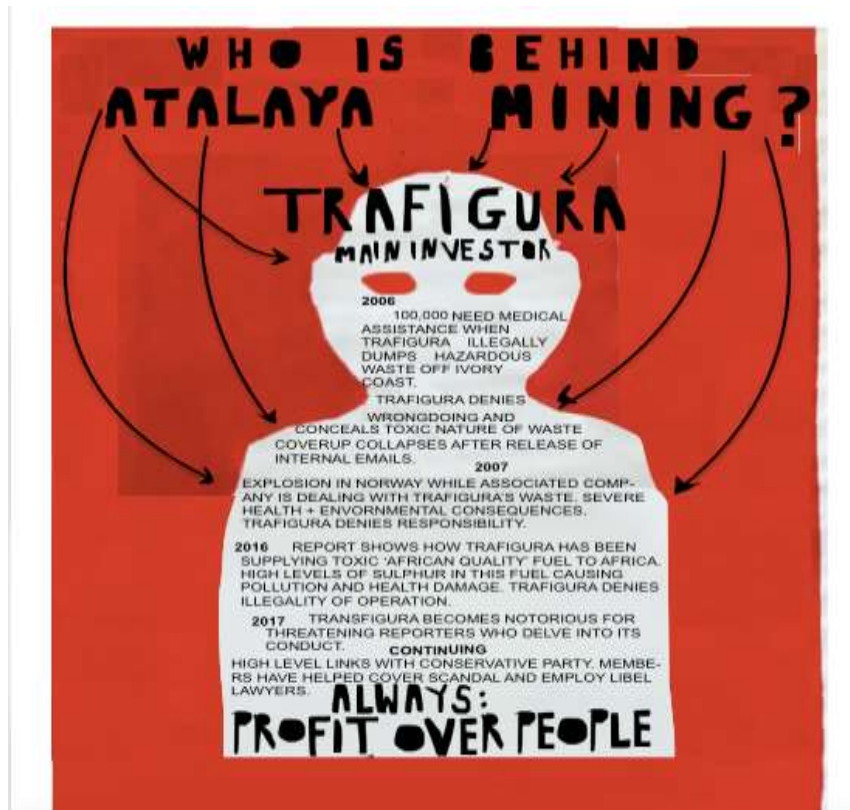


APPENDIX I

**ATALAYA MINING PLC
NOTICE OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS
TO BE HELD ON 27 JUNE 2018**

Dated 24 May 2018

Copies of this document will be available, free of charge, at the corporate office of the Company, 3 Ag. Demetriou Street, 2012 Nicosia, Cyprus during normal business hours on any weekday until 27 June 2018 (Saturdays, Sundays and public holidays excepted) and is also available at www.atalayamining.com or under the Company's profile on SEDAR at www.sedar.com.



Clara Atkinson (2018)

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about what action to take, it is recommended that you immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 or, in the case of recipients outside the United Kingdom, your stockbroker, bank manager, solicitor, accountant or other financial adviser.

If you have sold or transferred all of your Ordinary Shares in Atalaya Mining plc, please forward this document at once, together with the accompanying Form of Proxy or Form of Instruction, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

TWO ACTIVISTS AT THE AGM OF A ‘JUNIOR’ MINING COMPANY: A ‘DUD’ AND A ‘BORDERLINE FRUITCAKE’

On 27th June, at 11 am, I was due to attend the AGM of the “junior” mining company in order to voice a number of concerns about the company’s new operations across Spain. Atalaya Mining Plc, which was formerly called *Emed Mining Public Ltd* and previously *Eastern Mediterranean Resources Public Ltd*),¹ is a ‘junior’ company² set up in 2005 and AIM and TSX-listed³. Atalaya has applied for exploration licences in Spain and has become the new operator of the Riotinto copper mine in Andalusia. For some time now, the ‘major’ mining companies have detached themselves from their legacy of explicit violence which has marked many territories around the world for centuries, and it has delegated onto the 'junior' companies the dirty work of buying political will in order to obtain the relevant permits, as well as the task of obfuscating the social conflicts generated by their projects.

¹ “Given that juniors are ‘shell’ companies at the start, the management picks a name according to their original objective. Atalaya was born as a off-spin of Oxiana, a major Australian company, which aimed at the Eastern Mediterranean. When the Riotinto mine was acquired by Atalaya, they abandoned the original target and tried to consolidate themselves through stock market capitalisation. Now, they want to enter the main stock exchanges by developing the project *Touro* in Galicia and *Yuso* in Cantabria. Berkeley, on the other hand, and its project of Uranium in Salamanca is a fu* bare ‘junior’ and with shit capitalisation”, explained Oscar C., a confidential informant.

² “Juniors” are usually newly constituted mining companies, which are listed, not in the main mining finance stock exchanges (Toronto, London, Sydney and South Africa) but in their less regulated, auxiliary, minor markets. Juniors listed in at least two minor markets have access to institutional investors, such as private and public pension funds.

³ Atalaya is listed in the minor market of London (AIM) and Toronto (TSX) so it could enter the ISA fund, which requires companies to be listed at least in two markets

I had bought 10 shares in Atalaya on behalf of *Ecologistas en Accion* (“EA”)⁴ in order to attempt to present to its shareholders a different reality from that contained in the company’s annual results and corporate brochures. To that end, I had invited, as my proxies to accompany me at the AGM, Luis Gallardo, from the *Mina Touro O Pino No'a Platform*, and two London based NGOs dedicated to denouncing the abuses of the mining companies listed on the London Stock Exchange. Richard Solly, an experienced activist working for London Mining Network⁵ (LMN), had advised me how to buy the shares and nominate the proxies but 'junior' companies and the idea of a mining bubble in Spain were completely novel fields to him. I had met Richard a year earlier, protesting outside 'Mining and Money', a match-making annual event held in London hosted by Nigel Farage, where mining companies, geologists, investors and financiers meet to strike deals. I still remember Richard’s, half puzzling, half incredulous face when I explained that Spain was in the throes of an exploration mining frenzy. Now, however, LMN is covering the Touro copper project in Galicia (Atalaya) and the Salamanca uranium project (Berkeley), two of the most significant cases of mining speculation by juniors listed on the London financial markets.

There had been weeks of preparation through virtual meetings with Richard, Hal Rhoades from the Gaia Foundation (my second proxy), my colleagues from EA in Seville and local groups in Galicia, speculating on all aspects of our planned intervention: the possible format that the AGM would take; how long they would let us intervene for; the contents and format of the questions to pose at the meeting, etc.

The day before the meeting, I spent the afternoon at home with my children, making banners and writing my speech for the AGM. I was aware of the spatial and temporal distance that investors in mining companies create between themselves and the impact ‘their’ projects may have on the targeted territories and their people, so I decided not to resort to any of that. Instead, I decided to

⁴ One of the 5 main environmental NGOs in Spain, along with SEO Birdlife, Friends of the Earth, WWF and Greenpeace. These NGOs often act together in urgent issues affecting the Spanish territory. In the case at issue a press release was published denouncing of the imminent collapse of Riotinto dams.

⁵ <http://londonminingnetwork.org/>

focus on giving the shareholders a clear warning of the inherent financial risk and their liability that Atalaya's precarious operations in Spain posed for their shareholders.

At 11 pm, I received an email from the company's secretary, having tried to contact them unsuccessfully all day, saying that under Cyprus law, the jurisdiction under which Atalaya was constituted, shareholders, unlike under UK law, could not appoint proxies for the AGM if the shareholder attended the meeting herself. When Luis arrived from the airport a few minutes later, pale and exhausted, I did not have the heart to tell him that, after all, it was unlikely he would make it to the AGM. I offered him some dinner but he politely declined. "These people from Atalaya think that Galicia is so backwards and depopulated that they can do and undo whatever they please undisturbed", he said, "[b]ut they have made an error of judgment. We have organized ourselves against this letter boxes company...each of us has an area of action and we do not question each other's work", he said, giving me an intense and earnest look. Luis is an aeronautical engineer coordinating the air control equipment at Santiago de Compostela airport. "We have chosen to stay in rural Galicia rather than moving to the city and we want things to stay as they are...[t]he tailings dam will be built at 300 meters from farms where people live", Luis continued. "Have a look at my intervention tomorrow please. See what you think", and he handed me a bunch of reading cards. He then asked me for some slippers, put on his pajamas and fell asleep in the living in front of the TV.

Meanwhile, in the kitchen, I was desperately trying to go through the text that Luis had carefully drafted, distributed on 8 white cards and printed in large, bold font. I had to face the investors and board directors on my own the following day and I had to sound confident and certain when asking all those pointed questions. I was paralyzed. I had let Luis down and also failed to meet the high *expectations* that a whole community had put on his task tomorrow. That night, I hardly slept. I decided that somehow, I would find a way for Luis to make it to the shareholders' meeting

Half an hour before the meeting, we were all assembled (including my children and their friends, who had agreed to do half an hour of activism in exchange for a hearty free breakfast) outside the

building, located in the second-rate London financial zone. Cannacord Genuity, consultants and designers of Atalaya’s corporate identity, had arranged for the latter to use a room in their premises for a few hours, so a press release resulting from the AGM could have a London address.



Fig. 1: Protest outside Atalaya Mining’s London AGM (27/07/18). Photo: Ignacio Acosta, tracesofnitrate.org

My confidential informer, Oscar C., a retired mining operations manager, who for reasons of his own, I guess, inducted me in mining finance dynamics, had told me at a gentlemen’s club in Madrid while having his shoes polished: “There are brokers who would set up a junior company off the shelf for you with a project or two and they will do all the PR, packaging, etc. As a matter of fact I also do that on a small scale “.

While the others set up the banners, I ushered Luis into the building and signed the shareholders logbook on the ground and eighth floor controls without being asked any questions. I left Luis in the room where the AGM would take place and went back outside the building to pick up Hal.

He was hastily detaching a banner from the stainless steel rails separating the glass building from the pavement while a security woman was shouting at him. As soon as they realized that I was connected to the protest party outside, the woman and another security guard blocked the door through which Hal and I were entering the building. I made a quick movement and reached for the revolving doors, leaving Hal behind being held up by security. Once inside:

“I was forcefully held up by a security man who shouted at me and said I was to leave the building. He was accompanied by somebody said to be from Atalaya Mining, who said that I was not allowed in because I had not bought the shares in time to attend the meeting. As I refused to leave they called the police. I said that I would only leave if they allowed me to go back to the 8th floor where the meeting had already started. I explained the situation to the police officer and showed him my share certificate and he asked the men to let me up to the 8th floor as I was a shareholder and it was at the registration of the AGM where it should be decided if they let me in or not.”⁶

I must admit that on that day I changed my perspective of London’s Police. Despite my protests the two men got in the lift with me. When the doors opened I pushed past my escorts and ran along the corridor, ignoring the suited figures standing by the shareholders’ registration desk. I opened the door abruptly and sat down breathless. Luis was standing up, with his cards in his hand, almost at the end of his speech:

⁶ Reported speech quotes in this text were published in a press release by Gaia Foundation using my notes of the Atalaya’s AGM: <https://www.gaiafoundation.org/ties-are-strengthened-spanish-campaigners-unite-around-atalaya-minin>



Fig. 2: Protest outside Atalaya Mining's London AGM (27/07/18). Photo: Ignacio Acosta, tracesofnitrate.org

“Atalaya claims to be a ‘responsible corporate citizen’ with an ambition to ‘make a positive contribution towards the communities in which they operate.’ Why, then, is the company starting a mine in Touro which has no social license and endangers local livelihoods, water and ecosystems? Mr. Lavandeira: Is it not the case that Touro’s operations and tailing dam are at 200 meters of life, where farmers lead a quite and prosperous life? Have you taken into account the costs of relocating these people?”

Roger Davey, Atalaya’s president but also on the board of other 'juniors' present in Spain, responded with a polished, public school English accent:

"Mr Gallardo: We are proud to work for a company that brings prosperity to local communities, in the case of Touro, through the creation of 400 jobs. We understand that mining is not to everyone's taste but it is a "necessary" industry. I suggest, however, Mr Gallardo, you may wait till shareholders’ question time so that we can reply fully to your question. Now we will proceed with the re-appointment of the board, if we may”.

Luis in his nervousness had mistaken Davey's call to voting with the final call for questions. It was now time for the CEO, Alberto Lavandeira, also director of a 'born-again' 'junior' operating in Spain⁷ to perform a carefully worded, PowerPoint presentation on Atalaya's current operations and expansion plans, which was populated with aesthetically appealing geological drawings, charts and diagrams⁸. In his introduction speech, the CEO made the point of distancing his company from other 'juniors', which had no running operations such as Riotinto mine, to speak of. I wonder how long it will take for Atalaya, like Berkeley, to announce its 'debut' on the main Stock Exchanges of London and Spain.

"Atalaya is a company with 'real' operations in the flagship mine of former Riotinto's copper running in Andalucia. We are a 'fast-growing', shareholder and community deeply caring' company, with strong, real and feasible *proyectos*", he said, adding a touch of the local language. A patronising gesture, I thought, symptomatic of the unsurmountable mental distance there is between the people in that room and the remote territories affected by "their" *proyectos*.

"Our star *proyecto* is Touro", added Lavandeira, despite only having a purchase option to obtain 80% of the project at a later stage from a local applicant, while the latter, in turn, expects to make a large profit by just having filled in a form and lodged it with the public authorities. In this "gentlemanly" environment of crisply ironed suits and colourful stripy socks, it sounded natural for the CEO to refer to Touro, as "the most promising of *our* projects in our portfolio." This fragrant appropriation of a whole territory and its natural resources, ignoring all life running above the extraction site, struck me as bizarre.

"Our Touro project is a historic, brownfield copper deposit", continued Lavandeira, adjusting his collar and tie. "It is a low-risk, low-tax and politically safe project. As you know, Galicia is a

⁷ Such as the gold mining junior Astur Gold Corp promoting the *Salave* project in Asturias, North Spain. Astur Gold sued the regional government for damages of 8.5 million euros on the latter not granting the environmental permits required. Now Astur Gold has become Black Dragon Gold Corp and has resumed the exploration works in *Salave* in January 2018

⁸ <http://atalayamining.com/wp-content/uploads/2018/06/27-June-2018-AGM-Presentation-final-CFC.pdf>

safe jurisdiction in the hands of a ‘pro-mining and autonomous’ government...[t]herefore, we are progressing well with the licenses, but we have to do it by the book”, he paused gazing at his audience. I was startin enjoying Lavandeira’s performative skills. There was the true art: the ability to present to the shareholders, in the cosiness of this predictable and familiar context, a fabricated “reality” where an exhausted, old extraction site in Spain is transformed into an asset which is financeable or ‘bankable’.

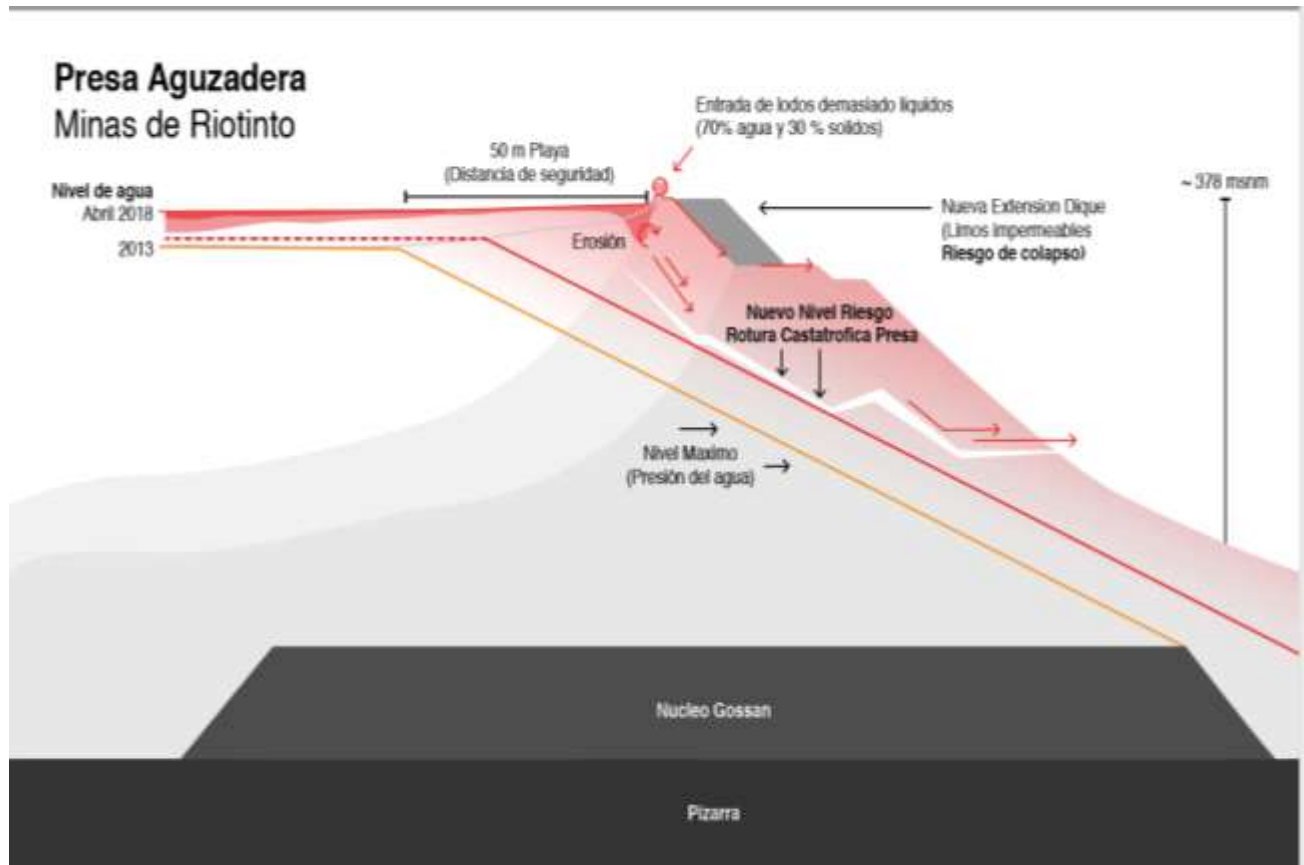


Fig. 3: Risk assessment of Riotinto dam. by Robert Preusse (2018)

Now, it was time for my intervention; the culmination of weeks of work in collaboration with our EA group in Seville, Isidoro Albarreal and Antonio Flores, and Robert Preusse in Berlin, preparing reports, technical drawings, press releases in conjunction with the other Spanish

Environmental NGOs,⁹ and legal documentation¹⁰, which would empirically support my arguments before the shareholders' meeting that the likely collapse of the Riotinto dams was due to Atalaya's lack of investment and mismanagement of the toxic waste¹¹.

“There are clear indications that the dams have exceeded their overall capacity and the toxic muds are not being adequately thickened. Experts and Ecologistas en Accion have denounced Riotinto dam's imminent collapse¹² in the press on many occasions. Such a failure would cause a flood of toxic waste ten times higher than the breakage of Aznalcollar dam¹³ twenty years ago. We are looking at over 65 million m3 wave of toxic waste discharged as a wave of up to five meters in height. This would affect the Donana National Park and the towns of Gibrleón and Huelva, putting human lives at risk”.

“So, my question is: Do the Directors consider that not building the €7 million mud-processing plant, that would thicken the tailings to a safe level of concentration is sustainable, given the inherent risk of breakage explained above? Are the shareholders aware that they are ultimately responsible for the damage and the human lives which may be lost?”

⁹ <https://es.greenpeace.org/es/sala-de-prensa/comunicados/las-principales-organizaciones-ecologistas-alertan-de-los-riesgos-de-una-nueva-catastrofe-minera-en-andalucia/>

¹⁰ Ecologistas en Accion has contested the illegality of lack of sufficient concentration of the toxic waste generated in Riotinto, which threatens the security of the dams.

¹¹ <https://www.ecologistasenaccion.org/?p=82364>

¹² <http://londonminingnetwork.org/2018/06/atalaya-tailings-dams-at-imminent-threat-of-collapse/>

¹³ <http://www.wise-uranium.org/mdaflf.html>

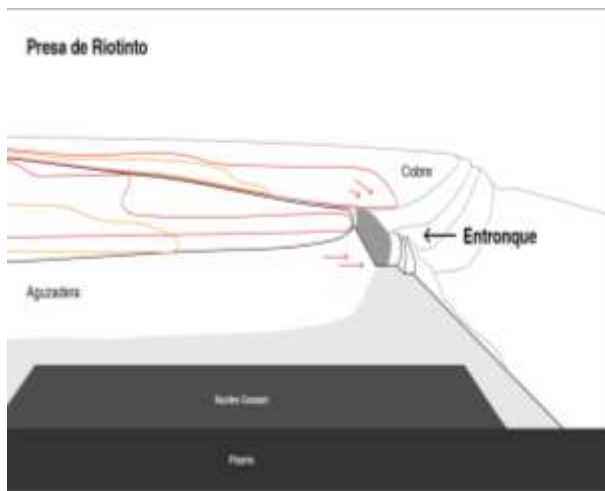


Fig 4: Possible point of breakage of Riotinto. (R.Preusse 2018)



Fig 5: Collapse of Aznalcollar dam (1998)

When I finished my intervention, I fixed my eyes on Lavandeira. He threw his weight back, holding my look, as if assessing the level of threat I posed for him. He then started gesticulating with his arms in all directions, making noises and grimaces of disbelief and indignation to such an extent that Davey, leaning towards his neighbour, said: "Alberto, calm down, please."

Lavandeira composed himself and managed to say in not so good English as his PowerPoint presentation: "Elena, I am disappointed that you are misinforming the shareholders. I am also very, very sad, Elena, that you have yourself been misled about the risks posed by the dams and their possible collapse...[p]lease come a visit the operations to see by yourself that they are perfectly safe".

"Mr Lavandeira", I added, "I do not know you and I would appreciate if you restrain yourself from addressing me by my first name".

"Do come to visit Riotinto. Please, please. Do!", he added making a warm welcoming with his arms. Having a female activist, disrupting the perfect choreographed male-dominated setting of his AGM, surely deserved such a patronising gesture.

"You have just shown pictures of the dams in the dry season, when there is no risk of excess rain and therefore of breakage of the dams", I remarked pointedly. "If you have nothing else to say in

response to my very specific questions, let the rest of the shareholders draw their own conclusions about the risk they take leaving the management of Riotinto in your hands"

After a silent pause, Davey asked: "Any more questions?"

"At the last year's AGM you promised that Touro's permits would be through by winter. That has obviously not materialised. How much longer will it take to obtain all the permits for the Touro project?" asked a shareholder sitting to my right. "The local government in Galicia is extremely 'mining friendly' and things are progressing adequately with the local community. All signs are that the permitting procedure will be over by the end of the summer".

I was astounded at Lavandeira's assurances. Just the previous month there had been a massive demonstration against the project in Galicia and expert reports had been issued stating the unfeasibility of the project¹⁴.



Fig. 6: Demonstration against Touro project. Santiago de Compostela. 11 June 2018 <http://www.yestolifenotomining.org/huge-demonstrations-mining-galicia-spain/>

“Yes”, started another shareholder, “what about the famous grant from la Junta de Andalucia? Has it materialised yet? “No, no”, uttered the CEO, shaking his head and looking down. “We must forget about that. It is not likely it will happen.

There was another silent pause. I expected questions or comments on my intervention but there were none.

A hot wave of indignation rushed into my head. I started protesting about the way we had been treated in the lobby by Atalaya’s representatives and claimed my right to make a second intervention, which Hal could not make, this time about the Yuso project, on which my colleagues of EA in Cantabria, Luis Cuena and Floren Enriquez had been working to stop.

"Mr. Lavandeira, is it not the case that the documentation you lodged with the application to the authorities regarding a zinc project near Santander does not even contain plans specifying the location of what the application describes as a full-sized mining gallery of five kilometres long? Is it not the case that, given its extraordinary length and dimensions for an exploration project, such tunnel must necessarily be located underneath a densely populated area and what is more, it will run underneath the Pre-historic paintings of Altamira Caves, a UNESCO World Heritage Site?



Fig. 7: Altamira prehistoric paintings

For a fraction of a second, I saw a flash of alarm in the CEO's eyes. He turned his head fleetingly towards Davey and both denied categorically that Atalaya had nothing to do with the Yuso project. Both continued to deny their involvement despite me mentioning that the company's documentation had been published in the official journals of the Cantabria regional government. I noticed how the large shareholders of Atalaya, Trafigura, the largest commodity trader with a remarkable environmental record¹⁵, controlling Atalaya, as well as American and Arab funds, frantically took notes on everything said.

As soon as I left the meeting, I called Isidoro, who had, along with Antonio, for months been denouncing the imminent collapse of the Riotinto dams and had gone to Galicia to visit the *Plataforma Mina Tour O Pino No* in order to exchange views and join forces against Atalaya. Together, they were going to visit the site where the open cast mine and a toxic waste dam would be built at a distance of 300m from agricultural dwellings. When I called Isidoro, he told me that they had reached the top of the hill, which overlooks the planned mining. When I started recounting the events of the morning, he interrupted me with laughter: "Wait a minute. Let me put the mobile's speaker on, so everybody can listen". As I finished the account of the AGM, including Lavandeira's comical gestures of embarrassment and puzzlement, an explosion of laughter and screams filled my ears. I felt then, at two thousand kilometres, the emotion of a unique and unrepeatably moment: the sharing of drunkenness felt when a battle is won.

¹⁵ <https://www.amnesty.org/en/latest/news/2016/04/trafigura-a-toxic-jour?ney/>



Fig 8: Isidoro Albarreal (white T-shir with black strap across) and activists-Touro- 27 June 2018

Later on, I received an email from Oscar C. He congratulated me on the job done and had pasted the account of the AGM by somebody whose job is, according to Oscar C. to “blow Atalaya’s trumpet and smooth out any bumps in the investors’ chats”:

“Hi ... some feedback from one of my boys who attended AGM. They were late to the meeting, but assured me got most of it. I took notes, but they were driving, so some of this *my interpretation*. Hope to get some more answers.

Here is the gist: There was a bit of noise from two environmentalists: one was from Touro region, young chap who claimed that the locals did not want the mine, it posed risk to the environment and local business and would not get approval. He suggested Alberto lying to shareholders about the feasibility and wasting money .

- Alberto replied that ATYM did everything by the book and law: things would be done properly. Have spent 5m euro only so far, so little risk to shareholders. Would only increase spending as approvals received.

There was also a lawyer (also Spanish, and knew the dude from Touro), who to quote my contact was a

borderline fruitcake. Clearly had one agenda against RIO Tinto mine and wanted to shut it down, stop mining. Made loads of allegations which bordered on lunacy.

- Alberto replied with a mix of rage (on false information) and was passionate in defending ATYM's environmental record. Offered lawyer (shareholder, with 10 shares) to come and visit the mine and see the tailing dams: she had no interest. It was remarkable that she made bold claims that there was a problem with tailing dams, but turned down repeated invitation to inspect for herself.

- My mate thought lawyer was a *fruitcake* and by the end she was being heckled by other investors and directors. He also noted Alberto's frustration that as a listed company he gets these attacks (maybe hinting to the unlisted mining enterprises that get left alone). Alberto mentioned some environmental document that was written, published with false information, but they don't know who is behind it.

Reserve update due in next 2-3 weeks. My mate guesses that 5 year life extension (don't know where that info came from).

To sum up: SOLID. Chairman passionately told everyone that mine and management are doing well. That he has worked on many projects and he is so impressed.” [Atalaya Share Chat-27/06/18]¹⁶

I read the comment to my children. We all laughed. The distortion of the AGM facts was comical. I thought of the *speculum*; that unstoppable machine fabricating new realities once again at work. And then the lack of response to my “accusations” at the AGM came to mind. It is possible that they regarded me as a “borderline fruitcake” after all, such is the distance division between somebody like me and somebody who wants to believe that “all is fine and all is progressing adequately”.

¹⁶ <http://www.lse.co.uk/ShareChat.asp?page=2&ShareTicker=ATYM>