



15 September 2014

W Resources Plc
("W" or the "Company")

La Parrilla Tailings Update

W Resources Plc (AIM:WRES), the tungsten, copper and gold production, exploration and development company with assets in Spain and Portugal, is pleased to provide an update on the La Parrilla Tailings project.

Following a scheduled 8-day shutdown in August, the La Parrilla tailings facility has been producing tungsten concentrate since 25 August on a continuous basis.

Additional improvements have been made to the pre-concentration plant that uses screens and hydro-cyclones to produce upgraded ore to be fed to the concentrate plant with production ratios now close to our design levels. There is scope to further improve plant availability and the proportion of upgraded concentrate feed generated from each tonne of tailings which we believe can be achieved progressively during the second half of 2014 and into 2015.

The concentrate plant has also steadily increased its performance with improvements in feed, plant availability and overall recoveries. Recoveries are expected to steadily increase over the coming quarter.

In addition to achieving steady operating performance, we will implement three main initiatives over the next quarter to further improve performance:

1. Switch from high cost diesel power to low cost Spanish grid-supplied power, halving energy costs. The saving is estimated at EUR400,000 annually and is scheduled to be implemented in the December quarter.
2. Produce a separate tin concentrate through the installation of an electrostatic separator. Currently there is no revenue recognition of the approximately 7% Tin (Sn) in the tungsten concentrate; production of a separate tin concentrate will increase revenues and profitability.
3. Install improved feed systems to ensure a steady feed to concentration plant and improve overall recoveries.

Michael Masterman, Chairman of W Resources commented "The La Parrilla tailings facility is on track to reach target production levels of 25 tonnes per month of 60%-63% WO₃ in September/October 2014. Based on current performance indications, we believe there is scope to further increase production beyond the current 25 tonne per month target and this will be reassessed in October."

W is also pleased to confirm it has now entered into contractual off-take agreements with one of Europe's largest tungsten consumers and is shipping product on a regular basis. With physical product being picked-up from the La Parrilla mine site and delivered by single truck movements to the customer, these sales contracts enjoy both simple logistics and good payment terms. Terms of the offtake agreements remain 'commercial in confidence' but we are pleased to confirm they are broadly linked to the European APT price.

Enquiries:**W Resources Plc**

Michael Masterman

T: +44 (0) 20 7193 7463

www.wresources.co.uk

Grant Thornton UK LLP

Colin Aaronson / Melanie Frean / Jen Clarke

T: +44 (0) 20 7383 5100

SI Capital

Andy Thacker / Nick Emerson

T: +44 (0) 1483 413500

www.sicapital.co.uk

Gable Communications

John Bick

T: +44 (0) 20 7193 7463

M: +44 (0) 7872 061007

About La Parrilla

The La Parrilla project site is situated in the Extremadura region of southwest Spain, in the Provinces of Caceres-Badajoz, approximately 310 km southwest of Madrid. The site is accessed directly from the highway along a 3 km asphalt road and is serviced by electricity and water. The project comprises a tungsten mine and a tungsten tailings project. The mine resource estimated by Golder in June 2013 is 46.92 million tonnes at 0.09% WO₃, making it one of the largest tungsten deposits in the western world.

Annual plant feed will be c330,000 tonnes and annual production is anticipated to be 450 tonnes of tungsten trioxide (WO₃) and 26 tonnes of tin (Sn), which will deliver over €7million per annum in revenue at current tungsten and tin prices.

Technical information in this report and on the W website has been prepared in accordance with the JORC Code and approved for inclusion by Mr Fernando de la Fuente, who is a "qualified person" in respect of the AIM Rules for Companies with over 39 years' experience in the Exploration and Mining Geology industry. Mr de la Fuente holds a B.Sc. in Geology and a MSc in Geology from the University of Granada in Spain. He is also a member of the Spanish College of Geologists (Number 49), the Spanish Society of Mineralogy, founder member of the Spanish Society of Geology, member of the Spanish Association of Applied Geology to Mineral Deposits, member of the Society for Mining, Metallurgy and Exploration, Inc., member of PDAC.