



22 May 2015

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

Final Results for the Year Ended 31 December 2014

W Resources Plc (AIM:WRES), the tungsten, copper and gold production, exploration and development company with assets in Spain and Portugal, announces its audited financial results for the year ended 31 December 2014.

In 2014, W made great progress towards achieving its goal of building a European mining company focussed on delivering long term production of tungsten, a key strategic metal with strong fundamentals.

Highlights

- **La Parrilla Mine:** excellent mine infrastructure now in place, which was completed in December when the mine was connected to the Spanish national power grid. Mine development is underway for the Fast Track Mine to deliver first production in late 2016
- **La Parrilla tailings:** processing facility completed and the shipment of circa 103 tonnes of tungsten concentrate was delivered to customers by year-end, generating revenues of circa £1.0 million. This is now running on a campaign basis as part of the development of the La Parrilla and Régua mines
- **Régua:** awarded a 4-year Trial Mining Licence and the 2,000 metre diamond core drilling campaign commenced
- 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
- **Tarouca:** Completed a 15 hole drilling programme which delineated high grade zones close to surface
- **Funding:** raised £2.2 million via five placings during 2014

Post year-end

- The Bergen facility has been repaid in full and the facility thus terminated
- £1.975 million has been raised since the date of the balance sheet

Chairman of W, **Michael Masterman** commented: "W's four projects advanced significantly in 2014 with La Parrilla, Régua, Tarouca and CAA / Portalegre continuing to make good progress into early 2015. As outlined in our strategic review earlier this year, 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. With the strong results recently reported at CAA / Portalegre, we are reviewing the next phase of exploration and W has invited a number of companies to evaluate farming into the advanced exploration project."

Financial Statements for the Year Ended 31 December 2014

A full copy of the W Resources Consolidated Financial Statements for the year ended 31 December 2014 is available on the Company's website at www.wresources.co.uk and an extract of the Consolidated Financial Statements for the year ended 31 December 2014 is presented below.

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About W

In 2012, W Resources Plc (AIM:WRES) made the successful transition into a tungsten production exploration and development company with projects in Spain and Portugal, following two acquisitions. Projects now include La Parrilla, a tungsten project in Spain and Régua and Tarouca Tungsten projects and the CAA / Portalegre copper-gold project in Portugal.

The Company's deposits and tungsten mine developments offer a low cost, high margin resource development opportunity due to a strong market following for Tungsten, increased trading and a forecast shortage of supply. The price of tungsten has more than doubled in past three years and is in the top 5 critical metals list.

The Board is focused to explore further opportunities in the region with a view to building a mid-tier minor metal producer.

The Company was incorporated in England and Wales in 2004.

CHAIRMANS STATEMENT

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 (“WO₃”) per annum
- **Stage 3:** Large scale La Parrilla Mine development to a current target design level of 2,300 tonnes of WO₃ 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 WO₃ 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 WO₃ 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% WO₃, 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% WO₃ 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 Régua 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% WO₃ 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% WO₃ 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% WO₃. 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% WO₃, 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% WO₃ 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 depreciation 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.



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.”

**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		<u>(1,098)</u>	<u>-</u>
GROSS LOSS		(134)	-
Administrative expenses		<u>(353)</u>	<u>(255)</u>
OPERATING LOSS		(487)	(255)
Finance costs	4	(155)	-
Finance income	4	<u>1</u>	<u>2</u>
LOSS BEFORE INCOME TAX	5	(641)	(253)
Income tax	6	<u>-</u>	<u>-</u>
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		<u>-</u>	<u>-</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		<u>(754)</u>	<u>(99)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(1,395)</u>	<u>(352)</u>
Loss attributable to:			
Owners of the parent		<u>(641)</u>	<u>(253)</u>
Total comprehensive income attributable to:			
Owners of the parent		<u>(1,395)</u>	<u>(352)</u>
Earnings per share expressed in pence per share:	8		
Basic		-0.03	-0.01
Diluted		<u>-0.03</u>	<u>-0.01</u>

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	<u>-</u>	<u>-</u>
		<u>8,979</u>	<u>6,885</u>
CURRENT ASSETS			
Inventories	12	52	-
Trade and other receivables	13	848	599
Cash and cash equivalents	14	<u>283</u>	<u>1,423</u>
		<u>1,183</u>	<u>2,022</u>
TOTAL ASSETS		<u>10,162</u>	<u>8,907</u>
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	<u>(12,731)</u>	<u>(12,090)</u>
TOTAL EQUITY		<u>7,735</u>	<u>6,882</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Trade and other payables	17	<u>-</u>	<u>416</u>
CURRENT LIABILITIES			
Trade and other payables	17	1,914	1,595
Financial liabilities – borrowings			
Non-Interest bearing loans and borrowings	18	513	-
Tax payable		<u>-</u>	<u>14</u>
		<u>2,427</u>	<u>1,609</u>
TOTAL LIABILITIES		<u>2,427</u>	<u>2,025</u>
TOTAL EQUITY AND LIABILITIES		<u>10,162</u>	<u>8,907</u>

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



Mr M Masterman
Chairman
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	<u>1,520</u>	<u>1,520</u>
		<u>1,520</u>	<u>1,520</u>
CURRENT ASSETS			
Trade and other receivables	13	7,774	4,437
Cash and cash equivalents	14	<u>65</u>	<u>1,237</u>
		<u>7,839</u>	<u>5,674</u>
TOTAL ASSETS		<u>9,359</u>	<u>7,194</u>
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	<u>(12,636)</u>	<u>(12,086)</u>
TOTAL EQUITY		<u>8,683</u>	<u>6,985</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	17	163	209
Financial liabilities – borrowings			
Non-Interest bearing loans and borrowings	18	<u>513</u>	<u>-</u>
		<u>676</u>	<u>209</u>
TOTAL LIABILITIES		<u>676</u>	<u>209</u>
TOTAL EQUITY AND LIABILITIES		<u>9,359</u>	<u>7,194</u>

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



Mr M Masterman
Chairman
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	<u>-</u>	<u>(253)</u>	<u>-</u>
Balance at 31 December 2013	<u>2,087</u>	<u>(12,090)</u>	<u>16,075</u>
Changes in equity			
Issue of share capital	333	-	1,838
Total comprehensive income	<u>-</u>	<u>(641)</u>	<u>-</u>
Balance at 31 December 2014	<u>2,420</u>	<u>(12,731)</u>	<u>17,913</u>

	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	<u>-</u>	<u>-</u>	<u>(99)</u>	<u>(352)</u>
Balance at 31 December 2013	<u>-</u>	<u>909</u>	<u>(99)</u>	<u>6,882</u>
Changes in equity				
Issue of share capital	-	-	-	2,171
Total comprehensive income	-	-	(754)	(1,395)
Warrants granted	<u>77</u>	<u>-</u>	<u>-</u>	<u>77</u>
Balance at 31 December 2014	<u>77</u>	<u>909</u>	<u>(853)</u>	<u>7,735</u>

**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	<u>-</u>	<u>(224)</u>	<u>-</u>
Balance at 31 December 2013	<u>2,087</u>	<u>(12,086)</u>	<u>16,075</u>
Changes in equity			
Issue of share capital	333	-	1,838
Total comprehensive income	<u>-</u>	<u>(550)</u>	<u>-</u>
Balance at 31 December 2014	<u>2,420</u>	<u>(12,636)</u>	<u>17,913</u>

	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	<u>-</u>	<u>-</u>	<u>(224)</u>
Balance at 31 December 2013	<u>-</u>	<u>909</u>	<u>6,985</u>
Changes in equity			
Issue of share capital	-	-	2,171
Total comprehensive income	-	-	(550)
Warrants granted	<u>77</u>	<u>-</u>	<u>77</u>
Balance at 31 December 2014	<u>77</u>	<u>909</u>	<u>8,683</u>

**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		<u>(14)</u>	<u>-</u>
Net cash from operating activities		<u>(1,219)</u>	<u>(741)</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(2,016)	(1,366)
Purchase of tangible fixed assets		(745)	(1,434)
Interest received		<u>1</u>	<u>2</u>
Net cash from investing activities		<u>(2,760)</u>	<u>(2,798)</u>
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		<u>(71)</u>	<u>-</u>
Net cash from financing activities		<u>2,839</u>	<u>4,288</u>
(Decrease) / increase in cash and cash equivalents		(1,140)	749
Cash and cash equivalents at beginning of year	2	<u>1,423</u>	<u>674</u>
Cash and cash equivalents at end of year	2	<u><u>283</u></u>	<u><u>1,423</u></u>

**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		<u>(155)</u>	<u>-</u>
Net cash from operating activities		<u>(4,150)</u>	<u>(3,677)</u>
Cash flows from investing activities			
Interest received		<u>295</u>	<u>129</u>
Net cash from investing activities		<u>295</u>	<u>129</u>
Cash flows from financing activities			
New loans in year		512	-
Share issue		333	505
Share issue premium		1,909	3,783
Share issue costs		<u>(71)</u>	<u>-</u>
Net cash from financing activities		<u>2,683</u>	<u>4,288</u>
		<u>-</u>	<u>-</u>
(Decrease) / increase in cash and cash equivalents		(1,172)	740
Cash and cash equivalents at beginning of year	2	<u>1,237</u>	<u>497</u>
Cash and cash equivalents at end of year	2	<u><u>65</u></u>	<u><u>1,237</u></u>

**NOTES TO THE STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2014**

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	<u>(1)</u>	<u>(2)</u>
	(496)	(381)
Increase in inventories	(52)	-
Increase in trade and other receivables	(249)	(438)
(Decrease) / increase in trade and other payables	<u>(253)</u>	<u>78</u>
Cash generated from operations	<u>(1,050)</u>	<u>(741)</u>
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	<u>(295)</u>	<u>(129)</u>
	(3,949)	(3,708)
Decrease / (increase) in trade and other receivables	4	(16)
(Decrease) / increase in trade and other payables	<u>(45)</u>	<u>58</u>
Cash generated from operations	<u>(3,990)</u>	<u>(3,666)</u>

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	<u>283</u>	<u>1,423</u>	<u>65</u>	<u>1,237</u>
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	<u>1,423</u>	<u>674</u>	<u>1,237</u>	<u>497</u>

4. NET FINANCE COSTS

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

5. LOSS BEFORE INCOME TAX

The loss before income tax is stated after charging / (crediting):	2014	2013
	£'000s	£'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	2013
	£'000s	£'000s
Loss on ordinary activities before income tax	<u>(641)</u>	<u>(253)</u>
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	<u>(3,272)</u>	<u>3,151</u>
Tax expense	<u>-</u>	<u>-</u>

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	<u>-</u>	<u>-</u>	<u>-</u>
Diluted EPS			
Adjusted earnings	<u>(641)</u>	<u>2,216,948,161</u>	<u>-0.03</u>
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	<u>-</u>	<u>-</u>	<u>-</u>
Diluted EPS			
Adjusted earnings	<u>(253)</u>	<u>1,844,441,008</u>	<u>-0.01</u>

9. INTANGIBLE ASSETS

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

9. INTANGIBLE ASSETS (Continued)		Intangible Assets £'000s
	COST	
	At 1 January 2013	2,548
	Additions	2,862
	Exchange differences	<u>40</u>
	At 31 December 2013	<u>5,450</u>
	AMORTISATION	
	Amortisation for year	<u>13</u>
	At 31 December 2013	<u>13</u>
	NET BOOK VALUE	
	At 31 December 2013	<u>5,437</u>
	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	<u>(96)</u>	<u>-</u>	<u>-</u>	<u>(96)</u>
At 31 December 2014	<u>2,161</u>	<u>13</u>	<u>6</u>	<u>2,180</u>
DEPRECIATION				
At 1 January 2014	64	13	6	83
Charge for year	65	-	-	65
Exchange differences	<u>(5)</u>	<u>-</u>	<u>-</u>	<u>(5)</u>
At 31 December 2014	<u>124</u>	<u>13</u>	<u>6</u>	<u>143</u>
NET BOOK VALUE				
At 31 December 2014	<u>2,037</u>	<u>-</u>	<u>-</u>	<u>2,037</u>
	Plant & Machinery £'000s	Fixtures & Fittings £'000s	Motor Vehicles £'000s	Total £'000s
COST				
At 1 January 2013	78	13	6	97
Additions	<u>1,434</u>	<u>-</u>	<u>-</u>	<u>1,434</u>
At 31 December 2013	<u>1,512</u>	<u>13</u>	<u>6</u>	<u>1,531</u>
DEPRECIATION				
At 1 January 2013 and 31 December 2013	<u>64</u>	<u>13</u>	<u>6</u>	<u>83</u>
NET BOOK VALUE				
At 31 December 2013	<u>1,448</u>	<u>-</u>	<u>-</u>	<u>1,448</u>

11. INVESTMENTS

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

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 Aggregate capital and reserves	100.00	<u>(589)</u>	<u>(16)</u>
Australian Iron Ore Plc (Group) Nature of business: Tungsten mining exploration, development Class of shares: Ordinary Aggregate capital and reserves	100.00	<u>402</u>	<u>722</u>
Caspian USA Inc Country of incorporation: United States of 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 Aggregate capital and reserves	100.00	<u>282</u>	<u>590</u>
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

	2014 £'000s	Group 2013 £'000s
Concentrate for re-sale	<u>52</u>	<u>-</u>

13. TRADE AND OTHER RECEIVABLES

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

14. CASH AND CASH EQUIVALENTS

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

15. CALLED UP SHARE CAPITAL

Allotted and issued:

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

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	<u>(12,731)</u>	<u>17,913</u>	<u>77</u>

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	<u>909</u>	<u>(853)</u>	<u>5,315</u>

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	<u>(12,636)</u>	<u>17,913</u>	<u>77</u>

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	<u>909</u>	<u>6,263</u>

17. TRADE AND OTHER PAYABLES

	Group		Company	
	2014	2013	2014	2013
	£'000s	£'000s	£'000s	£'000s
Current				
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	<u>156</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>1,914</u>	<u>1,595</u>	<u>163</u>	<u>209</u>
Non-current:				
Other creditors	<u>-</u>	<u>416</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>416</u>	<u>-</u>	<u>-</u>
Aggregate amounts	<u>1,914</u>	<u>2,011</u>	<u>163</u>	<u>209</u>

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.