

21 January 2021

W Resources Plc
("W" or the "Company")**Q4 2020 Production Report**

W Resources Plc (AIM:WRES), the tungsten, tin and gold mining company with assets in Spain and Portugal, is pleased to announce its Q4 2020 quarterly production report for the La Parrilla mine in Spain.

During the three month period ending 31 December 2020, the Company continued to make plant improvements resulting in major production increases across the board. These improvements continue apace and should be completed in early February 2021.

During the quarter, the plant continued to work a four day week, moving to a five day working week in early January 2021, with a target to move to a seven day working week with effect from April 2021.

Currently each working day consists of three, eight hour shifts and once the plant moves to a seven day working week, it will revert back to two 12 hour shifts.

The Company looks forward to once again operating the La Parrilla mine on a true 24 / 7 basis, which is widely accepted within the mining community as "best practice".

Key Metrics

- A total of 261,841 tonnes ("t") of Run of Mine ("ROM") ore fed to the La Parrilla plant in Q4 2020, up 53% on a like for like basis and up 15% on a pro rata basis compared to Q3 (adjusting for days worked).
- Total tungsten and tin concentrate production of 133.4t during the quarter, up 72% on a like for like basis and up 29% on a pro rata basis compared to Q3.
- Tungsten ("WO₃") concentrate production of 100.0t during the quarter, up 83% on a like for like basis and up 37% on a pro rata basis compared to Q3.
- Tin ("Sn") concentrate production of 33.4 dry metric tonnes ("dmt"), up 46% on a like for like basis and up 9% on a pro rata basis compared to Q3.

La Parrilla Production Summary

Q3 was based on working a three day week, and Q4 is based on a four day week.

	Q3 2020	Q4 2020	Variance	Variance
	Actual	Actual	Comparison	Pro rata
WO₃ contained metal (mtu)	3,820	6,698	75%	32%
Sn contained metal (dmt)	9.8	18.8	92%	44%
Total contained metal (dmt)	48.0	85.8	79%	34%

('dmt' - dry metric tonnes, 'mtu' - metric tonne unit (1 mtu = 10kg of metal))

Michael Masterman, Chairman of W Resources, commented: "We are extremely encouraged by the increase in production during the quarter as we draw near to completing our improvement plan. As we continue to access the lower ore bodies of the mine we expect to see production numbers continue to rise in the months ahead.

“We are delighted to see that there is plenty of demand for our production from existing and potential new customers with healthy demand for all the tungsten and tin we can mine. It is also very reassuring to note both tungsten and tin prices strengthening.

“A great deal of thanks must go to our staff for their flexibility, determination and drive as they work towards improving the mine and making it run as efficiently as possible particularly in this challenging environment.”

Q4 2020 Overview

In Q4, the plant improvement programme included the following:

- Jigs: replaced screen panels and quaternary mill rolls with materials more resistant to abrasion and modifications to jiggling speed to improve recovery.
- Spirals: replaced polyethylene pipes with others more resistant to abrasion, modifications made to reagent feed to float arsenopyrite on shaking tables, and preparations for the recommissioning of the rod mill.
- FME (Flotation, Magnetic and Electrostatic): integrated system for wet reprocessing of off-spec concentrates, improvements to flotation density, installation of a new magnetic separator, modifications to some pumping points to produce a higher capacity.

Benefits of the plant improvements:

Greater plant availability with better recoveries and improving maintenance has led to:

- Increasing process stability
- Greater run times
- Less impurities going into final concentrate
- Increased production

La Parrilla Production Summary

	Q3 2020 Actual	Q4 2020 Actual	Variance Comparison	Variance Pro rata*
ROM feed: tonnes mined (wmt)	171,454	261,841	53%	15%
Strip ratio	1.38	1.19	-14%	
Jig plant: tonnes processed (dmt)	148,417	236,677	59%	20%
WO ₃ feed grade (ppm)	857	943	10%	
WO ₃ recovery (%)	30%	31%	3%	
WO ₃ concentrate (dmt)	54.7	100.0	83%	37%
WO ₃ concentrate grade (%)	69.8	67.0	-4%	
WO ₃ contained metal (mtu)	3,820	6,698	75%	32%
Sn feed grade (ppm)	181	321	77%	33%
Sn recovery (%)	37%	26%	-30%	
Sn concentrate (dmt)	22.9	33.4	46%	9%
Sn concentrate grade (%)	42.7	56.3	32%	
Sn contained metal (dmt)	9.8	18.8	92%	44%
Total concentrate (dmt)	77.6	133.4	72%	29%
Total contained metal (dmt)	48.0	85.8	79%	34%

* Q3 2020 production was based on working 3 days a week and Q4 production was based on working four days a week.

Recoveries for the quarter were impacted by the performance of the jigs which slowed the recovery rates for both October and November. Whilst this was disappointing, especially after such a strong September, the improvement programme identified the issues which were resolved alongside other key plant improvements and resulted in December being the best ever month for concentrator recovery at 50% and WO₃ concentrate at 41.5%.

- Safety performance continues to be a top priority for the Company. There were zero minor lost time injuries at La Parrilla during the quarter, however, there was one Covid-19 infection during the period. The case was detected while the worker was off duty and they remained in quarantine at home and none of W's other employees contracted the infection from their colleague.
- The Company has acquired quick Covid-19 antigen tests to improve detection and control of the disease with the aim of keeping all employees and contractors safe whilst in the La Parrilla work place.
- Mining operations continue to perform well and deliver the required ore feed to the plant at a low waste / ore strip ratio (1.19 in the quarter), while maintaining the required grades to feed ore to the plant.
- Plant utilisation remains over 90% for the quarter.

Shipments

W Resources shipped 100.2t of tungsten concentrate and 26.1t of tin concentrate in Q4 2020, taking total shipments to offtake partners to 251.3t of tungsten concentrate and 105.0t tin concentrate for the 12 months to December 2020.

	H1 2020 Actual	Q3 2020 Actual	Q4 2020 Actual	Variance
Tungsten Concentrate	89.0	62.1	100.2	61%
Tin Concentrate	40.8	38.1	26.1	-31%

Whilst the tonnage of tin shipped in Q4 was lower than Q3 it was a very high grade (57% compared to 31%) and therefore commanded a much higher price than previous shipments. This higher grade concentrate is a result of better recovery and improved separation, a direct result of the work undertaken to improve flotation and magnetic separation, which allows less impurities going into the final concentrate.

Commodity pricing

European ammonium paratungstate ("APT") pricing remains strong at US\$235-US\$240 / mtu with industry comment from Fastmarkets MB that: *"There's very little material available in Europe in 2021 and shipments from China are delayed. That is continuing to push APT offers up."*

The Tin price continues to strengthen reaching a 12 month high of over US\$21,500 per tonne in January 2021, from a low of US\$13,375 in March 2020 (source: LME).

The Company looks forward to issuing its Q1 2021 Production Report in April of this year.

Information communicated within this announcement is deemed to constitute inside information as stipulated under the UK Market Abuse Regulations. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

Enquiries:

W Resources Plc

Paul Hailes

investor@wresources.com

www.wresources.com

Grant Thornton UK LLP

Colin Aaronson / Seamus Fricker

T: +44 (0) 20 7383 5100

Joint Broker

Turner Pope Investments (TPI) Ltd

Andy Thacker / Zoe Alexander

T: +44 (0) 203 657 0050

www.turnerpope.com

Joint Broker

Alternative Resource Capital / Shard Capital

Alex Wood

T:+44 (0) 207 186 9004

www.altrescap.com

Alma PR

Justine James

M: +44 (0) 7525 324431

wres@almapr.co.uk

Damon Heath

T:+44 (0) 207 186 9952

www.shardcapital.com