

14 April 2021

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

Q1 2021 Production Report

W Resources Plc (AIM:WRES), the tungsten, tin and gold mining company with assets in Spain and Portugal, announces its Q1 2021 quarterly production report for the La Parrilla mine in Spain.

During the three-month period ended 31 March 2021, the plant operated mostly on a five-day week for ten of the 13 weeks in the period. In Q4 2021, the Company plans to return to a 7-day working week.

The plant was closed for two weeks for planned improvement maintenance, however unseasonal heavy rain caused high water levels which halted production, resulting in the plant being closed for a total of three weeks.

Work is currently underway to reduce the high water levels at the mine and introduce a permanent solution to resolve this issue going forward. This work has started and after completion the team will be able to once again safely access the high-grade ore bodies.

Key Metrics

- A total of 196,094 tonnes ("t") of Run of Mine ("ROM") ore fed to the La Parrilla plant in Q1 2021
- Total tungsten and tin concentrate production of 92.4t
- Tungsten ("WO₃") concentrate production of 63.5t
- Tin ("Sn") concentrate production of 28.9 dry metric tonnes ("dmt")

La Parrilla Production Summary

Production for Q1 2021 was impacted by both the plant improvement shutdown and the unseasonal weather conditions, which prevented access to high grade ore areas.

As a result, production for Q1 2021 was restricted to 45 days, compared to 52 days for Q4 2020. The pro-rata variance below adjusts for the reduced days.

	Q1 2021	Q4 2020	Variance	Variance
	Actual	Actual	Comparison	Pro rata
WO ₃ contained metal (mtu)	3,916	6,698	-42%	-32%
Sn contained metal (dmt)	16.3	18.8	-13%	0%
Total contained metal (dmt)	55.5	85.8	-35%	-25%

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

Michael Masterman, Chairman of W Resources, commented: "Q1 2021 started strongly with high production numbers for January.

"The initial scheduled four-week closure for plant improvements was reduced to two weeks and recovery rates improved. Frustratingly, heavy rain hampered progress and for safety reasons we had no option but to halt production for an additional week. Due to high water constraints, we did not have access to high grade ore areas and the ore that we used was of lower grade, less fresh and with high levels of ultrafines through much

of March. This has clearly impacted production, such that whilst production picked up towards the end of March, we did not achieve the record production we were anticipating for the quarter.

In April the quality of ore fed into the plant has improved, as has the production of concentrate.”

Q1 2021 Overview

In Q1, the plant improvement programme was finalised resulting in the desired outcome of significant plant improvements and improved efficiencies.

Concentrator plant recovery for tungsten during February was greater than 60%, an all-time high.

The mine strip ratio for the quarter was higher than normal as a result of the works carried out to catch up on the delay in mine waste extraction accumulated in 2020. These works were necessary to allow access to new ore areas in the year ahead.

Unseasonal winter weather conditions created higher water levels at the mine and access to higher-grade ore has not been possible, resulting in lower than anticipated production.

La Parrilla Production Summary	Q1 2021	Q4 2020	Variance	Variance
	Actual	Actual	Comparison	Pro rata
ROM feed: tonnes mined (wmt)	196,094	261,841	-25%	-13%
Strip ratio	5.13	1.19	331%	
Jig plant: tonnes processed (dmt)	163,866	236,677	-31%	-20%
WO ₃ feed grade (ppm)	744	943	-21%	
WO ₃ recovery (%)	32%	31%	3%	
WO ₃ concentrate (dmt)	63.5	100.0	-36%	-27%
WO ₃ concentrate grade (%)	61.6	67.0	-8%	
WO ₃ contained metal (mtu)	3,916	6,698	-42%	-32%
Sn feed grade (ppm)	228	321	-29%	-18%
Sn recovery (%)	44%	26%	69%	
Sn concentrate (dmt)	28.9	33.4	-13%	0%
Sn concentrate grade (%)	56.6	56.3	1%	16%
Sn contained metal (dmt)	16.3	18.8	-13%	0%
Total concentrate (dmt)	92.4	133.4	-31%	-20%
Total contained metal (dmt)	55.5	85.8	-35%	-25%

* Q4 2020 production was based on working 4 days a week and Q1 production was based on working five days a week.

Recovery

Tungsten and tin recoveries both increased during the quarter, with tin recoveries increasing by 69% to 44% and tungsten by 3% to 32%. Q1 2021 had the highest recovery rates since mining commenced at La Parrilla.

Health and Safety

During the shutdown period there were at times 50 to 60 subcontractors on site and during this period there were no accidents, no lost time and no Covid-19 incidents. This goes to show that the policies applied at the mine are working well.

Plant Utilisation

Plant utilisation increased from 79.6% to 84.8% quarter-on-quarter, and this is our best performance to-date.

Shipments

During the quarter W Resources made three tungsten concentrate shipments totalling 59.2t and one shipment of tin concentrate, totalling 20t.

	Q1 2021 Actual	Q4 2020 Actual	Variance Comparison	Variance Pro-rata
Tungsten concentrate (t)	59.2	100.2	-41%	-32%
Tin concentrate (t)	20.0	26.1	-23%	-11%

Commodity Pricing

European ammonium paratungstate (“APT”) pricing remains strong at US\$270-US\$278 - Metal Bulletin Board 9 April 2021.

The LME Tin price continues to strengthen reaching a three-month forward price of \$25,757 per tonne again as per the Metal Bulletin Board.

Production Guidance

As a result of the Plant Improvement Programme the team has more confidence in issuing a production guidance for 2021:

- The Company expects annual production of concentrate to be between 880t and 1,000t

The number of 24h working days per week are expected to be:

- Q2, 5 working days a week
- Q3, 5 working days a week
- Q4, 7 working days a week

Ore constraints have necessitated a delay in the planned introduction of working on a 24/7 basis until October 2021.

Employees

As production increases throughout the year the number of employees at the mine is also expected to increase.

The number of staff employed as at 31 March 2021 was 82 and is forecast to be 102, 135 and 135 respectively for the quarters ending 30 June, 30 September and 31 December 2021.

The Company believes that better recoveries and more efficiency will result in the same number of staff at the end of Q3 and Q4 whilst still delivering a stepped increase in production.

La Parrilla Historic Production Summary

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021
No. working days			39	52	45
	Actual	Actual	Actual	Actual	Actual
ROM feed: tonnes mined (wmt)	273,656	253,256	171,454	261,841	196,094
Strip ratio	1.07	0.58	1.38	1.19	5.13
Jig plant: tonnes processed (dmt)	240,926	228,060	148,417	236,677	163,866
WO ₃ feed grade (ppm)	800	845	857	943	744
WO ₃ recovery (%)	17%	16%	30%	31%	32%

WO ₃ concentrate (dmt)	58.9	47.6	54.7	100.0	63.5
WO ₃ concentrate grade (%)	56.1	57.4	69.8	67.0	61.6
WO ₃ contained metal (mtu)	3,306	2,756	3,820	6,698	3,916
Sn feed grade (ppm)	282	307	181	321	228
Sn recovery (%)	22%	25%	37%	26%	44%
Sn concentrate (dmt)	23.3	41.2	22.9	33.4	28.9
Sn concentrate grade (%)	51.9	48.5	42.7	56.3	56.6
Sn contained metal (dmt)	12.1	20.0	9.8	18.8	16.3
Total concentrate (dmt)	82.2	88.8	77.6	133.4	92.4
Total contained metal (dmt)	45.2	47.6	48.0	85.8	55.5

Shipments

The historic shipments from La Parrilla are as follows:

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021
Tungsten concentrate (t)	30.1	58.9	62.1	100.2	59.2
Tin concentrate (t)	20.2	20.6	38.1	26.1	20.0

Investor Presentation

Michael Masterman (Chairman), Pablo Neira (Executive Director) and Paul Hailes (CFO) will host an investor Q&A later this month, the details of which will be announced shortly.

The Company looks forward to issuing its Q2 2021 Production Report in July of this year.

Information communicated within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 which is part of UK law by virtue of the European Union (withdrawal) Act 2018. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

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