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W Resources Plc

("W" or the "Company")

First Hole at São Martinho Intersects Gold on 6 Levels

W Resources Plc (AIM:WRES), the tungsten, copper and gold mining, production, exploration and development company with assets in Spain and Portugal, is pleased to announce initial results of the first hole from the 1,500 metre diamond core drilling campaign that commenced in mid-September at the São Martinho Gold Deposit in Portugal.

A total of nine of holes have been drilled so far and the first assay results concluded, from the first hole SMD-04, that this intersected significant gold mineralisation in 6 levels including 2m at 4.2g/t and 2m at 7.6g/t.

Highlights from Hole SMD-04 include:

- 2.40m grading 4.2 g/t Au from 32.90m
- 2.00m grading 1.1 g/t Au from 90.00m
- 7.00m grading 1.7 g/t Au from 95.70m
- 8.00m grading 1.8 g/t Au from 157.00m* (including 1.00m grading 9.6 g/t Au from 157.00m);
- 3.00m grading 3.0 g/t Au from 177.00m (including 1.00m grading 8.0 g/t Au from 177.00m);
- 2.00m grading 7.6 g/t Au from 187.60m (including 1.00m grading 14.2 g/t Au from 187.6m).

** This zone extends over 12m at least, probably down to 169.00m, however the additional infill sampling results are not yet available.*

Further information on Hole SMD-04 is included below.

This hole was planned to confirm the upper mineralised section from a previous high-grade intercept drilled in the early nineties by Portuglobal, and to investigate the deeper parts of the gold system which were not drilled previously. Both objectives have been fully achieved. The shallow section although narrower correlates well with that in hole POR-96-2 and a new high-grade deeper zone that may potentially increase the resource basis with additional drilling.

In addition to these first assay results, visual gold has been picked up in holes SMD-10 and SMD-11.

These assay results will form part of the update to upgrade the JORC compliant mineral resource estimate, completed by Golder Associates in June 2016, which currently reports a total of 3Mt at 1.04g/t gold, which equates to 111,987oz in contained gold.

Michael Masterman, Chairman of W Resources commented: "The results from the first hole at São Martinho are a great start with good grades at multiple levels from the relatively shallow 4.2 g/t Au at a downhole depth of around 33m to the deeper results. The pick-up of visual gold in subsequent holes 10 and 11 together with these first results bodes well for a very successful program. Our objective is to step out and significantly expand the size of the JORC gold resource which currently sits at over 110,000 oz."

Further results from this diamond core program at São Martinho will be progressively released to the market as the assay results come through.

The information contained within this announcement is considered to be inside information prior to its release.

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About CAA / Portalegre

On 23 March 2012, W Resources' 100% owned subsidiary, Iberian Resources Portugal, was awarded a licence for the exploration of the "Crato-Assumar-Arronches area", adjacent to the original São Martinho gold prospect area. Both areas are located near the town of Portalegre (Northern Alentejo) and around 200km East of Lisbon. The CAA area covers an area of 188.05km² and the São Martinho area has an area of 101.7km². The expanded licence is valid until September 2018.

Mineral Resources for São Martinho Deposit using a 0.5g/t Au cut-off grade within mineralised domain *(Golder Associates)*

	Mt	Au(g/t)	Au content (oz)
Indicated	0.48	1.03	17,363
Inferred	2.56	1.05	94,624
Total	3.04	1.04	111,987

Source: Golder Associates

Annexure 1: CAA / Portalegre Drilling Results (São Martinho Deposit)

Hole ID	Easting	Northing	RL	Azimuth	Dip	Depth (m)	From (m)	To (m)	Drilled width (m) (1)	Au g/t
SMD-004	621,000	4,341,601	294	045	-45	200.00	32.90	35.30	2.40	4.23
and							89.00	92.00	3.00	0.81
and							95.70	102.70	7.00	1.66
and							157.00	165.00	8.00	1.84
including							157.00	158.00	1.00	9.58
and							167.00	169.00	2.00	1.67
and							177.00	180.00	3.00	3.03
including							177.00	178.00	1.00	7.98
and							187.60	189.60	2.00	7.56
including							187.60	188.60	1.00	14.15

(1) Intervals are reported as drilled width as true widths are not currently known.

JORC Code, 2012 Edition – Table 1 report

Section 1 – Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Rock chip sampling from outcrops and trenches was performed to determine whether a prospective precious metal bearing structures/alteration zones may yield any anomalous gold/silver values and not to determine average grades. • Samples weighing from 500 g to 1 kg were taken from each sampling location, and its position was recorded with a hand-held GPS. • Core drilling was used to obtain core samples. • Sampled intervals included zones of visible sulphide mineralisation and alteration/veining along with zones of gossanization. Sampling was taken also above and below mineralisation/alteration on 1- 2m intervals when applicable. • All rock samples were packed on thick plastic bags with sample reference indicated both in the outside and inside with permanent ink marker pens in the outside and inside.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Drilling was undertaken with a track mounted SPIDRILL-18 drill rig. • HQ wireline core (63.5mm diam.) was recovered systematically during the drilling campaign. • All holes were located with a hand held GPS. Data for Eastings, Northings and RL was recorded on UTM grid, Zone 29, datum WGS84.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Sample recovery was assessed visually, recorded onto a logging sheet, photographed and inserted in an Excel spreadsheet.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support*	• Logging was performed after core fragment reconstruction in the core trays, and a line was marked along the core axis.

	appropriate Mineral Resource estimation, mining studies and metallurgical studies. • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Geotechnical core logging was systematically done. Data collection (recovery, RQD, joint orientation, spacing, roughness and weathering) was recorded onto a log sheet and inserted in an Excel spreadsheet. • Geological core logging was systematically done. Data collection (lithology, alteration, structural data mineralisation and sampling intervals) was recorded onto a log sheet and inserted in an Excel spreadsheet. • All drill holes have been systematically logged both descriptive and stringer-coded for digital processing and output with specific software.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• The core was cut with a diamond saw along a line marked in the centre of the core, splitting the core into two equal halves. One half of the HQ core sample intervals selected was sent for analysis and the remaining half was kept in wooden core boxes for storage and future reference. • The core samples were shipped to ALS Laboratory in Seville, Spain for assay • At ALS facilities, samples were crushed (70%<2mm), dried, split and pulverized (85%<75μm) to produce a representative sub-sample for analysis by: Four acid digestion and multielement ICP-ME (ref. ME-MS61) determination of 48 elements. and gold by Fire Assay and ICP-AES finish. • The following elements were included in the analysis: Ag,Al,As,Au,Ba,Be,Bi,Ca,Cd,Ce,Co,Cr, Cs,Cu,Fe,Ga,Ge,Hf,In,In,K,La,Li,Mg,M n,Mo,Na,Nb,Ni,P,Pb,Rb,Re,S, Sb, Sc,Se,Sn,Sr,Ta,Te,,Th,Ti,U,V,W,Y,Zn, Zr.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Internal laboratory cross checking methods are implemented by ALS. • In addition internationally certified standards and blanks were regularly introduced among core samples. • Assay data reported as per laboratory final reports and certificates

Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Verification of significant intersections by alternative company personnel. • Primary logging paper sheets stored at office, data entered into Excel spreadsheets as is and coded, both stored in the server and in an external hard drive. • All core boxes are photographed and a photo archive is maintained within the drilling database.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Hole locations survey with hand-held GPS with 2-5m accuracy. • Grid system – UTM, Zone 29, WGS84.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Completed drill holes were designed for testing different targets and have irregular spacing. • Data spacing and distribution are expected to be sufficient to establish in parts an Inferred Mineral Resources estimation.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the trench orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Hole orientation is in either vertical or in some cases approximately perpendicular to the strike of the mineralised zones. • The channel samples are not perpendicular to the planes of the mineralised zones, therefore the intersections do not represent true widths.
Sample security	• *The measures taken to ensure sample security.*	• Samples are kept labelled and organised in a locked building. • Industry standard practices are applied.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• Exploration license MN/PP/006/12 signed between Iberian Resources Portugal, Recursos Minerais, Unipessoal, Lda, 100% owned by W Resources and the Portuguese Ministry of Economy and Employment, through its Direction General of Energy and Geology, 23 March 2012. An addendum has been signed on 29 September 2015 which incorporates the São Martinho block and extends the duration of the contract until September 2018.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Previous mineral exploration by the State mines department and from public and private mining/exploration companies.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Lode-type auriferous shear zone and possible disseminated base-metal metamorphic style.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* – *easting and northing of the drill hole collar* – *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* – *dip and azimuth of the hole* – *down hole length and interception depth* – *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• See Annexure 1 for drill hole information
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*	• All grades reported are uncut • No metal equivalents are used or stated

	• *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Hole intersections in the announcement are not true widths.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Maps and tabulated assay results are included in the announcement
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All results comprehensively announced.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Further work will include detailed interpretation of results and follow-up drilling of targets identified.