

**INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2017  
FOR  
W RESOURCES Plc**

**W RESOURCES Plc**  
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**FOR THE SIX MONTHS TO 30 JUNE 2017**

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**W RESOURCES Plc**  
**CHAIRMAN'S STATEMENT TO THE INTERIM RESULTS**  
**FOR THE SIX MONTHS TO 30 JUNE 2017**

Dear Shareholders,

I am pleased to report on W Resources' H1 2017 activity as we advance the development on our portfolio of tungsten, tin, copper and gold assets.

**TUNGSTEN and TIN**

**La Parrilla – Spain**

La Parrilla is a large scale, low cost tungsten and tin project, located 300km south of Madrid. Australasian Joint Ore Reserves Committee (“JORC”) compliant resources total 49 million tonnes (“mt”) at a grade of 998 parts per million (“ppm”) tungsten trioxide (“WO<sub>3</sub>”) and JORC compliant reserves of 29.8mt at a diluted grade of 931ppm WO<sub>3</sub>.

The mine is expected to be developed and expanded over the next 12 months to mine 2 million tonnes per annum (“mtpa”) of Run of Mine (“ROM”) and produce approximately 2,700 tonnes (“t”) of tungsten concentrate and 500t of tin (Sn) concentrate per annum.

The development towards production in 2018 at La Parrilla remains a key objective, highlighted by the negotiations on both finance and contract awards.

To date:

- W completed a JORC Resource upgrade and announced its Maiden JORC Reserves, further underpinning the strong fundamentals of La Parrilla as a large, low cost, long life tungsten and tin mine.
- With regard to development progress, key contracts have now been awarded for the Jig, Mill and Crusher, which are expected to be delivered ahead of schedule.
- Significant progress has been made on financing for the next development phase (T2) at the La Parrilla Mine to achieve 2.0mtpa ROM and 2,700 tonnes of tungsten concentrate production, with the updated target debt financing increasing to US\$30m, which is expected to allow the Company to remove the equity financing component, together with key contract awards and the grant application submission to the Junta de Extremadura Government in Spain.

In August, the La Parrilla Financial Investment Decision (“FID”) Report was released further reaffirming the project as a large, long life, low cost tungsten and tin mine:

**FID Summary**

Project Phases	Phase 1: T2	2mtpa ROM producing 2,700tpa of WO <sub>3</sub> concentrate	Capex US\$25.5m (2017-2018 debt) US\$1.9m (2019 internal)
	Phase 2: T3.5	3.5mtpa ROM producing 4,000tpa of WO <sub>3</sub> concentrate	Capex US\$19.9m (2020-2022)

Operating Costs (\$ / mtu)	Operating Area	Avg. Opex 2018-2022
	Mining	44
	Processing	60
	Royalty	4
	Tin Credits	(15)
	<b>Total</b>	<b>94</b>

**W RESOURCES Plc**  
**CHAIRMAN'S STATEMENT TO THE INTERIM RESULTS**  
**FOR THE SIX MONTHS TO 30 JUNE 2017 (CONT'D)**

<b>Financial Evaluation</b>	<b>Initial 6 Years of Production</b>	<b>Real 2017 US Dollars (Millions)</b>
	Project NPV (After-tax at 10% discount rate)	59
	IRR (After-tax) %	64
	Average EBITDA p.a.	32.6
	Average EBITDA Margin %	57
	Payback Years	2

### Resource Upgrade

In May, W confirmed an increase in the grades and upgrade in resource categorisation of its JORC (2012) Resource for La Parrilla, with an upgraded Resource Report completed by Golder Associates Ltd, following a successful programme of infill drilling in 2016.

Indicated Resources at La Parrilla have increased in grade and upgraded in resource categorisation with part of the resource being upgraded to the measured category of resource:

<b>Classification</b>	<b>Tonnage (Mt)</b>	<b>WO<sub>3</sub> (ppm)</b>	<b>Sn (ppm)</b>
Measured	1	1,115	278
Indicated	35	1,004	110
Inferred	13	974	97
<b>Total</b>	<b>49</b>	<b>998</b>	<b>110</b>

In June, W announced its Maiden Ore Reserves for the La Parrilla mine, prepared in accordance with the JORC Code 2012:

### La Parrilla Proven and Probable Mineral Reserves - JORC 2012

	<b>Tonnes</b>	<b>Grade</b>	<b>Metal Content</b>	<b>Grade</b>	<b>Metal Content</b>
	<b>'000</b>	<b>WO<sub>3</sub> (ppm)</b>	<b>WO<sub>3</sub> (t)</b>	<b>Sn (ppm)</b>	<b>Sn (t)</b>
<b>Proven</b>	1,177	995	1,171	251	295
<b>Probable</b>	28,577	928	26,511	111	3,156
<b>Total</b>	<b>29,754</b>	<b>931</b>	<b>27,683</b>	<b>116</b>	<b>3,451</b>

*Note: Estimate for La Parrilla Deposit using a 330 ppm WO<sub>3</sub> Cut-Off Grade and 5% dilution. All tonnes quoted are dry tonnes. Differences in the addition of tonnes to the total displayed is due to rounding.*

Delivery of higher grades increases the projected revenues and cash flows in the early years of production and the Life of Mine is 11 years, based on these reserves and the progressive expansion of La Parrilla to 2 mtpa in 2018 increasing to 3.5mtpa in 2020.

### Contract awards

In April 2017, W announced the award of the Design and Construct Contract for the La Parrilla Jig and Mill to allmineral Aufbereitungstechnik GmbH & Co. KG of Germany at a contract price of €4.98m. allmineral is providing vendor finance for just under 50% of the contract price on very competitive terms.

In August 2017, W awarded the Crusher Plant contract to Metso Minerals Portugal, Lda, a subsidiary of Metso Corporation, one of the world's leading suppliers of crusher equipment, for €1.2m.

**W RESOURCES Plc**  
**CHAIRMAN'S STATEMENT TO THE INTERIM RESULTS**  
**FOR THE SIX MONTHS TO 30 JUNE 2017 (CONT'D)**

**Grants**

W formally submitted the final Grant Application to the Junta de Extremadura Government for the La Parrilla tungsten and tin project in May 2017. The Grant Application is for a percentage of the €19.5m plant and facilities package for the La Parrilla Fast Track Mine development, which includes the Crusher, Jig / Mill Plant and the Concentrator.

The Government will evaluate the full application and, if approved, determine the percentage of the €19.5m package that they will fund, which could be up to 30% of that amount.

**Finance**

High level term sheets have been received and negotiations are advancing well and to ensure the right outcome. The development timeline from financing to completion of the plant is 12 months, therefore the anticipated Q4 2017 financing completion would pave the way for production in Q4 2018. The timing in concluding the financing is aided by further strengthening of the European Tungsten Ammonium Para Tungstate ("APT") price to over US\$310 per metric ton unit ("mtu") in the past month.

Following the finalisation of the FID Report, the Board elected to increase the size of the target debt financing from US\$25m to US\$30m, which is expected to allow the Company to remove the equity financing component previously outlined. Capital and operating costs estimates remain at the previously indicated highly competitive levels.

**Development**

Significant progress has been made on the engineering and procurement of key plant, machinery and services to expand and develop to mine at a rate of 2mtpa resulting in forecast production of 2,700tpa of tungsten concentrate and 500tpa of tin concentrate. Design and engineering of the T2 has also incorporated steps to allow a timely expansion of La Parrilla to mine at a rate of up to 3.5mtpa (the T3.5 Expansion) which has the ability to further increase production and lower operating costs.

**Régua – Portugal**

Régua has a current JORC compliant mineral resource of 5.46mt at a grade of 0.28% WO<sub>3</sub>, with an indicated resource of 3.76mt at a grade of 0.304% WO<sub>3</sub>. In July, the Portuguese Secretary of State for Energy under the Ministry for the Economy granted a further one year extension to the Régua Trial Mine Licence to 19 June 2020. A drilling campaign is planned for Q4 2017 to further develop the trial mine design.

The detailed metallurgical testwork program performed in Australia has generated some promising results which support plant design and equipment selection for the first trial mine stage.

The Régua deposit remains open at depth and on all sides, with significant potential to boost the resource growth to the northeast including a 10m thick tungsten intersection.

**Tarouca – Portugal**

In September, the Portuguese Secretary of State for Energy under the Ministry for the Economy approved W's application to extend the Tarouca licence for another two-year period. The extended Tarouca licence will expire on 23 March 2019.

During the two-year extension period the Company will consolidate prior exploration programmes completed to date by carrying out a 15 hole / 1,500m reverse circulation drilling campaign.

In 2015, trench sampling at the Tarouca project showed high-grade tungsten results with 15 out of 126 samples exceeding 0.5% WO<sub>3</sub>, including 0.8m at 11.4% WO<sub>3</sub> (TTR063). Together with the 15 holes drilled in 2014, this confirms an outstanding exploration target in the north-eastern area of the licence.

Whilst the development focus is on La Parrilla in Spain and Régua in Portugal, the drilling campaign at Tarouca will help us to further delineate the resource with a view to increasing our overall tungsten resource and production base. Tarouca is 20km from Régua and has the potential to enhance and expand the Régua development.

**W RESOURCES Plc**  
**CHAIRMAN'S STATEMENT TO THE INTERIM RESULTS**  
**FOR THE SIX MONTHS TO 30 JUNE 2017 (CONT'D)**

**Copper Gold Resources**

With continued strengthening of both copper and gold prices, the fundamentals of the Copper and Gold projects look increasingly compelling.

In March 2017, following the full strategic review, W concluded that there is a significant opportunity to accelerate the development of its copper and gold projects by focusing dedicated funding in this area which will increase the value of these assets. The Board is continuing to evaluate various options to separate these projects, including the option of separately listing on the London Stock Exchange or working with a Joint Venture partner.

**CAA Portalegre – Gold**

São Martinho currently has a JORC gold resource of over 110,000oz. Results from the drilling campaign earlier in the year proved up very promising results with a thick intersection of over 55m of gold at 2.34g/t. These results provide a solid base to drive extension drilling with the potential for a materially larger resource.

The overall results of the drilling campaign will form part of the update for the upgrade to the JORC compliant mineral resource estimate which will be completed following an infill RC programme to be completed in Q4 2017.

**Monforte-Tinoca - Copper**

The Monforte-Tinoca Copper exploration licence, which contains the Tinoca and Azeiteiros former copper mines, was granted to W in July 2016 and development work is progressing well on these two projects.

**Commodity Pricing**

Tungsten prices have significantly recovered in 2017 with the APT now up 50% in 2017 at over US\$310/mtu, with commentators predicting it passing the US\$350 mark before the end of 2017. The continued emerging shortages of Tungsten concentrate bodes well for prices for the balance of 2017.

Tin prices have surged from \$13,500 per tonne at the beginning of 2016 reaching around \$20,800 per tonne in the past quarter. The prospect of higher tin content and continued strengthening in the tin price provides potential for higher revenues and lower costs after by-product credits in the early years of production at La Parrilla.

Copper has jumped 20% since the end of the May helped by positive economic data from China, the world's biggest consumer of commodities, and a weak US dollar. Copper for delivery in three months on the London Metal Exchange is currently trading \$6,460 a tonne.

Gold has continued to increase, achieving its highest price in more than a year at the start of September 2017, hitting US\$1,326/oz.

**Finance**

W raised £1.5 million over three placings in H1 2017. The funds raised were predominately used to advance approvals, engineering procurement and development for the 2mtpa ROM / 2,700tpa concentrate La Parrilla expansion, commence hard rock production at the La Parrilla mine, complete the highly successful São Martinho drilling campaign and to provide general working capital.

Finance activity continues to be focused on the financing of the development of La Parrilla. Specialist debt advisors have been appointed as part of the process and financing is expected to be completed in Q4 2017.

The Company recorded an after tax loss of £381,000 in the first half of 2017, compared to a loss of £332,000 in the first half of 2016.

**W RESOURCES Plc**  
**CHAIRMAN'S STATEMENT TO THE INTERIM RESULTS**  
**FOR THE SIX MONTHS TO 30 JUNE 2017 (CONT'D)**

**Outlook**

The fundamentals of La Parrilla are ever more competitive with the tungsten price increase of over 50% to more than €310 in the past 9 months, and with the design and construction for the 2mtpa plant advancing we well positioned to accelerate development on completion of the planned debt financing, which expect to be completed in Q4 2017.

In Portugal, the drilling campaigns planned at Régua and at Tarouca are expected to further develop the trial mine design, and further increase our overall tungsten resource and production base.

We appreciate our shareholders' patience as we reach the next major milestone with the debt financing and we are as keen as any to conclude our negotiations in order to ramp up the La Parrilla project development.



Mr M Masterman  
Chairman  
W Resources Plc

27 September 2017

**W RESOURCES Plc**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2017**

	<b>Unaudited Six Months to 30 June 2017 £(000's)</b>	<b>Unaudited Six Months to 30 June 2016 £(000's)</b>	<b>Year to 31 December 2016 £(000's)</b>
Continuing Operations			
Revenue	-	-	140
Cost of Sales	-	-	(141)
Gross Loss	-	-	(1)
Administrative Expenses	(371)	(332)	(680)
Exceptional Items	-	-	(149)
<b>Operating Loss</b>	(371)	(332)	(830)
<b>Finance Costs</b>	(10)	-	(24)
<b>Finance Income</b>	-	-	-
Loss before Income Tax	(381)	(332)	(854)
<b>Income Tax</b>	-	-	-
<b>Loss for the Period</b>	(381)	(332)	(854)
<b>Other Comprehensive Income</b>			
Share Based Payment	-	77	(77)
Unrealised Foreign Exchange (Loss)/ Gain	333	1,373	1,639
Share Options issued / related	-	-	60
<b>Total Comprehensive (Loss) / Profit for the period</b>	(48)	1,118	768
<b>Basic and Diluted Loss per Share</b>	(0.008p)	(0.009p)	(0.02p)



**W RESOURCES Plc**  
**GROUP FINANCIAL POSITION**  
**30 JUNE 2017**

	<b>Unaudited</b> <b>30 June 2017</b> <b>£(000's)</b>	<b>Unaudited</b> <b>30 June 2016</b> <b>£(000's)</b>	<b>31 December</b> <b>2016</b> <b>£(000's)</b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Intangible Fixed Assets	12,810	10,161	11,718
Tangible Fixed Assets	<u>2,171</u>	<u>1,985</u>	<u>1,983</u>
	<u>14,981</u>	<u>12,146</u>	<u>13,701</u>
<b>CURRENT ASSETS</b>			
Trade and Other Receivables	851	763	892
Cash and Cash Equivalents	<u>813</u>	<u>389</u>	<u>357</u>
	<u>1,664</u>	<u>1,152</u>	<u>1,249</u>
<b>TOTAL ASSETS</b>	<u>16,645</u>	<u>13,298</u>	<u>14,950</u>
<b>EQUITY</b>			
<b>SHAREHOLDERS EQUITY</b>			
Called up share capital	4,843	3,997	4,360
Share premium account	23,336	21,202	22,381
Retained earnings	(14,572)	(13,592)	(14,191)
Merger Reserve	909	909	909
Translation Reserve	680	81	347
Share based Payment Reserve	<u>60</u>	<u>-</u>	<u>60</u>
<b>TOTAL SHAREHOLDERS EQUITY</b>	15,256	12,597	13,866
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	1,191	532	895
Financial Liabilities – borrowing interest bearing loans	198	169	189
<b>TOTAL LIABILITIES</b>	<u>1,389</u>	<u>701</u>	<u>1,084</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>16,645</u>	<u>13,298</u>	<u>14,950</u>

**W RESOURCES Plc**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2017**

	Called Up Share Capital £(000's)	Profit and Loss Account £(000's)	Share Premium £(000's)	Merger Reserve £(000's)	Translati on Reserves £(000's)	Share Based Payment Reserve £(000's)	Total Equity £(000's)
Balance at 1 January 2017	4,360	(14,191)	22,381	909	347	60	13,866
Issue of Share Capital	483		955				1,438
Total Loss for the Period		(381)					(381)
Unrealised Foreign Exchange Gain					333		333
Total Comprehensive Income		(381)			333		(48)
<b>Balance at 30 June 2017 (unaudited)</b>	<u>4,843</u>	<u>(14,572)</u>	<u>23,336</u>	<u>909</u>	<u>680</u>	<u>60</u>	<u>15,256</u>
<b>Year to 31 December 2016</b>							
Balance at 1 January 2016	3,694	(13,337)	20,316	909	(1,292)	77	10,367
Issue of Share Capital	666		2,065				2,731
Total Comprehensive Income		(854)				(17)	(871)
Unrealised Foreign Exchange Loss					1,639		1,639
<b>Balance at 31 December 2016</b>	<u>4,360</u>	<u>(14,191)</u>	<u>22,381</u>	<u>909</u>	<u>347</u>	<u>60</u>	<u>13,866</u>
<b>6 Months to 30 June 2016</b>							
Balance at 1 January 2016	3,694	(13,337)	20,316	909	(1,292)	77	10,367
Issue of Share Capital	303		886				1,189
Total Loss for the Period		(332)					(332)
Share Based Payment		77				(77)	-
Unrealised Foreign Exchange Gain					1,373		1,373
Total Comprehensive Income		(255)			1,373		1,118
<b>Balance at 30 June 2016 (unaudited)</b>	<u>3,997</u>	<u>(13,592)</u>	<u>21,202</u>	<u>909</u>	<u>81</u>	<u>-</u>	<u>12,597</u>

**W RESOURCES Plc**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2017**

	Unaudited Six Months to 30 June 2017 £(000's)	Unaudited Six Months to 30 June 2016 £(000's)	Year to 31 December 2016 £(000's)
<b>Cash Flows from Operating Activities</b>			
Cash Absorbed by Operations	77	(831)	(714)
Interest Paid	-	-	(15)
Finance Costs paid	(10)	-	-
	<u>67</u>	<u>(831)</u>	<u>(729)</u>
<b>Cash Flows from Investing Activities</b>			
Purchase of intangible fixed assets	(864)	(857)	(2,233)
Purchase of tangible fixed assets	(220)	(1)	(31)
	<u>(1,084)</u>	<u>(858)</u>	<u>(2,264)</u>
<b>Cash Flows from Financing Activities</b>			
Loans Received / (Repaid)	-	-	(144)
Loans Received	35	-	15
Share Issue	483	303	637
Share Premium	1,018	918	2,067
Share Issue Costs	(63)	(32)	(89)
Interest Bearing Loans	-	25	-
	<u>1,473</u>	<u>1,214</u>	<u>2,486</u>
<b>Increase / (Decrease) in Cash and Cash Equivalents</b>			
	456	(475)	(507)
Cash and Cash Equivalent at Beginning of Period	<u>357</u>	<u>864</u>	<u>864</u>
<b>Cash and Cash Equivalent at end of Period</b>	<u>813</u>	<u>389</u>	<u>357</u>
<b>Reconciliation of Cash Flows from Operations</b>			
Loss before Tax	(381)	(255)	(854)
Depreciation	105	99	205
Exchange Difference on Translation	(3)	45	73
Share Based Payment	-	(77)	99
Loss on Disposal of Fixed Assets	-	-	8
Finance Costs	10	-	24
	<u>(269)</u>	<u>(188)</u>	<u>(445)</u>
(Increase) / Decrease in Trade and Other Receivables	41	(189)	(318)
(Decrease) in Trade and Other Payables	305	(454)	49
(Increase) / Decrease in Stock	-	-	-
<b>Cash Absorbed by Operations</b>	<u>77</u>	<u>(831)</u>	<u>(714)</u>

**W RESOURCES Plc**  
**NOTES TO THE INTERIM RESULTS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2017**

**1. BASIS OF PREPARATION**

The financial statements have been prepared under the historical cost convention.

As an AIM listed Company the company is entitled to exemption from adopting IAS 34 and this exemption has been taken to the effect that segment information is not disclosed.

The financial statements have been prepared using the accounting policies used in the audited Financial Statements for the year ended 31 December 2016, and which will continue to be used for the financial statements for the year ended 31 December 2017.

The interim results are unaudited. The financial statements herein do not amount to full statutory accounts within the meaning of Part 15 of the Companies Act 2006.

These financial statements were approved on 27 September 2017.

Going Concern

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

Directors Responsibilities

The Directors are responsible for preparing the Interim Review and the Financial Statements in accordance with applicable law and regulations. The Directors have elected to prepare the Financial Statements in accordance with International Financial Reporting Standards as adapted for use in the European Union.

In preparing these financial statements, the Directors are required to:-

- select suitable accounting policies and apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- 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 anytime the financial position of the Company and the Group.

**2. INCOME TAX**

There is no income tax arising on the loss on ordinary activities for the six months ended 30 June 2017.

**3. LOSS PER ORDINARY SHARE**

<u>Basic and Diluted Loss Per Share</u>	<b>Loss (£000's)</b>	<b>Weighted Average Number of Shares</b>	<b>Per Share Amount Pence</b>
6 Months to 30 June 2017 (unaudited)	(381)	4,517,954,536	(0.008p)
6 Months to 30 June 2016 (unaudited)	(332)	3,835,238,340	(0.009p)
Year to 31 December 2016 (Audited)	(854)	4,004,583,481	(0.02p)