GROUP STRATEGIC REPORT,

REPORT OF THE DIRECTORS AND

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

FOR

W RESOURCES PLC

W RESOURCES PLC
CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

W RESOURCES PLC
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2014

DIRECTORS:	M G Masterman Dr B Pirola D R Garland
SECRETARY:	Cargil Management Services Limited
REGISTERED OFFICE:	22 Melton Street London NW1 2BW
REGISTERED NUMBER:	04782584 (England and Wales)
AUDITORS:	Chapman Davis LLP 2 Chapel Court London SE1 1HH
BANKERS:	HSBC Bank PLC 46 The Broadway Ealing, London W5 5JZ
SOLICITORS:	Steinepreis Paganin Level 4, The Read Buildings 16 Milligan Street Perth, WA 6000 Australia Beralt Espana S.A. Paseo Marquesa Viuda de Aldama, 52 28109 Alcobendas (Madrid) Spain

W RESOURCES PLC
CHAIRMANS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014

2014 was a transformational year for W Resources Plc (the "Company" or "W"), with great progress made in achieving our goal of building a European mining company focussed on delivering long term production of tungsten, a key strategic metal with strong fundamentals.

The Company delivered on its key milestones it set out on its Tungsten Projects in both Spain and Portugal, with regard to production, development and exploration with the following key highlights in the year:

- Completion of the construction of the La Parrilla tailings processing facility and the shipment of circa 103 tonnes of tungsten concentrate, generating revenues of circa £1.0 million during 2014
- Awarded a 4-year Trial Mining Licence at Régua and commenced a 2,000 metre diamond core drilling campaign
- Completed a 15km² detailed mapping and an extensive trenching campaign of Crato Assumar Arronches (CAA) / Portalegre, followed by a 1,100 metre scout diamond drilling programme
- Completed a 15 hole drilling programme at Tarouca which delineated high grade zones close to surface

La Parrilla, Spain

Significant progress was made at both the **La Parrilla Mine** and **La Parrilla Tailings Project** in 2014, which are located 260km north of Seville. Management time initially focussed on establishing production from the Tailings Project, from which first production was achieved in April 2014. This was followed by a detailed drilling programme in order to further delineate the mine from which a development and financing strategy can be developed.

In September, W announced plans to develop the world scale tungsten mine in a staged programme in order to maximise use of existing infrastructure, keeping initial capital costs low and target a high rate of return on invested capital. The plan was set out to develop La Parrilla in three stages:

- **Stage 1**: La Parrilla Tailings (completed in March 2014)
- **Stage 2**: Development of a section of the La Parrilla Mine ("Fast Track Mine") in the area adjacent to the current pit utilising existing tailings infrastructure in place delivering a target design level of 800 tonnes of tungsten trioxide ("WO_3") per annum
- **Stage 3**: Large scale La Parrilla Mine development to a current target design level of 2,300 tonnes of WO_3 per annum

Good progress was made over the year, with the conclusion of the infrastructure completed in December, when the Mine was attached to the Spanish national power grid. La Parrilla has an excellent infrastructure base from which to build the mine with power, road and water access and an established laboratory in place in addition to being in close proximity to major Atlantic and Mediterranean ports.

The Company completed the construction of the pre-concentration and concentration plants at its La Parrilla Tailings project in Q1 2014, and initial production of WO_3 concentrate commenced in April. Over the course of the year additional improvements were made to the feed system to ensure a steady feed to the concentration plant in order to improve overall recoveries. To date, W has shipped over 113 tonnes of WO_3 to European customers.

At the start of 2015, the Company commenced a strategic review of its projects and evaluated the most effective way to maximise the development of its projects. The results of this review were that the La Parrilla and Régua mines should be prioritised in order to fast track these mines into production in late 2016 and ramping up to full production in 2017, due to higher than expected feed grades of 0.2% and 0.3% WO_3, respectively.

Mine definition work has commenced on the 2,300 tonne per annum La Parrilla mine development. The initial Fast Track Mine will utilise the infrastructure and the existing concentrate plant built for the initial tailings production, materially reducing capital costs and development timelines.

The next key milestone is the environmental approval expected for the Fast Track Mine by Q4 2015. Approvals for the stage 3 full mine development are proceeding in parallel with this process.

The tailings facility has been transitioned to run on a campaign basis in order to integrate with the development of the mine and to test the ore from both La Parrilla and Régua, with a medium term plan to integrate this into the mining operations, whilst still continuing to deliver production, albeit on a small scale at this stage.

La Parrilla has a Joint Ore Reserves Committee ("JORC") Resource of 47mt at 0.09% WO_3 with a current mine life of 30+ years.

Régua – Tarouca Hub Tungsten Development and Exploration, Portugal

In June 2014, the Company was awarded a 4-year Trial Mining Licence at the Règua deposit in Portugal. The trial licence provided W with the opportunity to develop Régua and further examine the opportunities to integrate it with Tarouca to form a significant mining hub in Northern Portugal, targeting a total of 10 million tonnes of tungsten at 0.3% WO_3 to form the cornerstone of a world class tungsten mine development.

Régua Development, Portugal

Régua is located 133km east of Porto and is a high grade Tungsten deposit.

W commenced a 2,000m diamond core drilling and bulk sampling campaign to appraise lateral and depth extensions to existing mineralisation in November 2014. The bulk samples at surface returned assays of 0.33% to 1.0% WO_3 from an initial 4 tonne sample and the drilling results highlighted 6 zones (compared to expected 3) of tungsten bearing skarn, including 10 metres at 0.6% WO_3. The Régua deposit remains open at depth and on all sides, with significant potential resource growth to the North-East including a 10 metre thick tungsten intersection.

As part of the strategic review announced in February 2015, the focus at Régua is to continue the drilling campaign in order to increase the resource. W proposes that Régua be developed as a fast track mine targeting first production in late 2016, ramping up to full production in 2017.

Régua currently has a JORC Resource of 4.46mt at 0.3% WO_3, with a mine life of up to 10 years. This resource definition will be updated later in 2015.

Tarouca Exploration, Portugal

Tarouca is located 133km east of Porto and W has an experimental mining licence on this project.

After identifying high value targets in the Tarouca exploration programme in 2013, the Company completed a drilling programme between April and June 2014. W drilled 15 holes in the drilling programme which delineated high grade zones close to surface. Hole TAD021 intersected high-grade mineralisation over 3.29 metres at 1.13% WO_3 from 54.55 metres.

Initial evaluation of the recent results, together with the results of the early drilling and sampling programmes have highlighted an outstanding exploration target in the North-Eastern area of the licence between Hole TAD007 and Hole TAD021. W will consolidate and appraise the data with the aim for further targeted drilling in 2015.

Copper-Gold Exploration: CAA / Portalegre, Portugal

CAA / Portalegre is located 200km east of Lisbon, comprising two gold exploration licences.

In April 2014, the Company identified a number of encouraging copper-gold surface values in a rock sampling programme in the CAA / Portalegre area. Gold grades included 1.385 g/t and 0.881 g/t and good surface sample grades of copper included 0.77% and 0.43%.

Subsequent to the rock sampling programme, W commenced a trenching programme focused on the South-Eastern part of the licence area to investigate a 9.5km long trend of strong stream and soil gold anomalies identified during previous programmes in 2012 and 2013. The most significant assay results from Trench TR-13 (Amoreira) showed a 17 metre wide mineralised interval (37-54 metres) with a maximum of 1.52 g/t gold (Au) over 1 metre.

In December 2014, W commenced a 1,100 metre scout drilling programme, completed in April 2015, which showed very encouraging results from the 5 holes drilled. Hole CAAD-05 intersected 16 metres of gold at 1.37 g/t between 124 metres and 140 metres, which is the most significant result in the CAA / Portalegre programme. Three other holes drilled reported low-grade zinc and silver mineralisation, distinct from the gold mineralisation in the other two holes, providing scope for exploration for silver, lead and zinc targets.

Corporate

Mr Michael Garland resigned as a Director of the Company in February 2014 and Mr David Garland was appointed to the Board on 18 December 2014. David brings to the Board a wealth of knowledge in the mineral industry along with solid legal and company secretarial experience.

Finance

During 2014, W completed five placements totalling £2.2 million. The funds raised were used as working capital, to finance the construction of the La Parrilla tailings processing facilities and finance the three Portuguese exploration campaigns.

The Company recorded a loss after taxation of £641,000 in 2014, compared to £253,000 in 2013. The increase in loss after taxation is mainly due to deprecation and associated licences since the La Parrilla tailings processing facility went into operation, and increased finance costs.

A €1.3m trailing payment on the acquisition of the La Parrilla Mine was made in August and the third and final payment of €500k will be made in Q3 2015. W Resources has full title to La Parrilla Mining Concession.

A US$800,000 convertible note facility with Bergen was drawn in October 2014 to facilitate working capital management. The facility has been subsequently fully repaid and the facility terminated. Since the date of the balance sheet a total of £1.975 million has been raised.

Outlook

The four projects in the W portfolio, La Parrilla, Régua, Tarouca and CAA Portalegre have advanced significantly in 2014 and continued well in early 2015. As outlined in our strategic review we expect significant development progress towards production at the La Parrilla and Régua tungsten mines during 2015 and look forward to further exploration success at Tarouca and CAA Portalegre.

I would like to express my gratitude to the diligent experienced teams based in both Spain and Portugal and our valued shareholders for their continued support throughout 2014.

Michael Masterman

Mr M Masterman
Chairman
W Resources Plc

22 May 2015

"Some of the technical information contained in the W Resources Plc Chairman's Statement was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported."

W RESOURCES PLC
GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014

The Directors present their strategic report of the Company and the Group for the year ended 31 December 2014.

REVIEW OF BUSINESS

The results for the year and the financial position of the Group and the Company at the year-end are as shown in the annexed financial statements.

Detailed reviews of activities, business developments and projects are included within the Chairman's Statement.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group uses various financial instruments. These include cash, convertible loans and various other items, such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Company's operations.

The existence of these financial instruments exposes the Company to a number of financial risks, which are described in more detail below. The Directors review and agree policies for managing each of these risks and they are summarised below. These policies have remained unchanged from previous years.

Price Risk

The Directors, consider that the price of tungsten is an area of potential risk. This is reviewed on a constant basis by the Board and Senior Management.

Liquidity Risk

The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

Currency Risk

The Group principally operates in £ and €. It does not currently consider the risk of exposure to be material. As such the Directors do not currently consider it necessary to enter into forward exchange contracts. This situation is monitored on a regular basis.

ON BEHALF OF THE BOARD

Michael Masterman

Mr M Masterman
Chairman
W Resources Plc

22 May 2015

The Directors present their report with the financial statements of the Company and the group for the year ended 31 December 2014.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of tungsten production, exploration and development through its 100% subsidiaries Iberian Resources Spain SL and Australian Iron Ore Plc (and its 100% subsidiary, Iberian Resources Portugal LDA).

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2014.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2014 to the date of this report.

M G Masterman
Dr B Pirola

Other changes in directors holding office are as follows:

M V Garland – resigned 26 February 2014
D R Garland – appointed 18 December 2014

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Michael Masterman
Chairman

Mr Masterman has an exceptional track record in establishing and financing new resources companies. He recently completed the US$1.15bn sale of a 31% interest in the Fortescue Metals Group's majority-owned FMG Iron Bridge iron ore company to Formosa Plastics Group. Following 9 years at McKinsey, and 8 years as an Executive Director of Anaconda Nickel, he has been a founding shareholder at Fortescue Metals Group, Po Valley Energy and Atacama Metals.

Byron Pirola
Non-Executive Director

Director of Port Jackson Partners Limited, a Sydney based strategy management consulting firm. Prior to joining Port Jackson Partners in 1992, Byron spent 6 years with McKinsey & Company working out of the Sydney, New York and London Offices and across the Asian Region. He has extensive experience in advising CEOs and boards of both large public and small developing companies across a wide range of industries and geographies. Byron is a Non-Executive Director of Po Valley Energy Limited.

David Garland
Non-Executive Director

David is the former General Counsel, Secretary and Chief Compliance Officer of Dominion Petroleum Limited (an oil and gas exploration company then listed on the LSE). Before joining Dominion, he had practiced as a barrister for 18 years from Brick Court Chambers, a leading commercial barristers' chambers in London. David was a founder, and is currently General Counsel and a director, of Atacama Metals Holdings Limited, a private Hong Kong registered copper exploration company, with mining concessions and interests, in the Atacama Desert in Chile.

Director's Remuneration

The Directors waived their fees for the year under review.

Directors Service Contracts

All Directors' contracts run until the next Annual General Meeting ("AGM") of the Company where all Directors are required to resign by rotation. There is a 3 month notice period for all Directors. Upon re-election at the AGM, a Director's contract automatically renews for a further 12 months.

DIRECTORS – Directors Service Contracts (Continued)

All Directors have access to the advice and services of the Company's solicitors and the Company Secretary who is responsible for ensuring that all Board procedures are followed. Any Director may take independent professional advice at the Company's expense in the furtherance of his duties.

RETIREMENT BY ROTATION

One third of the Board of Directors retires at every AGM of the Company and is automatically put forward for re-election, unless otherwise voted upon by shareholders.

THE AUDIT COMMITTEE

Prior to 26 February 2014, the Audit Committee, which met no less than twice a year in order to consider the Group's financial reporting (including accounting policies) and internal financial controls, was chaired by Mr Michael Garland, Non-Executive Director. After this date it was chaired by Michael Masterman. Mr David Garland was co-opted on to the committee on 18 December 2014. The Audit Committee is responsible for ensuring that the financial performance of the Group is properly monitored and reported on. The Committee intends to receive reports from management and the external auditors as required.

SIGNIFICANT SHAREHOLDERS

As at the date of the approval of the accounts the Company had been notified of the following interests of 3% or more held in the Company's issued share capital:

Shareholders	Shares	Percent
M Masterman *	696,482,303	21.94
Hansource Investments Ltd	333,333,333	10.5
Beronia Investments Pty Ltd (Dr B Pirola) **	196,876,415	6.20
H Gibson *	174,066,866	5.48

** Related party*
*** Includes related party interests*

CORPORATE GOVERNANCE

The Company is continually developing appropriate corporate governance procedures relevant to the size and stage of its development. The following description of corporate governance procedures reflects the Company’s present policies in this area.

THE BOARD OF DIRECTORS

The Board of Directors is currently composed of three members; one Executive Director and two Non-Executive Directors including the Chairman, Michael Masterman (Executive Director), who has a wealth of minerals exploration and development experience; the Non-Executive Director Dr Byron Pirola similarly has a wealth of experience either in the minerals industry or in finance and corporate development. The other Non-Executive Director, David Garland, has a wealth of experience in both the minerals industry and in the legal field. The structure of the Board ensures that no one individual or Group dominates the decision-making process.

BOARD MEETINGS

The Board meets on a regular basis, providing effective leadership and overall management of the Group’s affairs through the schedule of matters reserved for its decision. This includes the approval of the Company’s forecast and budget, major capital expenditure, risk management policies and the approval of the financial statements. Formal agendas, papers and reports are sent to the Directors in a timely manner, prior to Board meetings. The Board delegates certain responsibilities to the Board committees which have clearly defined terms of reference, which is listed below.

THE REMUNERATION COMMITTEE

The Remuneration Committee, comprised of the Non-Executive Directors Dr Byron Pirola (Chair) and Mr Michael Garland prior to 26 February 2014. Mr David Garland was co-opted on to the Committee on 18 December 2014. The Remuneration Committee meets at least once a year and is responsible for making recommendations to the Board of Directors, on senior Executives’ remuneration. Non-Executive Directors’ remuneration and conditions of engagement were considered and agreed by the Board. Financial packages for Executive Directors are established by reference to prevailing market conditions and performance of each Executive Director.

INTERNAL CONTROLS

The Directors acknowledge their responsibility for the Company's system of internal controls and for reviewing their effectiveness. These internal controls are designed to safeguard the assets of the Company and to ensure the reliability of financial information for external publication. Since the Company was formed, the Directors have been satisfied that, given the current size and activities of the Company, adequate internal controls have been established. Whilst they are aware that no system can provide absolute assurance against material misstatement or loss, in light of increased activity and further development of the Company, continuing reviews of internal controls will be undertaken to ensure that they are adequate and effective.

ENVIRONMENTAL RESPONSIBILITY

The Company recognises its role as a mining and exploration company and is aware of the potential impact that its subsidiary company may have on the environment. The Company ensures that its subsidiary companies comply with the local regulatory requirements with regard to the environment.

RELATIONS WITH SHAREHOLDERS

The Board attaches great importance to maintaining good relationships with its shareholders. Extensive information about the Company's activities is included in the Annual Report and accounts will be sent to all shareholders. Market sensitive information is regularly released to all shareholders concurrently in accordance with the AIM Rules for Companies. The AGM will provide an opportunity for all shareholders to communicate with and to question the Board on any aspect of the Group's activities. The Company maintains a corporate website www.wresources.co.uk where information on the Company is regularly updated and all announcements are posted. The Company welcomes communication from both its private and institutional shareholders.

The Notice of the Company's AGM will be distributed to shareholders together with the Annual Report in due course. Full details of the Resolutions proposed at that meeting will be found within the Notice.

SUPPLIER PAYMENT POLICY

It is the Company's policy to settle the terms of payment with suppliers when agreeing terms of the transaction, to ensure that suppliers are aware of these terms and to abide by them.

GOING CONCERN

The Directors are satisfied that the Group has sufficient resources to meet its commitments in the foreseeable future. The financial statements have therefore been prepared on the going concern basis.

EVENTS SINCE THE BALANCE SHEET DATE

The Company has made placements of £1.4 million, £200,000 and £375,000. The Bergen Convertible loan note of US$800,000 (£513,000) has been repaid.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state that the financial statements comply with IFRS; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

AUDITORS

The auditors, Chapman Davis LLP will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD

Michael Masterman

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Mr M Masterman
Chairman
W Resources Plc

22 May 2015

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF W RESOURCES PLC

We have audited the financial statements of W Resources PLC for the year ended 31 December 2014 which comprise the Consolidated Income Statement and other comprehensive income, the Consolidated and Company Statements of Financial Position, the Consolidated and Company Statements of Changes in Equity, the Consolidated and Company Statements of Cash Flow and the related notes 1 to 22. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page six, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Group Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2014 and of the group's loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Rowan J Palmer (Senior Statutory Auditor)
For and on behalf of Chapman Davis LLP, Statutory Auditor
Chartered Accountants
2 Chapel Court, London SE1 1HH

Date: 22 May 2015

W RESOURCES PLC
CONSOLIDATED INCOME STATEMENT AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £'000s	2013 £'000s
CONTINUING OPERATIONS			
Revenue	2	964	-
Cost of sales		(1,098)	-
GROSS LOSS		(134)	-
Administrative expenses		(353)	(255)
OPERATING LOSS		(487)	(255)
Finance costs	4	(155)	-
Finance income	4	1	2
LOSS BEFORE INCOME TAX	5	(641)	(253)
Income tax	6	-	-
LOSS FOR THE YEAR		(641)	(253)
OTHER COMPREHENSIVE INCOME			
Item that will not be reclassified to profit or loss:			
Translation reserve		(754)	(99)
Income tax relating to item of other comprehensive income		-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		(754)	(99)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(1,395)	(352)
Loss attributable to:			
Owners of the parent		(641)	(253)
Total comprehensive income attributable to:			
Owners of the parent		(1,395)	(352)
Earnings per share expressed in pence per share:	8		
Basic		-0.03	-0.01
Diluted		-0.03	-0.01

The notes form part of these financial statements

W RESOURCES PLC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2014

	Notes	2014 £'000s	2013 £'000s
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	9	6,942	5,437
Property, plant and equipment	10	2,037	1,448
Investments	11	-	-
		8,979	6,885
CURRENT ASSETS			
Inventories	12	52	-
Trade and other receivables	13	848	599
Cash and cash equivalents	14	283	1,423
		1,183	2,022
TOTAL ASSETS		10,162	8,907
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	15	2,420	2,087
Share premium	16	17,913	16,075
Share warrant reserve	16	77	-
Merger reserve	16	909	909
Translation reserve	16	(853)	(99)
Retained earnings	16	(12,731)	(12,090)
TOTAL EQUITY		7,735	6,882
LIABILITIES			
NON-CURRENT LIABILITIES			
Trade and other payables	17	-	416
CURRENT LIABILITIES			
Trade and other payables	17	1,914	1,595
Financial liabilities – borrowings			
Non-Interest bearing loans and borrowings	18	513	-
Tax payable		-	14
		2,427	1,609
TOTAL LIABILITIES		2,427	2,025
TOTAL EQUITY AND LIABILITIES		10,162	8,907

The financial statements were approved by the Board of Directors on 22 May 2015 and were signed on its behalf by:

Michael Masterman

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Mr M Masterman
Chairman
W Resources Plc

W RESOURCES PLC
COMPANY STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2014

	Notes	2014 £'000s	2013 £'000s
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	9	-	-
Property, plant and equipment	10	-	-
Investments	11	1,520	1,520
		1,520	1,520
CURRENT ASSETS			
Trade and other receivables	13	7,774	4,437
Cash and cash equivalents	14	65	1,237
		7,839	5,674
TOTAL ASSETS		9,359	7,194
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	15	2,420	2,087
Share premium	16	17,913	16,075
Share warrant reserve	16	77	-
Merger reserve	16	909	909
Retained earnings	16	(12,636)	(12,086)
TOTAL EQUITY		8,683	6,985
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	17	163	209
Financial liabilities – borrowings			
Non-Interest bearing loans and borrowings	18	513	-
		676	209
TOTAL LIABILITIES		676	209
TOTAL EQUITY AND LIABILITIES		9,359	7,194

The financial statements were approved by the Board of Directors on 22 May 2015 and were signed on its behalf by:

Michael Masterman

Mr M Masterman
Chairman
W Resources Plc

The notes form part of these financial statements

W RESOURCES PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2014

	Called Up Share Capital £'000s	Retained Earnings £'000s	Share Premium £'000s
Balance at 1 January 2013	1,582	(11,837)	12,292
Changes in equity			
Issue of share capital	505	-	3,783
Total comprehensive income	-	(253)	-
Balance at 31 December 2013	2,087	(12,090)	16,075
Changes in equity			
Issue of share capital	333	-	1,838
Total comprehensive income	-	(641)	-
Balance at 31 December 2014	2,420	(12,731)	17,913

	Share Warrant Reserve £'000s	Merger Reserve £'000s	Translation Reserve £'000s	Total Equity £'000s
Balance at 1 January 2013	-	909	-	2,946
Changes in equity				
Issue of share capital	-	-	-	4,288
Total comprehensive income	-	-	(99)	(352)
Balance at 31 December 2013	-	909	(99)	6,882
Changes in equity				
Issue of share capital	-	-	-	2,171
Total comprehensive income	-	-	(754)	(1,395)
Warrants granted	77	-	-	77
Balance at 31 December 2014	77	909	(853)	7,735

The notes form part of these financial statements

W RESOURCES PLC
COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2014

	Called Up Share Capital £'000s	Retained Earnings £'000s	Share Premium £'000s
Balance at 1 January 2013	1,582	(11,862)	12,292
Changes in equity			
Issue of share capital	505	-	3,783
Total comprehensive income	-	(224)	-
Balance at 31 December 2013	2,087	(12,086)	16,075
Changes in equity			
Issue of share capital	333	-	1,838
Total comprehensive income	-	(550)	-
Balance at 31 December 2014	2,420	(12,636)	17,913

	Share Warrant Reserve £'000s	Merger Reserve £'000s	Total Equity £'000s
Balance at 1 January 2013	-	909	2,921
Changes in equity			
Issue of share capital	-	-	4,288
Total comprehensive income	-	-	(224)
Balance at 31 December 2013	-	909	6,985
Changes in equity			
Issue of share capital	-	-	2,171
Total comprehensive income	-	-	(550)
Warrants granted	77	-	77
Balance at 31 December 2014	77	909	8,683

The notes form part of these financial statements

W RESOURCES PLC
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £'000s	2013 £'000s
Cash flows from operating activities			
Cash generated from operations	1	(1,050)	(741)
Finance costs paid		(155)	-
Tax paid		(14)	-
Net cash from operating activities		(1,219)	(741)
Cash flows from investing activities			
Purchase of intangible fixed assets		(2,016)	(1,366)
Purchase of tangible fixed assets		(745)	(1,434)
Interest received		1	2
Net cash from investing activities		(2,760)	(2,798)
Cash flows from financing activities			
New loans in year		512	-
Amount introduced by directors		156	-
Share issue		333	505
Share issue premium		1,909	3,783
Share issue costs		(71)	-
Net cash from financing activities		2,839	4,288
(Decrease) / increase in cash and cash equivalents		(1,140)	749
Cash and cash equivalents at beginning of year	2	1,423	674
Cash and cash equivalents at end of year	2	283	1,423

The notes form part of these financial statements

W RESOURCES PLC
COMPANY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £'000s	2013 £'000s
Cash flows from operating activities			
Cash generated from operations	1	(3,990)	(3,666)
Interest paid		(5)	(11)
Finance costs paid		(155)	-
Net cash from operating activities		(4,150)	(3,677)
Cash flows from investing activities			
Interest received		295	129
Net cash from investing activities		295	129
Cash flows from financing activities			
New loans in year		512	-
Share issue		333	505
Share issue premium		1,909	3,783
Share issue costs		(71)	-
Net cash from financing activities		2,683	4,288
(Decrease) / increase in cash and cash equivalents		(1,172)	740
Cash and cash equivalents at beginning of year	2	1,237	497
Cash and cash equivalents at end of year	2	65	1,237

The notes form part of these financial statements

1. RECONCILIATION OF LOSS BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

Group	**2014**	**2013**
	£'000s	**£'000s**
Loss before income tax	(641)	(253)
Depreciation charges	102	13
Share based payment	77	-
Translation reserve	(188)	(139)
Finance costs	155	-
Finance income	(1)	(2)
	(496)	(381)
Increase in inventories	(52)	-
Increase in trade and other receivables	(249)	(438)
(Decrease) / increase in trade and other payables	(253)	78
Cash generated from operations	(1,050)	(741)

Company	**2014**	**2013**
	£'000s	**£'000s**
Loss before income tax	(550)	(224)
Share based payment	77	-
Increase in inter-group loans	(3,341)	(3,366)
Finance costs	160	11
Finance income	(295)	(129)
	(3,949)	(3,708)
Decrease / (increase) in trade and other receivables	4	(16)
(Decrease) / increase in trade and other payables	(45)	58
Cash generated from operations	(3,990)	(3,666)

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statements of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

	Group		**Company**	
Year ended 31 December 2014				
	31.12.14	**1.1.14**	**31.12.14**	**1.1.14**
	£'000s	**£'000s**	**£'000s**	**£'000s**
Cash and cash equivalents	283	1,423	65	1,237
Year ended 31 December 2013				
	31.12.14	**1.1.14**	**31.12.14**	**1.1.14**
	£'000s	**£'000s**	**£'000s**	**£'000s**
Cash and cash equivalents	1,423	674	1,237	497

1. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

These financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations as adopted by the European Union and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

The most recently issued standards and interpretations from the IASB and IFRIC are:

- Amendment to IAS 1, 'Presentation of financial statements - Presentation of items of other comprehensive income' - Effective 1 July 2012
- IFRS 13, 'Fair value measurement' - Effective 1 January 2013
- IAS 19 (revised), 'Employee benefits' - Effective 1 January 2013
- Amendment to IFRS 1, 'First-time adoption of International Financial Reporting Standards - government loans - Effective 1 January 2013
- Amendment to IFRS 7, 'Financial instruments: Disclosures - Offsetting financial assets and financial liabilities' - Effective 1 January 2013
- IFRIC 20, 'Stripping costs in the production phase of a surface mine' - Effective 1 January 2013
- Annual Improvements 2011 - Effective 1 January 2013
- IFRS 10, 'Consolidated financial statements' - 1 January 2014
- IFRS 11, 'Joint arrangements' - 1 January 2014
- IFRS 12, 'Disclosure of interests in other entities' - 1 January 2014
- Amendments to IFRS 10, IFRS 11 and IFRS 12 - Transition guidance - 1 January 2014
- IAS 27 (revised), 'Separate financial statements' - 1 January 2014
- IAS 28 (revised), 'Investments in associates and joint ventures' - 1 January 2014
- Amendment to IAS 32, 'Financial instruments: Presentation' - Offsetting financial assets and financial liabilities - 1 January 2014
- Amendments to IFRS 10, IFRS 12 and IAS 27 - Investment entities - 1 January 2014
- Amendments to IAS 36, 'Impairment of assets' - Recoverable amount disclosures for non-financial assets - 1 January 2014
- Amendment to IAS 39, 'Financial instruments: Recognition and measurement' - Novation of derivatives and continuation of hedge accounting - 1 January 2014
- IFRIC 21, 'Levies' - 1 January 2014
- Amendment to IAS 19, 'Defined benefit plans: Employee contributions' - 1 July 2014
- Amendment to IFRS 9, 'Financial instruments: Hedge accounting and amendments to IFRS 7 and IAS 39 - To be decided
- Annual improvements 2012 - 1 January 2014
- Annual improvements 2013 - 1 January 2014
- None of the implemented or proposed standards or interpretations have any impact on the financial statements of the Group.

Basis of consolidation

The Group financial statements consolidate the financial statements of the Company, Iberian Resources Spain SL, Australian Iron Ore Plc, Iberian Resources Portugal LDA and Caspian USA Inc (a subsidiary although that company did not trade during the year under review). Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so to obtain benefits from its activities. The financial statements of the subsidiary is included in the consolidated financial statements from the date that control commences until the date that control ceases.

Joint operations are activities where the Group has joint control, established by contractual agreement. The consolidated financial statements include the Group's share of the entities' assets, liabilities, revenue and expenses with items of similar nature on a line by line basis, from the date that joint control commences until joint control ceases.

All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

The Group share of the losses of any associated companies are included in the loss for the year.

1. ACCOUNTING POLICIES (Continued)

Exploration and evaluation costs

The Group has adopted IFRS 6 "Exploration for and evaluation of mineral resources".

The Group follows the successful efforts method of accounting for exploration and evaluation costs. All licence, acquisition, exploration and evaluation costs are initially capitalised as intangible fixed assets in cost centres by field pending determination of the commercial viability of the relevant prospect. Directly attributable costs not specific to any particular licence or prospect are expensed as incurred.

An exploration and evaluation asset is assessed for impairment when facts and circumstances suggest that the carrying amount may exceed its recoverable amount. Such triggering events are defined in IFRS 6 and include the point at which a determination is made as to whether commercial reserves exist, in which case discounted future cash flow projections are prepared to assist in determining recoverable amount.

If prospects are deemed to be impaired ("unsuccessful") on completion of evaluation, the associated costs are charged to the income statement. If the prospect is determined to be commercially viable, the attributable costs are transferred to Fixed Assets in single prospect cost centres. These assets are then amortised on a unit of production basis.

Property, plant and equipment

All fixed assets are subject to annual impairment and fair value review.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under finance lease, over the lease term, whichever is the shorter. No depreciation has been provided on the tailings project processing plant at La Parrilla in Spain as they had not commenced operations.

Motor Vehicles	5-10 years
Plant and equipment	3-10 years
Furniture and other equipment	3-10 years

Financial instruments

Charges for the granting of warrants over shares in the Company are based on the value of the services provided.

Inventories

Inventories are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

The tax charge is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, in the future. In particular:

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.
- Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable.
- Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.
- Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1. ACCOUNTING POLICIES (Continued)

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the statement of comprehensive income on a straight line basis over the period of the lease.

Accounting judgements and estimation uncertainty

The preparation of the financial statements requires the Directors to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Information about significant areas of estimation uncertainty that have the most significant effect on the amounts recognised in the financial statements are described within the relevant accounting policies.

Presentation of financial statements

The Group applies revised IAS 1, "Presentation of Financial Statements" which became effective as of 1 July 2012. As a result the Group presents in the consolidated statement of changes in equity all owner changes in equity, whereas all non-owner changes in equity are presented in the consolidated statement of comprehensive income.

Entities are permitted to choose whether to present one performance statement (the statement of comprehensive income) or two statements (the incoming statement and the statement of comprehensive income). The Group has elected to present one statement.

W Resources Plc (the "Company") is a company domiciled in the United Kingdom and incorporated in England. The financial information of the Company and of the Company and its subsidiaries (together referred to as the "Group") for the year ended 31 December 2014 are presented in the functional currency, Sterling £'000s.

The Group financial statements consolidate those of the Company and its subsidiaries. The parent company financial statements present, in addition, information about the Company as a separate entity in publishing the parent company financial statements together with the Group financial statements, the Company has taken advantage of the exemption in Section 408 (4) of the Companies Act 2006 not to present its individual income statement and related notes that form a part of these approved financial statements.

The financial statements were authorised for issue by the Directors on 22 May 2015.

Statement of compliance

Both the parent company financial statements and the Group financial statements have been prepared and approved by the Directors in accordance with international Financial Reporting Standards and their interpretation as adopted by the EU ("adopted IFRS").

Business combinations

Acquisition of subsidiaries or businesses are accounted for using the acquisition method. The cost of the acquisition is measured at the aggregate of the fair values at the date of exchange of assets given, liabilities incurred or assumed and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition related costs are recognised in the Profit and Loss account as incurred.

Going Concern

The Directors are satisfied that the Group has sufficient resources to continue its operation and to meet its commitments in the foreseeable future. The financial statements have therefore been prepared on the going concern basis.

Segmental Reporting

The Groups results and Net Assets are split geographically between Iberia (Spain and Portugal) and the United Kingdom.

1. ACCOUNTING POLICIES (Continued)

All costs relate to Mineral Exploration and Corporate costs, therefore no further categorisation is required.

Production costs and sales recognition during plant ramp-up period

Construction of the tailings processing plants at the Company's La Parrilla mine was completed on 31 March 2014, and commercial production of tungsten concentrate commenced on 1 April 2014. During the processing plants ramp-up period, being the date from when plant construction was completed until the processing ability of the plants will attain optimum capacity, costs associated with the production of mineral concentrate have been capitalised as intangible assets. The revenue from mineral concentrate sales during this ramp-up period have been recognised as sales revenues in the profit and loss account, and an amount of the capitalised production costs equivalent to the sales revenues has been charged to cost of sales to record a zero margin on those sales. Once optimum plant capacity has been attained the remaining balance of the capitalised production costs will be amortised over the remaining expected useful life of the plant. At 31 December 2014, the La Parrilla tailings processing plant had not yet attained optimum production capacity.

2. SEGMENTAL REPORTING

2013		Corporate £'000s	Mineral Exploration £'000s	Total £'000s
By Business Segment:				
Loss for the year		(211)	(42)	(253)
Balance Sheet	- Segment Assets	1,265	7,643	8,908
	- Segment Liabilities	(97)	(1,929)	(2,026)
Net Assets		1,168	5,714	6,882

		Iberia £'000s	UK £'000s	Total £'000s
By Geographical Sector:				
Loss for the year		(42)	(211)	(253)
Balance Sheet	- Tangibles	1,448	-	1,448
	- Intangibles	5,437	-	5,437
	- Other	758	1,265	2,203
	- Segment Liabilities	(1,929)	(97)	(2,026)
Net Assets		5,714	1,168	6,882

2014		Corporate £'000s	Mineral Exploration £'000s	Total £'000s
By Business Segment:				
Loss for the year		(459)	(182)	(641)
Balance Sheet	- Segment Assets	88	10,074	10,162
	- Segment Liabilities	(564)	(1,863)	(2,427)
Net Assets		(476)	8,211	7,735

		Iberia £'000s	UK £'000s	Total £'000s
By Geographical Sector:				
Loss for the year		(182)	(459)	(641)
Balance Sheet	- Tangibles	2,037	-	2,037
	- Intangibles	6,942	-	6,942
	- Other	1,095	88	1,183
	- Segment Liabilities	(1,863)	(564)	(2,427)
Net Assets		8,211	(476)	7,735

3. EMPLOYEES AND DIRECTORS

There were no staff costs for the year ended 31 December 2014 nor for the year ended 31 December 2013.

The average monthly number of employees during the year was as follows:

	2014	2013
Management and administration	3	4

	2014 £'000s	2013 £'000s
Directors' remuneration	-	-

4. NET FINANCE COSTS

	2014 £'000s	2013 £'000s
Finance income:		
Deposit account interest	1	2
Finance costs:		
Share based payment charge	77	-
Commencement fees	78	-
	155	-
Net finance costs	154	(2)

5. LOSS BEFORE INCOME TAX

The loss before income tax is stated after charging / (crediting):	2014 £'000s	2013 £'000s
Other operating leases	4	4
Depreciation – owned assets	65	-
Intangible assets amortisation	36	13
Auditors' remuneration	19	20
Auditors' remuneration for non audit work	2	1

6. INCOME TAX

Analysis of tax expense

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2014 nor for the year ended 31 December 2013.

Factors affecting the tax expense

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2014 £'000s	2013 £'000s
Loss on ordinary activities before income tax	(641)	(253)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21.5% (2013 – 23%)	(138)	(58)
Effects of:		
Share based payment disallowed	17	-
Benefit of losses brought forward	(3,151)	(3,093)
Benefit of losses carried forward	(3,272	3,151
Tax expense	-	-

7. LOSS OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the income statement of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year was £(549,310) (2013 - £(224,834)).

8. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is calculated using the weighted average number of shares adjusted to assume the conversion of all dilutive potential ordinary shares.

Reconciliations are set out below.

2014	Earnings £'000s	Weighted Average Number of Shares	Per-share Amount Pence
Basic EPS			
Earnings attributable to ordinary shareholders	(641)	2,216,948,161	-0.03
Effect of dilutive securities	-	-	-
Diluted EPS			
Adjusted earnings	(641)	2,216,948,161	-0.03

2013	Earnings £'000s	Weighted Average Number of Shares	Per-share Amount Pence
Basic EPS			
Earnings attributable to ordinary shareholders	(253)	1,844,441,008	-0.01
Effect of dilutive securities	-	-	-
Diluted EPS			
Adjusted earnings	(253)	1,844,441,008	-0.01

9. INTANGIBLE ASSETS

GROUP	Intangible Assets £'000s
COST	
At 1 January 2014	5,450
Additions	2,016
Exchange differences	(476)
At 31 December 2014	6,990
AMORTISATION	
At 1 January 2014	13
Amortisation for year	36
Exchange differences	(1)
At 31 December 2014	48
NET BOOK VALUE	
At 31 December 2014	6,942

9. INTANGIBLE ASSETS (Continued)

	Intangible Assets £'000s
COST	
At 1 January 2013	2,548
Additions	2,862
Exchange differences	40
At 31 December 2013	5,450
AMORTISATION	
Amortisation for year	13
At 31 December 2013	13
NET BOOK VALUE	
At 31 December 2013	5,437

Group

The above represents capitalised testing works and concessions costs acquired.

10. PROPERTY, PLANT AND EQUIPMENT

GROUP	Plant & Machinery £'000s	Fixtures & Fittings £'000s	Motor Vehicles £'000s	Total £'000s
COST				
At 1 January 2014	1,512	13	6	1,531
Additions	745	-	-	745
Exchange differences	(96)	-	-	(96)
At 31 December 2014	2,161	13	6	2,180
DEPRECIATION				
At 1 January 2014	64	13	6	83
Charge for year	65	-	-	65
Exchange differences	(5)	-	-	(5)
At 31 December 2014	124	13	6	143
NET BOOK VALUE				
At 31 December 2014	2,037	-	-	2,037

	Plant & Machinery £'000s	Fixtures & Fittings £'000s	Motor Vehicles £'000s	Total £'000s
COST				
At 1 January 2013	78	13	6	97
Additions	1,434	-	-	1,434
At 31 December 2013	1,512	13	6	1,531
DEPRECIATION				
At 1 January 2013 and 31 December 2013	64	13	6	83
NET BOOK VALUE				
At 31 December 2013	1,448	-	-	1,448

11. INVESTMENTS

COMPANY	Shares in Group Undertakings £'000s
COST	
At 1 January 2014 and 31 December 2014	1,520
NET BOOK VALUE	
At 31 December 2014	1,520
At 31 December 2013	1,520

	Shares in Group Undertakings £'000s
COST	
At 1 January 2013 and 31 December 2013	1,520
NET BOOK VALUE	
At 31 December 2013	1,520

The group or the Company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Subsidiaries	% Holding	2014 £'000s	2013 £'000s
Iberian Resources Spain SL			
Country of incorporation: Spain			
Nature of business: Tungsten mining, production & exploration			
Class of shares: Ordinary	100.00		
Aggregate capital and reserves		(589)	(16)
Australian Iron Ore Plc (Group)			
Nature of business: Tungsten mining exploration, development			
Class of shares: Ordinary	100.00		
Aggregate capital and reserves		402	722
Caspian USA Inc			
Country of incorporation: United States of America			
Nature of business: Oil exploration			
Class of shares: Ordinary	100.00		
Iberian Resources Portugal LDA			
Country of incorporation: Portugal			
Nature of business: Mineral exploration			
Class of shares: Australian Iron Ore Plc owns	100.00		
Aggregate capital and reserves		282	590
Associated company			
Black Gold of Kentucky Inc			
Country of incorporation: United States of America			
Nature of business: Oil exploration			
Class of shares: Ordinary	50.00		

12. INVENTORIES

	Group	
	2014	2013
	£'000s	£'000s
Concentrate for re-sale	52	-

13. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2014	2013	2014	2013
	£'000s	£'000s	£'000s	£'000s
Current:				
Trade debtors	40	-	-	-
Amounts owed by group undertakings	-	-	7,754	4,413
Other debtors	779	546	7	2
Prepayments	29	53	13	22
	848	599	7,774	4,437

14. CASH AND CASH EQUIVALENTS

	Group		Company	
	2014	2013	2014	2013
	£'000s	£'000s	£'000s	£'000s
Bank deposit account	-	49	-	49
Bank accounts	283	1,374	65	1,188
	283	1,423	65	1,237

15. CALLED UP SHARE CAPITAL

Allotted and issued:

Number	Class	Nominal Value	2014 £'000s	2013 £'000s
2,419,770,833	Ordinary	0.1p	2,420	2,087

332,352,525 Ordinary Shares of 0.1p were issued during the year for cash as follows:

- On 19 May 2014, 97,000,000 Ordinary Shares of 0.1p each were issued at a premium of 0.70p raising £776,000.
- On 4 August 2014, 121,000,000 Ordinary Shares of 0.1p each were issued at a premium of 0.70p raising £968,000.
- On 13 August 2014, 33,125,000 Ordinary Shares of 0.1p each were issued at a premium of 0.70p raising £265,000.
- On 22 October 2014, 12,167,029 Ordinary Shares of 0.1p each were issued at a premium of 0.44p raising £77,954.
- On 22 October 2014, 26,260,163 Ordinary Shares of 0.1p each were issued raising £26,260.
- On 24 December 2014, 42,800,333 Ordinary Shares of 0.1p each were issued at a premium of 0.20p raising £128,401.

16. RESERVES

GROUP	Retained Earnings £'000s	Share Premium £'000s	Share Warrant Reserve £'000s
At 1 January 2014	(12,090)	16,075	-
Deficit for the year	(641)		
Cash share issue	-	1,909	-
Cost of share warrants issued	-	-	77
Share issue costs	-	(71)	-
At 31 December 2014	(12,731)	17,913	77

GROUP	Merger Reserve £'000s	Translation Reserve £'000s	Totals £'000s
At 1 January 2014	909	(99)	4,795
Deficit for the year			(641)
Cash share issue	-	-	1,909
Cost of share warrants issued	-	-	77
Share issue costs	-	-	(71)
Transfer to translation reserve	-	(754)	(754)
At 31 December 2014	909	(853)	5,315

COMPANY	Retained Earnings £'000s	Share Premium £'000s	Share Warrant Reserve £'000s
At 1 January 2014	(12,086)	16,075	-
Deficit for the year	(550)		
Cash share issue	-	1,909	-
Cost of share warrants issued	-	-	77
Share issue costs	-	(71)	-
At 31 December 2014	(12,636)	17,913	77

COMPANY	Merger Reserve £'000s	Totals £'000s
At 1 January 2014	909	4,898
Deficit for the year		(550)
Cash share issue	-	1,909
Cost of share warrants issued	-	77
Share issue costs	-	(71)
At 31 December 2014	909	6,263

17. TRADE AND OTHER PAYABLES

	Group		Company	
	2014	**2013**	**2014**	**2013**
Current	**£'000s**	**£'000s**	**£'000s**	**£'000s**
Trade creditors	1,343	493	26	75
Amounts owed to group undertakings	-	-	116	117
Other creditors	390	1,080	-	-
Accrued expenses	25	22	21	17
Directors' loan accounts	156	-	-	-
	1,914	1,595	163	209
Non-current:				
Other creditors	-	416	-	-
	-	416	-	-
Aggregate amounts	1,914	2,011	163	209

Included in Other Creditors is £389,408 in respect of the deferred consideration due on the acquisition of La Parrilla Mine.

18. FINANCIAL LIABILITIES – BORROWINGS

The Company issued a Convertible Zero interest Security with a nominal value of US$800,000 (£513,000) to Bergen Global Opportunity Fund LP ("Bergen") a New York based institutional investment fund.

This security may be converted at the option of Bergen into Ordinary Shares, but before any such conversion occurred, this has been fully repaid since the year end.

19. RELATED PARTY DISCLOSURES

During the year the Directors acquired the following Ordinary 0.1p Shares in Placings:

M Masterman	24,000,000
M Garland	-
B Pirola	15,250,000

On 20 October 2014, Beronia Investments Pty of which Dr Byron Pirola (a director of the Company) is both a beneficiary and a trustee, lent Iberian Resources Spain SL a short term loan of €200,000 to cover VAT receivables. This is repayable at any time and has an interest rate of 5% per annum.

Since the balance sheet date the following Ordinary 0.1p Shares were acquired by the Directors:

M Masterman	130,666,666
D Garland	-
B Pirola	41,666,666

20. EVENTS AFTER THE REPORTING PERIOD

The Company has made additional placements of £1.4 million £200,000 and £375,000. The Bergen Convertible Loan note of US$800,000 (£513,000) has been repaid.

21. SHARE WARRANTS

On 28 June 2013, the Company issued warrants to its broker SI Capital (then trading as Simple CFDS Limited) conferring the right to subscribe for 10,000,000 shares at £0.0150 per share to be exercised in the period up to 28 June 2015. At the Balance Sheet date none of these rights have been exercised.

In respect of these warrants, a charge to share issue costs and the creation of a share-based payments reserve has not been effected as it is deemed not material.

21. SHARE WARRANTS (Continued)

On 15 October 2014, the Company issued warrants to Bergen Global Opportunity LP conferring the right to subscribe for 28,000,000 shares at £0.0127 per share to be exercised in the period up to 15 October 2016. At the Balance sheet date, none of these rights have been exercised.

In respect of these warrants, a charge to finance costs and the creation of a share-based payments reserve of £77,000 has been effected.

22. FINANCIAL INSTRUMENTS

The Board of Directors determine, as required, the degree to which it is appropriate to use financial instruments to mitigate risk. Currently the Company's principal financial instruments comprise cash and equity capital.

The Company does not enter into complex derivatives to manage risk.

Foreign currency risk

Foreign exchange risk arises because the Group has operations located in various parts of the world whose functional currency is not the same as the functional currency in which the parent company is operating. The Group's net assets are exposed to currency risk giving rise to gains or losses on retranslation into sterling.

Liquidity risk

The Company's policy throughout the year has been to ensure that it has adequate liquidity by careful management of its working capital.