

W RESOURCES PLC STATEMENT OF COMPLIANCE WITH THE QCA CORPORATE GOVERNANCE CODE

Chairman's Corporate Governance Statement

Dear Shareholders,

The Board of Directors of W Resources Plc (the "Company") is committed to the principles supporting good corporate governance, applied in a manner which is most suited to the Company, and to best address the Directors' accountability to shareholders and stakeholders. This is supported by a commitment to high standards of legislative compliance and financial and ethical behaviour.

The primary responsibility of the Board and Executive Management team is to preserve and increase the value of the Company for its shareholders, while respecting the legitimate interests and expectations of employees, customers, creditors, the communities in which the Company operates and other stakeholders. The Board is responsible for establishing a company culture of high ethical, environmental, and health and safety standards.

The Company continues to address Directors' accountability to stakeholders in a manner consistent with W Resources particular circumstances enhanced through the introduction of publicly available policies and procedures which are designed to foster a culture of transparency in the way in which the Company is directed and managed.

Changes to AIM Rules in March 2018 require that all companies listed on AIM need to comply with a recognised corporate code. The W Resources Board has adopted the QCA code as its corporate governance charter and have taken the necessary action to comply, including to update disclosure on the Company website.

Michael Masterman
Chairman

Principle 1: Establish a strategy and business model which promote long term value for shareholders

W Resources is a tungsten, copper and gold, exploration development and production company with assets in Spain and Portugal. W Resources' strategy is to build a European mining company focussed on delivering long term production of tungsten, a key strategic metal with strong market fundamentals.

To achieve these business goals the Company is;

- Developing the flagship La Parrilla mine in Spain to achieve first ore in 2019; and
- Exploring the development of Portuguese assets

to fast-track growth and productivity in order to foster long-term value for shareholders.

The W Resources Board of Directors meets on a regular basis and the strategic ambitions and business model are always taken into consideration when making decisions on behalf of the Company.

Principle 2: Seek to understand and meet shareholder needs and expectations

W Resources is committed to maintaining open dialogue with its shareholders via various platforms; the Company website (www.wresources.com), the Annual Report including the financial statements, the AGM, and one-to-one meetings.

Regulatory announcements are made in accordance with the AIM Rules for Companies on the stock exchange throughout the year.

The Board values the views of its shareholders and offers the opportunity for open discussion at the W Resources AGM where all shareholders are invited to attend and speak with directors and management.

If voting decisions at AGMs or General Meetings are not in line with the Company's expectations, the Board will engage with shareholders to understand and address any issues informing those decisions.

Furthermore, shareholders are welcome to connect with the Company by telephone and email. The Company will not provide unpublished price sensitive information by telephone or email but only through the appropriate regulatory news channels.

W Resources contact details are provided on all announcements and are available on the Company website.

Principle 3: Take into account wider stakeholder and social responsibilities and their implications for long-term success

The Board recognises that long-term success relies upon good relationships with, and the engagement of both internal and external stakeholders of the Company. The Board also views continued feedback from its stakeholders as an essential part of ensuring long term success. As a small cap mining company, W Resources continually strives to improve and develop the systems set in place. The executive team and senior management oversee the social and ethical framework and is responsible for reviewing operational processes for managing social, environmental and ethical risk.

Employees & Consultants

The Company's skilled employees and consultants are an important stakeholder group. W Resources understands the significant impacts of employing and retaining a highly skilled and diversified workforce and the importance of employee satisfaction through a number of initiatives. Examples of these initiatives include competitive remuneration packages and an employee share options scheme.

Suppliers

The Company believes it is essential to maintain close working relationships with suppliers and seeks to work closely with suppliers. Meetings and calls are held with suppliers to oversee contracts and ensure quality control. The finance team ensures that relations are maintained by the efficient payment of invoices.

Customers

The Company appreciates the importance of the relationships between its customers and are committed to continually improving the quality of service it delivers. Going forwards, the Company will introduce a number of options to further improve decisions on support and how resources are organised to provide an effective

and efficient service. Matters pertaining to customers and the internal support organisation are reported to the Board regularly.

Anti-Bribery

W Resources is committed to honest and ethical business systems. The Company's zero-tolerance Anti Bribery Policy forms part of the employee induction process and the process of choice and engagement of contractors and consultants. As an international business, the Company is committed to operating in a professional, fair manner and with integrity in our business dealings and relationships.

The Company's Anti Bribery Policy can be viewed here: [W Resources Anti-Bribery Policy](#)

Modern Day Slavery

W Resources is committed to doing all that is reasonably practical to ensure that modern day slavery and human trafficking does not form part of the supply chain.

The Company falls under the threshold to report in accordance with the Modern Slavery Act 2015. Nevertheless, the Board encourages and expects that anyone who has suspicions of modern slavery in the business or supply chain would report their concerns so that the Company can take appropriate action.

Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation

The Board is responsible for the Company's system of internal control and for reviewing its effectiveness. It is also recognised by the Board that the internal controls in place must be and are appropriate for the size, stage of development, complexity and risk profile of the Company.

Financial Controls

W Resources has uniform accounting policies and control procedures across its subsidiary operations as well as adhering to country specific legislation. It relies upon local management to ensure these policies and procedures are followed. This is managed and reviewed by the corporate finance team. The Company's annual audits ensure compliance with UK, Spanish and Portuguese financial regulations.

The methods for monitoring and reporting the Company's performance against budgets and forecasts to the Board includes include profit and loss statements, cash flows, capital expenditure and balance sheet reports. Calculations are compared with the prior year and include expected performance over the remainder of the financial period.

Management seeks to be in a financial position to allow it to meet its liabilities when they become due. Management also prepares 12 month cash flow projections for the Board and at the end of the last financial year, such projections indicated that the Company expected to have appropriate financial resources to meet commitments.

The Company also explores opportunities for growth through acquisition of new projects. All potential acquisitions are approved by the Board.

Non-Financial Controls

W Resources recognises that Health and Safety in the workplace is an integral part of effective risk management. Health and Safety is given top priority within the Company and a review is provided at Board

Meetings. Furthermore, employee Health and Safety training is provided to every employee and risk assessment is undertaken on each site.

The Company's Health & Safety Policy can be viewed here: [W Resources Health & Safety Policy](#)

Grant Thornton UK LLP act as W Resources' Nominated Advisor and advise the Company on its AIM regulatory requirements. Transparent and open dialogue between W Resources and Grant Thornton ensures that the Company upholds good corporate governance principles.

Principal Risks and Uncertainties are set out in the Group Strategic Report which form part of the W Resources Annual Report (page 6).

Appropriate guidelines and codes of conduct are set out in written policies and are available to all Board Members, the Executive Management team and employees. These include policies such as privacy, communication, anti-bribery and corruption, health and safety.

Principle 5: Maintain the board as a well-functioning, balanced team led by the Chair

The W Resources Board of Directors comprises of five members; one Executive Director and four independent Non-Executive Directors. The Directors are satisfied that the structure of the Board has a suitable balance between independence and knowledge of the business to allow it to discharge its duties and responsibilities effectively and that no one individual or Group dominates the decision-making process.

The Board considers that given the Company's current stage of operations, the experience of their directors and their current focus on preserving capital to expend on the Company's operations, combining the roles of Chairman and CEO is justifiable at present.

The Audit Committee meets no less than twice a year and considers the Group's financial reporting (including account policies) and internal financial controls. The Audit Committee is responsible for ensuring that the financial performance of the Group is properly monitored and reported on. The Committee receive reports from management and external auditors as required.

The Remuneration Committee comprising the Non-executive Directors, meets at least once a year and is responsible for making recommendations to the Board of Directors, on senior executive's remuneration. Non-executive Directors' remuneration and conditions of engagement are 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.

Due to the current size of the Company, the Board has agreed not to elect a Nominations Committee as it considers that the functions normally conducted by a Nominations Committee are adequately undertaken by the full board.

The position of Chief Executive Officer is presently held by the Executive Chairman. The Board considers that the size and nature of the Company means that the two roles can be carried out effectively by the Chairman.

The non-executive Directors have service agreements with six months' notice period and are required to attend a minimum of six board meetings per year to deal with both regular and ad hoc business. All Directors' contracts run until the next AGM of the Company where all Directors are required to resign by rotation. Upon re-election at the AGM, a Director's contract automatically renews for a further 12 months.

The Board is satisfied that there is a well-rounded balance of experience and knowledge to allow the Company to perform its roles and responsibilities successfully.

Biographies for each member of the W Board are available on the Company's website under 'About Us' then 'Our Team'.

Principle 6: Ensure that between them the directors have necessary up-to-date experience, skills and capabilities.

The Board is satisfied that, between the five Directors, it has the required balance of skills and experience relating to the mining sector. This balanced mix of capabilities allows the Board to perform as a successful and effective team.

Directors have the possibility to attend conferences and receive regular industry updates to further their knowledge and keep their expertise current.

Biographies for each member of the W Board are available on the Company's website under 'About Us' then 'Our Team' and in the Annual Report (page 7).

If necessary, all Directors are able to seek independent professional advice in the course of their duties at the Company's expense. In addition, the Directors have access to the advice and services of the Company Secretary. The Directors expertise is also supported by various professional advisors, details of which are available on the Company's website under 'Investors' and then 'Advisors'.

Principle 7: Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

The Company does not currently have a formal appraisal process for the Board however the Chairman reviews each Director's individual contribution on an ad-hoc basis to ensure it is relevant and effective and that they are committed members of the Board. The Executive Chairman's ongoing performance is also assessed on an ad-hoc basis by the other members of the Board.

The Board is responsible for the performance of the Company. The objectives of the Board include: to review, formulate and approve the Company's strategy, corporate and capital structures, approval of key financial matters (annual and interim results, budgets), material contracts and Board membership and remuneration.

Due to the current size of the Company, the Board has agreed not to elect a Nominations Committee as it considers that the functions normally conducted by a Nominations Committee are adequately undertaken by the full board.

Principle 8: Promote a corporate culture that is based on ethical values and behaviours

All of W Resources' board members, executives and employees are required to abide by laws and regulations, to respect confidentiality and the proper handling of information and act with the highest standards of honesty, integrity, objectivity and ethics in all dealings with each other, the Company, customers, suppliers and the community.

The Company has adopted and implemented a Code of Conduct which can be viewed here: [W Resources Code of Conduct](#)

The Board actively encourages a positive corporate culture within the business and ensures that this is reflected in policies and procedures, as well as in the approach to training and development of the people involved in various operations.

Principle 9: Maintain governance structures and processes that are fit for purpose and support good decision making by the Board

The W Resources Board generally meets 4 times per year. If necessary, additional meetings are held via conference call facilities. In advance, Board members receive the Board Meeting Package which presents operational, financial and planning presentations from the executive management team.

Throughout the year, the Chairman also arranges calls and face to face meetings with the various non-executive directors which offer an opportunity to discuss the performance and progress of the business and topics for future Board meetings.

The Audit Committee and Remuneration committees support the Board. The members of each committee are included in the 'Report of the Directors' in the W Resources Annual Report (page 7) and the Company's website (www.wresources.com).

Commitment to good decision-making and continuous development in its governance structures is integral to the Board. An example of this was the decision to increase the number of non-executive directors to five board members, adding members with financial and operational management expertise (including relevant geographical, Spanish, experience).

The Company operates an effective governance framework. Within this framework the Board supports the executive team in developing and executing the Company's strategy. Any decisions between and within these governance structures are reached through an open and constructive dialogue.

Principle 10: Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders.

W Resources communicates with shareholders and other relevant stakeholders via the Company website (www.wresources.com), regulatory announcements released on AIM, the Annual Report including the financial statements, the AGM, and one-to-one meetings with certain existing or potential new shareholders.

The Company has adopted a Shareholder Communications Policy is to promote effective communications with shareholders of the Company, ensure all information relevant to their shareholding is disseminated to the market and discussed with shareholders and encourage effective participation by shareholders at the Company's General Meetings.

The Company's Shareholder Communications Policy can be viewed here: [W Resources Shareholder Communications Policy](#)