrupt supply chains and increase input costs. Uncertainties around global economic growth and persistent inflation continue to impact fiscal policy in major economies and result in currency fluctuations. Combined, these macroeconomic factors are expected to lead to continued volatility in commodity prices, impacting both Atalaya's revenues and operating costs.

- 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.
- On 8 April 2025, Atalaya announced that it received notification that Jesús Fernández, a PDMR, purchased 32,000 ordinary shares of €0.09 nominal value each in the Company at an average price of 307.98 pence per share.
- On 24 April 2025, conditional share awards were granted under the Company's Long-Term Incentive Plan to the CEO (218,000 shares), CFO (113,091 shares) and General Manager Riotinto (112,431 shares), subject to performance conditions and vesting terms.
- On 2 May 2025, Atalaya was notified by FTSE Russell of its inclusion in the FTSE 250 Index, effective from 7 May 2025, following the removal of International Distribution Services.
- On 15 May 2025, Atalaya received the AAU from the Junta de Andalucía for the San Dionisio deposit, enabling future expansion of mining activities at Proyecto Riotinto.
- On 4 June 2025, Atalaya announced that Hussein Barma, an independent Non-Executive Director of the Company, was appointed as a Non-Executive Director of Eldorado Gold Corporation with immediate effect.
- On 24 June 2025, following the retirement of Hussein Barma and the appointment of Hennie Faul as Director, Atalaya updated the composition of its board committees, with Hennie now serving as a member of the Audit and Physical Risk Committees.
- On 10 July 2025, Atalaya granted share options under its LTIP 2020 to CEO and Director Alberto Lavandeira (800,000), CFO César Sánchez (400,000) and Riotinto General Manager Enrique Delgado (400,000), at an exercise price of 460.35p. The options vest 1/6th on grant, 1/3rd on the first anniversary and 50% on the second anniversary, subject to performance conditions, and expire on 9 July 2030.
- On 23 July 2025, Atalaya paid the 2024 final dividend approved by shareholders at the 2025 AGM.
- On 24 July 2025, Fernando Araúz de Robles Villalón was appointed General Manager of Proyecto Riotinto, succeeding Enrique Delgado.
- On 11 August 2025, the Company's Board of Directors elected to declare a 2025 Interim Dividend of €0.044 per ordinary share, which is equivalent to approximately US\$0.051 or £0.038 per share.
- On 1 October 2025, Ithaki Limited, shareholder of the Company, increased its voting rights from 6.99% to 8.34%.
- On 3 October 2025, Cobas Asset Management, SGIC, S.A., shareholder of the Company, decreased its voting rights from 15.04% to 14.47%.
- On 10 October 2025, Atalaya paid the 2025 interim dividend approved by the Company's Board of Directors.
- On 5 December 2025, Muza Gestión de Activos, S.G.I.I.C., S.A., shareholder of the Company, decreased its voting rights from 3.12% to 2.95%.



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36. Events after the reporting period

- On 19 December 2025, Atalaya provided an update on the shareholders' consultation following the outcome of the Annual General Meeting on 24 June 2025. All resolutions put to the meeting were successfully passed with the requisite majority of votes, although four resolutions received less than 80% shareholder support: re-election of Jesús Fernández, approval of Directors' Remuneration Report, approval of grant of awards pursuant to the long-term incentive plan and approval of the grant of a one-off transitional award to the CEO.
- On 30 December 2025, Atalaya announced that its Board of Directors intended to appoint Dr. Michael ("Mike") Graham Armitage as an independent Non-Executive Director with effect from 19 January 2026. Mike will replace Steve Scott who will be stepping down on 31 December 2025.
- On 5 January 2026, Cobas Asset Management, S.G.I.I.C., S.A., shareholder of the Company, decreased its voting rights from 14.47% to 9.89%.
- On 27 January 2026 Atalaya announced a proposed equity offering to raise gross proceeds of £130 million (approximately €150 million) by way of an institutional placing and a separate retail offer. Proceeds from the fundraise will allow Atalaya to accelerate the development of its copper growth projects in Spain in order to capitalise on strong copper market fundamentals. The fundraise will also provide the Company with financial flexibility to optimise the ultimate funding package for Proyecto Touro while concurrently advancing its growth pipeline primarily in the Riotinto District.
- On 28 January 2026, Atalaya announced that it has successfully placed 12,730,000 new Ordinary Shares in the Company with new institutional investors and existing shareholders at a price of £10.00 per Placing share raising gross proceeds of £127.3 million. Eligible retail investors have subscribed in the offer made by the Company via RetailBook for a total of 270,000 new Ordinary Shares at the Placing Price raising gross proceeds of £2.7 million. Mike Armitage, a Non-Executive Director of the Company, subscribed for 4,000 new Ordinary Shares as part of the Retail Offer. Following Admission, Mr Armitage will hold 4,695 Ordinary Shares. In total, 13,000,000 Offer Shares have been subscribed for at the Placing Price raising gross proceeds of £130 million (equivalent to approximately €150 million). The Offer Shares represent, in aggregate, approximately 9.2% of the Company's issued Ordinary Share capital prior to the Fundraise.
- On 3 February 2026, Urion Holdings (Malta) Limited (Trafigura), a member of the Trafigura Group, shareholder of the Company, announced its intention to sell approximately 13 million ordinary shares with a nominal value of €0.09 each. As of 2 February 2026, the Placing Shares represent approximately 8.5% of the Company's issued share capital.
- On 4 February 2026, Urion Holdings (Malta) Limited (Trafigura), a member of the Trafigura Group, shareholder of the Company, announced that it had agreed to sell in aggregate 14,000,000 Placing Shares at the price of 945 pence per share, raising aggregate gross proceeds of approximately £132 million. Following settlement of the Placing, Urion Holdings (Malta) Limited (Trafigura), shareholder of the Company, decreased its voting rights to 10.94%.



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Proyecto Riotinto Mineral Resources and Ore Reserves

The Mineral Resources and Ore Reserves information presented in this section is provided for informational purposes only. This information does not form part of the Group's International Financial Reporting Standards (IFRS) consolidated financial statements and has not been prepared in accordance with International Financial Reporting Standards. Accordingly, it should be read in conjunction with, but separately from, the financial information presented elsewhere in this Annual Report.

For more information on the additional Mineral Resources and Ore Reserves at the Group's other deposits and assets, visit www.atalayamining.com.



Ore Reserves: Cerro Colorado and San Dionisio (Stockwork only)

Classification Category	Tonnes (kt)	Cu Grade (%)	Cu Metal Content (kt)
Proved	94,603	0.42	393
Probable	37,408	0.36	135
Total Ore Reserve	132,010	0.40	528

Notes:

1. Effective date of 30 June 2025.
2. The statement is reported using cut-off grade of 0.16% Cu for feeding the processing plant, based on a Cu price of US\$8.818 per tonne (US\$4.00/lb).
3. Modifying factors for dilution of 8% and mining recovery of 96% are based on block model regularisation to 10x10x10 m smallest mining unit.
4. All figures are rounded to reflect the relative accuracy of the estimate.
5. Ore Reserves have demonstrated economic viability.
6. The pit inventories were constrained within the updated pit designs based on the updated optimised pit shell.
7. The Ore Reserve comprises a mine life of approximately nine years.
8. The Ore Reserve is given based on a 100% ownership basis.
9. Tonnages are reported in metric units, grades in percentage (%), and the contained metal in tonnes of copper.
10. The process plant closure will occur at end-of-life 2034.
11. The Reporting Standard adopted for reporting of the Ore Reserve Statement is that defined by the terms and definitions given in The 2012 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves as published by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (the JORC Code (2012)).

Mineral Resources: Cerro Colorado and San Dionisio (Stockwork only)

Classification Category	Tonnes (kt)	Cu Grade (%)	Cu Metal Content (kt)
Measured	127,779	0.36	464
Indicated	60,330	0.32	192
Measured & Indicated	188,109	0.35	656
Inferred	913	0.52	5
Total Mineral Resource	189,022	0.35	661

Notes:

1. Effective date of 30 June 2025.
2. Open-pit constrained by an optimised pit shell and reported above an in situ cut-off grade of 0.11% Cu, which is based on appropriate technical parameters reflecting actuals, and a copper price of US\$11,023 per tonne (US\$5.00/lb).
3. Stockwork material was monetised during the Pit Optimisation.
4. All figures are rounded to reflect the relative accuracy of the estimate.
5. Mineral Resources are reported as undiluted, with no mining recovery applied in the Statement.
6. Based on a 100% ownership basis.
7. Tonnages are reported in metric units, grades in percentage (%), and the contained metal in tonnes of copper.



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The following definitions and terms are used throughout this Annual Report.

Currency abbreviations

US\$/USD or \$	US Dollars
\$000	Thousand US dollars
\$m	Million US Dollars
£	Sterling Pound
£000	Thousand Sterling Pounds
£m	Million Sterling Pounds
€/EUR	Euro
€000/€k	Thousand Euros
€m	Million Euros
€nil	Zero Euros
FY2025	12-month period ended 31 December 2025
FY2024	12-month period ended 31 December 2024

Definitions and conversion table

lb	Pound
Oz	Troy ounce
'000 m ³	Thousand cubic metres
t	Tonne
DMT	Dry Metric Tonne
'000 tonnes	Thousand metric tonnes
1 Kilogramme/(kg)	2.2046 pounds
1,000 Kilogrammes/ '000 kg)	2,204.6 pounds
1 Kilometre (km)	0.6214 miles
1 troy ounce	31.1 grams
Ha	Hectare
ft	Foot

Chemical Symbols

Cu	Copper
Ag	Silver
Au	Gold
Fe	Iron

Business, Finance and Accounting

AAU	Autorización Ambiental Unificada (Unified Environmental Declaration)
Atalaya or the Company	Atalaya Mining Copper, S.A.
Atalaya Group or Group	Atalaya Mining Copper, S.A. and its subsidiaries
AC	Audit Committee
AGM	Annual General Meeting
AIM	Alternative Investment Market of the London Stock Exchange
AISC	All-in Sustaining Cost
AMV	Atalaya Masa Valverde, S.L.
AR	Annual Report
ARM	Atalaya Riotinto Minera, S.L.U.
AMP	Atalaya Minasderiotinto Project (UK) Limited
Articles	The articles of association of Atalaya Mining Copper, S.A.
ATYM	Atalaya Mining Copper, S.A. (former Atalaya Mining Plc)
Average head grade	Average ore grade fed into the mill, expressed in % of weight
BdD or Board of Directors	The Board of Directors of the Company
CAPEX	Capital Expenditure
Cash Costs	The cost to produce one pound of copper



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CEO	Chief Executive Officer
C. Eng	Chartered Engineer
CFO	Chief Financial Officer
COO	Chief Operational Officer
COF	Cost of Freight
CIF	Cost Insurance and Freight
CIM	Canadian Institute of Mining, Metallurgy and Petroleum
CIT	Corporate Income Tax
CIP	Carriage and Insurance paid to
CGU	Cash Generating Unit
CGNCC	Corporate Governance, Nomination and Compensation Committee
Code of Conduct	Atalaya's Code of Business Conduct and Ethics
Cont.	Continued
C-suite	Refers to the CEO and CFO
CSR	Cobre San Rafael S.L.
Directors	The Directors of Atalaya for the reporting period
EBITDA	Earnings Before Interest Tax Depreciation and Amortisation
ECL	Expected Credit Loss
EGC	Explotaciones Gallegas del Cobre S.L.
EGM	Extraordinary General Meeting
EIR	Effective Interest Rate Method
E-LIX	E-LIX System
EMED TARTESSUS	Eastern Mediterranean Exploration & Development TARTESSUS S.L.
ESG	Environmental, Social, and Governance
Etc.	Et cetera
EU	European Union
FCA	Financial Conduct Authority
FIFO	First In First Out
Financial statements	Consolidated and company financial statements of Atalaya Mining Plc.
FOB	Free on Board

Business, Finance and Accounting

FV	Fair Value
FVOCI	Fair Value Through Other Comprehensive Income
FVPL	Fair Value Through Profit or Loss
FY	Fiscal year
GAAP	Generally Accepted Accounting Policies
Group	Atalaya Mining Copper, S.A. and its subsidiaries
H1, H2	Six month periods ending 30 June and 31 December
IAS	International Accounting Standards
IBI	Impuesto sobre Bienes Inmuebles (local property tax)
ie.	Id est (explanatory information)
IFRS	International Financial Reporting Standards
Impala Terminals	Impala Terminals Huelva S.L.U.
IPO	Initial Public Offering
JdA	Junta de Andalucía
KPI's	Key Performance Indicators
LDC	Louis Dreyfus Company
LIBOR	The British Bankers' Association Interest Settlement Rate for the relevant currency
LITFR	Lost Injury Time Frequency Rate
Ltd.	Limited
LLC	Limited Liability Company
LP	Limited partnership
LOM	Life of mine
London Stock Exchange/LSE	London Stock Exchange plc
MBA	Master's in Business Administration
n.a.	Not available
NEDs	Non-Executive Directors
NGC	Nomination and Governance Committee
NPV	Net Present Value
Nr	Number
N/A	Non Applicable
OCI	Other Comprehensive Income



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Ordinary Shares	Ordinary Shares of 0.09€ each in the capital of the Company
PDMR	Persons Discharging Managerial Responsibilities
PEA	Preliminary Economic Assessment
Phase I	The first phase of an industrial-scale plant that utilises the E-LIX System
Ph.D.	Doctor of Philosophy
PRC	Physical Risk Committee
PFS	Pre-Feasibility Study
Plc.	Public limited company
POM	Proyecto Ossa Morena
PP&E	Plant, property and equipment
P&L	Profit and Loss
P&P reserves	Proven and Probable reserves
Q1, Q2, Q3, Q4	Three-month periods ending 31 March, 30 June, 30 September and 31 December
QCA	Quoted Companies Alliance
QP	Quotation Period
RC	Remuneration Committee
RNN	Rio Narcea Nickel, S.L.
SIC	Standard Interpretations Committee which was endorsed by the IAS
Shareholders	Holders of Ordinary Shares
S.L.	Sociedad Limitada (private limited company)
S.L.U.	Sociedad Limitada Unipersonal (limited partnership)
SC	Sustainability Committee
AEAT	Agencia Estatal de Administración Tributaria (Spanish Tax Authorities)
TSX	Toronto Stock Exchange
UK Corporate Governance Code	The 2018 UK Corporate Governance Code published by the Financial Reporting Council, as amended from time to time
United Kingdom or UK	The United Kingdom of Great Britain and Northern Ireland

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United States or US	The United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
UOP	Unit of Production
VAT	Value Added Tax
WC	Working Capital
XGC	Yanggu Xiangguang Copper Co. Ltd.

Mining terms

Average head grade	Average ore grade fed into the mill, expressed in % of weight
Concentrate	A fine powdery product of the milling process containing a high percentage of valuable metal
Contained copper	Represents total copper in a mineral resource or reserve before reduction to account for tonnes not able to be recovered by the applicable metallurgical process
Grade	The amount of metal in each tonne of ore, expressed as a percentage of valuable metal
Mtpa	Million tonnes per annum
NI 43-101	National Instrument 43-101, standard of disclosure for mineral projects according to Canadian guidelines
Open-pit	A mine where the minerals are mined entirely from the surface. Also referred to as open-cut or open-cast mine
Ore body	A sufficiently large amount of ore that can be mined economically
P&P Reserves	Proven and Probable reserves
Stripping	Removal of overburden or waste rock overlying an ore body in preparation for mining by open-pit methods
Tailings	Materials left over after the process of separating the valuable fraction from the uneconomic fraction of an ore
TC/RC	Treatment Charge and Refinement Charge
VTEM	Versatile Time Electromagnetic Mapping
3D	Three Dimensional



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Registered Office

Atalaya Mining Copper, S.A.
Paseo de las Delicias, 1, 3
41001, Sevilla (Spain)

Board of Directors

Neil Gregson	Independent Non-executive Chair
Kate Harcourt	Senior Independent Non-executive Director
Alberto Lavandeira	Managing Director and CEO
Mike Armitage	Independent Non-executive Director
Hennie Faul	Independent Non-executive Director
Jesús Fernández	Non-executive Director
Coriseo González-Izquierdo	Independent Non-executive Director
Carole Whittall	Independent Non-executive Director
Frances Robinson	Company secretary

Corporate Brokers

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