

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2015

FOR

W RESOURCES Plc

W RESOURCES Plc
INDEX TO THE INTERIM RESULTS
FOR THE SIX MONTHS TO 30 JUNE 2015

| | Page |
|-------------------------------------|-------------|
| Chairman's Statement | 1 - 3 |
| Group Comprehensive Income | 4 |
| Group Financial Position | 5 |
| Group Changes in Equity | 6 |
| Group Cash Flow Statement | 7 |
| Notes to the Interim Results | 8 - 9 |

W RESOURCES Plc
CHAIRMAN'S STATEMENT TO THE INTERIM RESULTS
FOR THE SIX MONTHS TO 30 JUNE 2015

The first six months of 2015 have seen W Resources make decisive progress in the development of its flagship Tungsten mine developments at La Parrilla in Spain and Régua in Portugal. The work completed to 30 June 2015 and year to date on both projects has delivered exceptional results for shareholders.

At La Parrilla, critical path geological, metallurgical, approval and project design and development culminated in the delivery of a staged development plan which will deliver 5,100 tonnes per annum of tungsten and 440 tonnes of tin in a low capital and operating cost mine development, once at full production levels.

In parallel at Régua, extension drilling delivered significant high-grade results in particular in the North-East and North-West and in the target open pit mining area in the centre of the orebody. The resource figures at Régua are expected to increase. The high-grade tungsten deposit remains open in all directions and at depth, highlighting the potential for Régua to be scaled up into a large high-grade mine development.

In addition to the success at La Parrilla and Régua, we have been successful in the exploration drilling at CAA / Portalegre drilling five holes with good intersections.

La Parrilla, Spain

La Parrilla is a tungsten mine development located 240 km north of Seville in the Extremadura province in Spain.

The La Parrilla definition study completed in June 2015 outlined a low capital and operating cost development of a project with planned annual production of 5,100 tonnes of tungsten and 440 tonnes of tin concentrate.

Key Project Highlights *

- Resource: 47 million tonnes at 0.09% WO₃ at a 0.04% cut-off grade, making it one of the largest tungsten deposits in the West
- All major infrastructure already in place: power, water, site offices and access roads
- Located in first world country proximate to major European tungsten consumers
- 3.5 Mtpa ROM, targeting production of 5,100 tonnes pa at 66% WO₃
- Lower end of global tungsten operating cost curve estimated at \$121/mtu
- Low capital cost of \$16 million for Fast Track Mine (FTM) stage and \$36 million for the Full Mine (FM) expansion to 5,100 tpa of WO₃
- Coarse grain metallurgy permits early liberation of tungsten at coarse sizes
- Simple gravity processing techniques produce superior quality concentrate
- IRR of 70% and after tax NPV of over \$100 million at long term prices

The mine development study was completed in June, delivering a significant opportunity for W to increase overall production. It is proposed that La Parrilla will be developed in two stages:

- The FTM will use the existing concentrator plant from La Parrilla tailings project and produce at a rate of 1,200-1,300 tonnes per annum of 66% WO₃ concentrate and 110 tonnes of 52% tin concentrate from mid-2016
- The FM will be developed in 2017/18 targeting an increase in production to 5,100 tonnes per annum of tungsten concentrate and 440 tonnes of tin, a 150% increase from previous design

Key highlights from the study, to be achieved by 2018, include an increase of 150% in tungsten production, targeting 5,100 tpa, transforming W into a large profitable mining company delivering US\$90 million pa revenue, with low operating costs of just US\$121/mtu.

W was expecting the environmental approval for the FTM by Q4 2015, and we were delighted to receive approval early when this was granted in July 2015. Mines department authorisation is on track for grant in Q4 2015.

Full Mine development and environmental approvals, are progressing, whilst we make good progress on this very exciting project.

W RESOURCES Plc
CHAIRMANS STATEMENT TO THE INTERIM RESULTS
FOR THE SIX MONTHS TO 30 JUNE 2015

La Parrilla, Spain (continued)

La Parrilla currently has a Joint Ore Reserves Committee (JORC) Mineral Resource Estimate of 47mt at 0.09% WO₃ with a current mine life of 30+ years. An updated resource is anticipated early 2016.

Régua Development, Portugal

Régua is located 133km east of Porto and is a high-grade Tungsten deposit.

W has focussed on development at Régua and completed a 2,067 metre diamond core drilling and bulk sampling campaign to appraise lateral and depth extensions to existing mineralisation in March this year, which was completed in August 2015.

The drilling programme further defined high-grade extensions to the North-East (Hole RGD023 - 6.30 metres at 0.47% from 122.44 metres plus 10.48 metres at 0.61% from 132.72 metres) and in addition, a step out hole identified a significant new extension of the orebody to North-West (Hole RGD026A - 6.45 metres at 0.35% WO₃ from 206.55 metres). Five short holes drilled in the centre of the orebody clearly defined the initial open pit mining area with multiple levels of higher-grade tungsten mineralisation at surface or close to surface with limited cover (Hole RGD028 - 4.35 metres at 0.83% WO₃ from 16.50 metres)

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 the expected 3) of tungsten bearing skarn, including 10 metres at 0.6% WO₃.

Régua currently has a JORC compliant Mineral Resource Estimate of 4.46mt at 0.3% WO₃, with a mine life of up to 10 years. 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. Upgraded resource estimates will be released in Q4 2015 incorporating the positive results from the drilling campaign.

Tarouca Exploration, Portugal

Tarouca is located 133km east of Porto and W has an exploration licence on this project.

In 2014 W drilled 15 holes in the drilling programme, which further delineated high-grade zones close to surface. Whilst this highlighted an outstanding exploration target in the North-Eastern area of the licence, the current focus remains on development of the Fast Track Mines at La Parrilla and Régua.

W has consolidated the data and will review timing for further targeted drilling later in the year.

Copper-Gold Exploration: CAA / Portalegre, Portugal

In May 2015, W completed a 1,058 metre scout diamond drilling programme at the CAA / Portalegre gold and base metal exploration licence in Portugal. Hole CAAD-05 intersected 16 metres of gold at 1.37 grams per tonne between 124 metres and 140 metres, which is the most significant result in the CAA programme.

The results have delineated the strong potential for extensions at CAA / Portalegre and with the project now at an advanced stage of exploration, the Company's priority is to translate the results into a discovery in the next phase of gold exploration.

The Board considers it logical and a strategic advantage to farm-out the gold and base metals project to the right partner. CAA / Portalegre is located 200km east of Lisbon, comprising two gold exploration licences.

Finance

During the first half of 2015, W completed three capital placements totalling £3.2 million. The funds raised were used to progress development at the Régua Mine and the La Parrilla FTM (including the environmental approval), drill the prospective CAA / Portalegre gold exploration project and repay the Bergen convertible note.

The Company recorded a loss after taxation of £359,000 in the six months to 30 June 2015, compared to £119,000 in the six months to 30 June 2014. The increase in loss after taxation is mainly due to depreciation on the La Parrilla tailings facilities and increased overhead costs associated with the development of the FTM.

W RESOURCES Plc
CHAIRMAN'S STATEMENT TO THE INTERIM RESULTS
FOR THE SIX MONTHS TO 30 JUNE 2015

Finance (continued)

W Resources has exercised the option to fully acquire La Parrilla and made all option payments. W Resources has full title to La Parrilla Mining Concession, as 100% titleholder and owner, and no further payments other than royalties at 1.5% on production of the mine are due.

The US\$800,000 convertible note facility with Bergen, which was drawn in October, was fully repaid in April 2015 and the facility terminated.

Outlook

The first half of the year has been incredibly active, with great progress being made at La Parrilla and Régua. I am delighted with the development programme at La Parrilla and look forward to receiving the assay results. The next priority is to progress the mine plan, which we anticipate to have finalised early in 2016, and in parallel, we are continuing our discussions with regard to financing the mine at asset level and are encouraged by the response to date. These factors, combined with the Full Mine approval, will see the FTM on track for development in 2016.

At Régua, the metallurgical results and process flowsheet updates will enable us to start work on the definition development study and the results to date have been extremely encouraging.

The resource upgrades on both La Parrilla and Régua will be a major milestone for W and we look forward to continuing to make great progress towards delivering first production later next year.



Mr M Masterman
Chairman
W Resources Plc

30 September 2015

** Price assumptions listed under Key Project Highlights are based on long-range average forecast prices*

“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.”

W RESOURCES Plc
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2015

| | <u>Unaudited</u> <u>Six</u> <u>Months to</u> <u>30 June</u> <u>2015</u> <u>£(000's)</u> | <u>Unaudited Six</u> <u>Months to</u> <u>30 June 2014</u> <u>£(000's)</u> | <u>Year to</u> <u>31 December</u> <u>2014</u> <u>£(000's)</u> |
|--|--|--|--|
| Continuing Operations | | | |
| Revenue | 79 | - | 964 |
| Cost of Sales | (106) | - | (1,098) |
| | <hr/> | <hr/> | <hr/> |
| Gross Profit | (27) | - | (134) |
| Administrative Expenses | (334) | (119) | (353) |
| Operating Loss | <hr/> (361) | <hr/> (119) | <hr/> (487) |
| Finance Costs | (24) | | (155) |
| Finance Income | 26 | | 1 |
| Loss before Income Tax | <hr/> (359) | <hr/> (119) | <hr/> (641) |
| Income Tax | - | - | - |
| Loss for the Period | <hr/> (359) | <hr/> (119) | <hr/> (641) |
| Other Comprehensive Income | | | |
| Unrealised Foreign Exchange Loss | <hr/> (746) | <hr/> (514) | <hr/> (754) |
| Total Comprehensive Loss for the period | <hr/> (1,105) | <hr/> (633) | <hr/> (1,395) |
| | | | |
| Basic and Diluted Loss per Share | (0.012p) | (0.006p) | (0.003p) |

W RESOURCES Plc
GROUP FINANCIAL POSITION
30 JUNE 2015

| | <u>Unaudited</u> <u>30 June 2015</u> £(000's) | <u>Unaudited</u> <u>30 June 2014</u> £(000's) | <u>31 December</u> <u>2014</u> £(000's) |
|--|---|---|---|
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Intangible Fixed Assets | 6,928 | 5,834 | 6,942 |
| Tangible Fixed Assets | 1,794 | 2,004 | 2,037 |
| | <u>8,722</u> | <u>7,838</u> | <u>8,979</u> |
| CURRENT ASSETS | | | |
| Trade and Other Receivables | 531 | 929 | 848 |
| Inventories | - | 134 | 52 |
| Cash and Cash Equivalents | 1,464 | 371 | 283 |
| | <u>1,995</u> | <u>1,434</u> | <u>1,183</u> |
| TOTAL ASSETS | <u>10,717</u> | <u>9,272</u> | <u>10,162</u> |
| EQUITY | | | |
| SHAREHOLDERS EQUITY | | | |
| Called up share capital | 3,574 | 2,184 | 2,420 |
| Share premium account | 19,872 | 16,734 | 17,913 |
| Retained earnings | (13,090) | (12,209) | (12,731) |
| Merger Reserve | 909 | 909 | 909 |
| Translation Reserve | (1,599) | (613) | (853) |
| Share Warrant Reserve | 77 | - | 77 |
| TOTAL SHAREHOLDERS EQUITY | <u>9,743</u> | <u>7,005</u> | <u>7,735</u> |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 814 | 2,267 | 1,914 |
| Financial Liabilities – borrowing non-interest bearing loans | 160 | - | 513 |
| TOTAL LIABILITIES | <u>974</u> | <u>2,267</u> | <u>2,427</u> |
| TOTAL EQUITY AND LIABILITIES | <u>10,717</u> | <u>9,272</u> | <u>10,162</u> |

W RESOURCES Plc
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2015

| | Called Up Share Capital £(000's) | Profit and Loss Account £(000's) | Share Premium £(000's) | Merger Reserve £(000's) | Translation Reserve £(000's) | Share Warrant Reserve £(000's) | Total Equity £(000's) |
|--|---|---|------------------------------|-------------------------------|------------------------------------|---|-----------------------------|
| Balance at 1 January 2015 | 2,420 | (12,731) | 17,913 | 909 | (853) | 77 | 7,735 |
| Issue of Share Capital | 1,154 | - | 2,021 | - | - | - | 3,175 |
| Share Issue Costs | - | - | (62) | - | - | - | (62) |
| Total Comprehensive Income | - | (359) | - | - | - | - | (359) |
| Unrealised Foreign Exchange Loss | - | - | - | - | (746) | - | (746) |
| Balance at 30 June 2015 (unaudited) | 3,574 | (13,090) | 19,872 | 909 | (1,599) | 77 | 9,743 |
| Year to 31 December 2014 | | | | | | | |
| Balance at 1 January 2014 | 2,087 | (12,090) | 16,075 | 909 | (99) | - | 6,882 |
| Issue of Share Capital | 333 | - | 1,838 | - | - | - | 2,171 |
| Share Issue Costs | - | - | - | - | - | - | - |
| Total Comprehensive Income | - | (641) | - | - | - | - | (641) |
| Unrealised Foreign Exchange Loss | - | - | - | - | (754) | - | (754) |
| Warrant Granted | - | - | - | - | - | 77 | 77 |
| Balance at 31 December 2014 | 2,420 | (12,731) | 17,913 | 909 | (853) | 77 | 7,735 |
| 6 Months to 30 June 2014 | | | | | | | |
| Balance at 1 January 2013 | 2,087 | (12,090) | 16,075 | 909 | (99) | - | 6,882 |
| Issue of Share Capital | 97 | - | 659 | - | - | - | 756 |
| Share Issue Costs | - | - | - | - | - | - | - |
| Total Comprehensive Income | - | (119) | - | - | - | - | (119) |
| Unrealised Foreign Exchange Gain | - | - | - | - | (514) | - | (514) |
| Balance at 30 June 2014 (unaudited) | 2,184 | (12,209) | 16,734 | 909 | (613) | - | 7,005 |

W RESOURCES Plc
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2015

| | <u>Unaudited Six</u> <u>Months to</u> <u>30 June 2015</u> <u>£(000's)</u> | <u>Unaudited Six</u> <u>Months to</u> <u>30 June 2014</u> <u>£(000's)</u> | <u>Year to</u> <u>31 December</u> <u>2014</u> <u>£(000's)</u> |
|---|--|--|--|
| Cash Flows from Operating Activities | | | |
| Cash Absorbed by Operations | (961) | (608) | (1,050) |
| Interest Paid | - | - | (14) |
| Finance Costs paid | (24) | - | (155) |
| | <u>(985)</u> | <u>(608)</u> | <u>(1,219)</u> |
| Cash Flows from Investing Activities | | | |
| Purchase of intangible fixed assets | (593) | (591) | (2,016) |
| Purchase of tangible fixed assets | (1) | (610) | (745) |
| Interest Received | - | - | 1 |
| | <u>(594)</u> | <u>(1,201)</u> | <u>(2,760)</u> |
| Cash Flows from Financing Activities | | | |
| Loans Received/(Repaid) | (352) | - | 512 |
| Introduced by directors | - | - | 156 |
| Share Issue | 1,154 | 756 | 333 |
| Share Premium | 2,020 | - | 1,909 |
| Share Issue Costs | (62) | - | (71) |
| | <u>2,760</u> | <u>756</u> | <u>2,839</u> |
| Net Cash for Financing Activities | <u>2,760</u> | <u>756</u> | <u>2,839</u> |
| Increase/(Decrease) in Cash and Cash Equivalents | 1,181 | (1,053) | (1,140) |
| Cash and Cash Equivalent at Beginning of Period | 283 | 1,424 | 1,423 |
| Cash and Cash Equivalent at end of Period | <u>1,464</u> | <u>371</u> | <u>283</u> |
| Reconciliation of Cash Flows from Operations | | | |
| Loss before Tax | (359) | (119) | (641) |
| Depreciation | 98 | 11 | 102 |
| Exchange Difference on Translation | 7 | (277) | (188) |
| Share Based payment | - | - | 77 |
| Finance Costs | 24 | - | 155 |
| Finance Income | - | - | (1) |
| | <u>(230)</u> | <u>(385)</u> | <u>(496)</u> |
| (Increase) / Decrease in Trade and Other Receivables | 317 | (330) | (249) |
| Increase / (Decrease) in Trade and Other Payables | (1,100) | 241 | (253) |
| (Increase)/Decrease in Stock | 52 | (134) | (52) |
| Cash Absorbed by Operations | <u>(961)</u> | <u>(608)</u> | <u>(1,050)-</u> |

W RESOURCES Plc
NOTES TO THE INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 JUNE 2015

1. BASIS OF PREPARATION

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

As an AIM listed the 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 2014, and which will continue to be used for the financial statements for the year ended 31 December 2015.

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 30 September 2015.

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.

W RESOURCES Plc
NOTES TO THE INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 JUNE 2015 (CONT'D)

2. INCOME TAX

There is no income tax arising on the loss on ordinary activities for the six months ended 30 June 2015.

3. LOSS PER ORDINARY SHARE

Basic and Diluted Loss Per Share

| | Loss (£000's) | Weighted Average Number of Shares | Per Share Amount Pence |
|--------------------------------------|--------------------------|--|---------------------------------------|
| 6 Months to 30 June 2015 (unaudited) | (359) | 2,977,412,220 | (0.012p) |
| 6 Months to 30 June 2014 (unaudited) | (119) | 2,110,210,657 | (0.006p) |
| Year to 31 December 2014 (Audited) | (641) | 2,216,948,161 | (0.03p) |