11 May 2017

W Resources Plc

("W" or the "Company")

Increase in Grades and Quality of La Parrilla JORC Resource

W Resources Plc (AIM:WRES), the tungsten, copper and gold exploration and development company with assets in Spain and Portugal, is pleased to announce an increase in the grades and upgrade in resource categorisation of its JORC (2012) resource for La Parrilla, with an upgraded resource report completed by Golder Associates, following a successful programme of infill drilling in 2016.

Indicated resources at La Parrilla have increased in grade and upgraded in resource categorisation with part of the resource being upgraded to the measured category of resource. The total combined measured, indicated and inferred resource is now 49 million tonnes (Mt) grading 998 parts per million (ppm) tungsten tri-oxide (WO_3) and 110 ppm tin (Sn). The combined measured and indicated resource amounting to 36 Mt and grading 1,007 ppm WO_3, which represent an increase of 4% from previous grade of 965 ppm WO_3 reported in February 2016 and 115 ppm Sn.

Overall:

- Total WO_3 grade is up 4%
- Total Sn grade is up 2%
- Tonnes of measured plus indicated remain at 36 Mt

Classification	Tonnage (Mt)	WO_3 (ppm)	Sn (ppm)
Measured	1	1,115	278
Indicated	35	1,004	110
Inferred	13	974	97
Total	**49**	**998**	**110**

Importantly, new thick high grade zones have been delineated in the La Parrilla Fast Track Mine (FTM) south area and will be incorporated into the mine plans in 2018 and 2019. Based on preliminary mine plan optimisation, the averaged Run of Mine (ROM) feed grade in 2018 is expected to increase 42% to 1,350 ppm and the 2019 grade is expected to increase 16% to 1,260 ppm. The higher grades for these mining rates will result in increased cash flow in the early years of mine development.

Chairman of W, Michael Masterman commented: "The increase in grades in the new JORC resource are very positive for the La Parrilla development. The delineation of a large high-grade resource area in La Parrilla FTM south is expected to underpin materially stronger performance in the critical start-up years of the La Parrilla mine. Once the updated mine plan is completed, we will be able to then report the upgraded financials on the project."

A JORC statement prepared by Golder Associates Pty Ltd is set out below.

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About La Parrilla

The La Parrilla project site is situated in the Extremadura region of southwest Spain, in the Provinces of Caceres-Badajoz, approximately 310 km southwest of Madrid. The site has exceptional infrastructure in place, which is accessed directly from the highway along a 7 km asphalt road and is serviced by electricity and water. The project comprises a tungsten mine and a tungsten tailings project. The mineral resource estimated by Golder in April 2017 at 0.04% WO_3 cut-off grade is 49 million tonnes at 0.10% WO_3 and 0.011% Sn, making it one of the largest tungsten deposits in the western world.

Competent Person's Statement

The information in the statement below which relates to the Mineral Resource has been overseen by Mr Andrew Weeks who is a full-time employee of Golder Associates Pty Ltd and a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Weeks has sufficient relevant experience to the style of mineralisation and type of deposit under consideration and to the activity for which he is undertaking to qualify as a Competent Person as defined in the JORC Code, 2012 Edition.

The JORC Code Assessment Criteria

The JORC Code, 2012 Edition describes a number of criteria, which must be addressed in the Public Reporting of Mineral Resource estimates. These criteria provide a means of assessing whether or not parts of or the entire data inventory used in the estimate are adequate for that purpose. The Mineral Resource estimates stated in this document are based on the criteria set out in Table 1 of that Code (Table 2).

Table 1: Mineral Resources for La Parrilla Deposit Using a 400 ppm WO_3 Cut-Off Grade within Mineralised Domains

Classification	Tonnage (Mt)	WO_3 (ppm)	Sn (ppm)
Measured	1	1115	278
Indicated	35	1004	110
Inferred	13	974	97
Total	**49**	**998**	**110**

Table 2: JORC Code Table 1

JORC Code Assessment Criteria	Comment
Section 1 Sampling Techniques and Data	
Sampling Techniques *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.*	■ Two types of samples were used in La Parrilla's Mineral Resources Estimate, samples collected from reverse circulation (RC) holes and from diamond drill (DD) holes. ■ Seventy-seven RC holes were drilled at La Parrilla; 20 were drilled in the most recent campaign during 2016 and 40 during 2015. For the 2016 drilling campaign, all RC samples were collected at 1 m interval, weighing on average at

JORC Code Assessment Criteria	Comment
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 (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information.*	33 kg. The entire sample ground to -1 mm in rod mills. The 1/8 of the homogenised samples were combined to 3 m composites (around 12 kg), except for the first metre treated separately (partially corresponded to soil), for assaying. ■ Eighty DD holes were drilled at La Parrilla; fifteen of them were drilled in 2015. For the 2015 drilling campaign, DD samples were collected at various length depending on the geology, ranging from 1.7 m to 5.6 m with the majority taken at 3 m length. DD samples from previous drilling campaigns were mostly collected at 2 m or 3 m interval with a range of 0.5 m to 113 m in length. ■ Observation from the 2015 sampling review indicated that the DD samples show highly variable recovery, especially in the top 25 to 50 m. Coarse-grained and friable scheelite mineralisation is occasionally washed out in DD core sample; hence the inclusion of DD samples may provide a conservative estimate of Mineral Resources.
Drilling Techniques *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.), and details (e.g. 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.).*	■ DD method uses NQ and HQ drill sizes. Core was not orientated. ■ All La Parrilla RC drilling during 2016 and 2015 used 140 mm diameter face-sampling bits with an effective sampling diameter of 136 mm.
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 and sample weight are not available for RIOIBEX's drill holes drilled in 1985-1986. ■ Sample recovery and sample weight were recorded onto a logging sheet, photographed and inserted in an Excel spreadsheet. ■ DD holes drilled from 2007 to 2012 have an average recovery of 73%. DD holes drilled in 2015 have an average recovery of 92%. Site observation indicates that the DD samples show highly variable recovery, especially in the top 25 to 50 m. Coarse-grained and friable scheelite mineralisation is occasionally washed out in DD core sample. ■ RC holes drilled in 2015 have an average recovery of 89%. The average recovery of the RC holes from the 2016 is 84%.
Logging *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.), photography.*	■ All DD core logging captures degree of weathering, and angles, width and mineralogy of the quartz-scheelite veining. ■ No logging data exists for the RIOIBEX RC drilling, but IRS RC campaigns in 2015 records the weight of the sample. A UV and sometimes lens reconnaissance is done but recorded in sheets and tables used for reference, not incorporated in the database. Measuring the width of veining over the RC sample interval is not possible.

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The total length and percentage of the relevant intersections logged.	■ Field logging is recorded on paper and uploaded onto Microsoft Excel. All drill hole data is subsequently imported in to GEMCOM database.
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.*	■ IRS RC sampling in 2016 was carried out by the following process, summarised below: ▪ Drill collar location is pegged in the field by proper surveying using total station. ▪ Samples were collected at 1 m intervals and bagged in thick plastic bags at the drill rig. Samples are placed over a thick rubber carpet to prevent damage. ▪ Sample bags are loaded into a skip and transported to La Parrilla sample preparation laboratory. ▪ Samples are dried at low-temperature and weighed to calculate recoveries. ▪ Each 1 m dried and weighed sample are ground to a particle size of nominal 75% passing 1 mm, with an average 95% passing. Sample is then split to approximately 4 kg (1/8 of original sample) through a 3-tiered Jones riffle splitter. ▪ Samples are combined to 3 m composites, then homogenised and split to approximately 700-800 g, pulverised to -200 mesh by using an ESSA LM2 pulverising mill. ▪ Pulverised samples are split in a half (300-400 g) and dispatched to ALS Laboratory Group in Seville. ▪ Before dispatching, duplicates, blanks and certified reference material are introduces in each batch. ■ La Parrilla RC sampling in 2015 was by the following process: ▪ Drill collar location is pegged in the field by proper surveying using total station. ▪ Sighter lines are established alongside the planned collar location to allow correct alignment of the drill rig. ▪ The sample “lot” is bagged at 1 m increments at the drill rig. Samples are placed over a thick rubber carpet to prevent damage. ▪ Sample bags are loaded into a skip and transported to La Parrilla sample farm. ▪ Each 1 m lot is dried, weighted and ground to a particle size of nominal 75% passing 1 mm, with an average 87% passing. Sample is then split to approximately 3 kg through a 3-tiered Jones riffle splitter. ▪ Each one-meter 3 kg sample is despatched to ALS Chemex in Camas, Seville to prepare 200 gm pulps. ■ DD cores drilled by IRS are cut by diamond saw along a line marked down the centre of the core, splitting the core into two equal halves. One half of the core and half of the fines is ground to a

JORC Code Assessment Criteria	Comment
	particle size of nominal 75% passing 1 mm, with an average 87% passing ■ The remaining half core, together with half the fines collected at the diamond saw are stored in core tray on site. ■ All pulps are flown to ALS Chemex laboratory in Ireland for assay. A 0.200 g sample is added to lithium metaborate flux (0.90 g), mixed well and fused in a furnace at 1000°C. The resulting melt is then cooled and dissolved in 100 mL of 4% HNO3 or 2% HCl3 solution. This solution is then analysed by Inductively Coupled Plasma – Mass Spectroscopy (ICP-MS). ■ At ALS facilities, a 0.200 g sample is added to lithium metaborate flux (0.90 g), mixed well and fused in a furnace at 1000°C. The resulting melt is then cooled and dissolved in 100 mL of 4% HNO3 or 2% HCl3 solution. This solution is then analysed by ICP-MS. ■ When W or Sn assays are above detection limit samples are flown to ALS in Vancouver for assay with XRF12k ■ The following elements were included in the analysis: As (only for RC samples), Ba, Ce, Cr, Cs, Dy, Er, Eu, Ga, Gd, Hf, Ho, La, Lu, Nb, Nd, Pr, Rb, Sm, Sn, Sr, Ta, Tb, Th, Tm, U, V, W, Y, Yb and 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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	■ Short wave UV light was used to identify the presence of scheelite in the core but is not use as a quantitative or semi-quantitative method. ■ The historic drilling campaigns had field duplicates representing 3% of submitted samples. Samples were submitted to Geomet Laboratory in the UK with those samples returning WO3 results greater than 400 ppm re-assayed at Adaro laboratory, Spain. The historic samples were originally assayed through pressed pellet XRF but this was changed to fused bead XRF after contamination issues were found. ■ 116 repeats of pulps (2%) from historic drill holes were sent to an external laboratory with analyses done using fused bead XRF, pressed pellet XRF, ICP-MS and X-ray techniques. ■ In the 2012 and 2015 drilling campaigns, internationally certified standards, blanks samples and duplicate samples were regularly introduced within each sample batch. ■ Internal laboratory cross checking methods are implemented by ALS. ■ Substantial duplicate samples were collected for the optimisation of sub-sampling procedures. ■ Assay data reported as per laboratory final reports and certificates. ■ The QAQC procedure for the 2016 RC drilling campaign included duplicates, blanks and certified reference materials introduced amongst the assay sampling sent to the laboratory.

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Verification of Sampling and Assaying *The verification of significant intersections by either independent or alternative company personnel.* *The use of twinned holes.* *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* *Discuss any adjustment to assay data.*	■ Thirteen twin holes were drilled and result shows DD samples are losing coarse-grained, friable scheelite mineralisation due to drilling method. Study also shows that samples closer to the surface and inside the pit show higher variance due to the effect of weathering and blasting. ■ 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 downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* *Specification of the grid system used.* *Quality and adequacy of topographic control.*	■ All drill holes drilled since 2007 have been surveyed by total station with drill hole collar coordinates referenced to the European Datum 50 grid and ETRS89 grids. Rioibex drill holes have accurate drill collar location surveyed by total station and photorestitution map. ■ All drill holes have downhole survey information. Drill holes from the La Parrilla drill campaigns have been surveyed at mostly less than 50 m downhole interval. In 2015, DD holes downhole survey measurement are mostly taken at 12 m interval and No downhole survey were carried out for RC holes. ■ Downhole survey are taken using Eastman single shot for the RIOIBEX drilling campaign, Eastman multishot for the Hercynian drilling campaign, Reflex Gyro for drill holes drilled during 2012 and DeviTool-PeeWee in 2015. ■ New restitution topographic map with 1 m contours from 2015 flight and bathymetric sonar survey was used.
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 is irregular but close to the existing pit, drill holes are spaced at approximately 25 m by 25 m. Samples are collected as 1 m downhole and no additional sample compositing has taken place. ■ RC holes drilled in 2016 targeted the near pit shallow high-grade zones in the southwest area of the current pit. ■ Data spacing and distribution is currently considered by the Competent Person to be sufficient only for Indicated and Inferred Mineral Resources and thus currently not sufficient to support an Ore Reserve estimate.
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 drilling orientation and the orientation of key mineralised structures*	■ Drill holes have generally been drilled on lines normal to the strike of mineralisation. Drill holes are either vertical or commonly -60° toward 300°.

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is considered to have introduced a sampling bias, this should be assessed and reported if material.	
Sample Security *The measures taken to ensure sample security.*	■ Security of historic RIOIBEX drill samples is unknown. ■ La Parrilla drill samples are packaged on site and sent to ALS Chemex in Camas, Seville for preparation of pulps with a chain of custody system in place for samples drilled during the La Parrilla campaigns. Pulp samples are then flown to ALS Chemex in Ireland or Canada under ALS Chemex security and chain of custody procedures. ■ Core samples were packed on thick plastic bags with sample reference indicated both in the outside and inside with permanent ink marker pens. For transport, the plastic bags were packed in thick plastic containers with sample reference indicated on the outside with permanent ink marker. ■ All RC samples were packed in thick plastic bags with sample reference indicated both on the outside and inside with permanent ink marker pens. For transport, the plastic bags were packed in big-bags containers. ■ Depending on the number of samples and urgency of the results, contract freight companies or own driver have been used to transport the sample to sample preparation laboratory.
Audits and Reviews *The results of any audits or reviews of sampling techniques and data.*	■ La Parrilla has instigated many of the reviews of sampling techniques. Golder has been provided with the results of various check sampling programmes and completed in 2015 its own independent analysis of the data provided. The results of that analysis helped to identify the bias between RC and DD assay grades and provide support to the 2016 RC drilling campaign.
Section 2 Reporting of Exploration Results	
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.*	■ The La Parrilla property consists of three mineral concessions: Adelaida (No.7766), Victoria (No. 7768-A) and La Parrilla (No. 7768-B). These concessions cover 1000 hectares, are currently owned by Arypex S.L, a private company owned by the Bonilla family. ■ Arypex's concessions are valid until 2068. ■ IRS exercised an option to acquire 100% of the Project from Arypex in August 2015. ■ In addition, the Project is subject to a net smelter royalty payable on production (1.5% from sales).
Exploration Done by Other Parties *Acknowledgment and appraisal of exploration by other parties.*	■ Exploration has been conducted by RIOIBEX during 1985 and 1986 and by Hercynian Resources during 2007 and 2008. Prior exploration was conducted by Peñarroya España SA; however, this data has since been lost.
Geology *Deposit type, geological setting and style of*	■ La Parrilla deposit is a north-east striking tungsten deposit with scheelite mineralisation hosted within quartz veins ranging from stringers to stock work

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mineralisation.	in nature. Veining dips predominantly at 30° to the south-east. A series of 5 striking faults appears to truncate and/or offset mineralisation.
Drill hole information	■ Not applicable. Exploration results have previously been reported. This Table relates to the reporting of the Mineral Resource estimates.
Data aggregation methods	■ For the resource estimate, samples return with below detection limit grades are replace with half the detection limit and samples with grades above upper detection limit is replace with the upper detection limit. ■ No metal equivalents used or stated
Relationship between mineralisation widths and intercept lengths	■ Drill intersections are not reported as true widths.
Diagrams	■ Not applicable. Exploration results have previously been reported. This Table relates to the reporting of the Mineral Resource estimates.
Balance reporting	■ Not applicable. Exploration results have previously been reported. This Table relates to the reporting of the Mineral Resource estimates.
Other substantive exploration data	■ Not applicable. Exploration results have previously been reported. This Table relates to the reporting of the Mineral Resource estimates.
Further work	■ Following the recommendations of the previous resource estimate, 20 new RC drill holes were completed in 2016 mainly in the southwest area close the current pit.
Section 3 Estimation and Reporting of Mineral Resources	
Database Integrity *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* *Data validation procedures used.*	■ All drilling data is contained in an Excel database and stored by IRS. Validation in the database is set to prevent the accidental duplication, alteration or deletion of records suitable for use during this resource estimate.
Site Visits *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* *If no site visits have been undertaken indicate why this is the case.*	■ No site visit has been completed as part of the 2017 mineral resource update. ■ Mr Andrew Weeks, Principal Mining Geologist, from Golder visited the La Parrilla project on 7 and 8 August 2015. The purpose of the visit was to hold discussions with project staff and gain familiarity with the deposit geology and scale, site land-use and topography, and observe some site practices. ■ Only RC drilling and sample collection was taking place at the time, so Golder did not observe DDH drilling or sampling nor visited the sample preparation laboratory. ■ Mr Weeks made the following observations: ▪ The exploration programme is well organised. Office, laboratory, and sample preparations areas are clean, tidy, and in good repair. Housekeeping appears to be a priority. ▪ RC drilling is to good international standards, although some safety procedures could be

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	improved (e.g. rod handling procedure; maintenance and use of whip checks on sample hoses). ▪ Drill pad preparation and set out is excellent. There are good controls on drill rig (hole) alignment. ▪ RC sample recovery appears exceptional. ▪ Discussion about processes and viewing of DDH core cutting and sampling area suggests that DDH processes are good standard. ▪ The use of plastic boxes for core samples to prevent spillage from sample bags is innovative. ▪ Plans for validation of RC sampling as discussed with site personnel are supported by Golder. ▪ Land-use and topography should not be a major impediment in developing the site, although placement of waste dumps may be limited to flat areas in the south-east of the existing pit. ▪ There appears to be sufficient space for adding additional circuits to the process plant.
Geological Interpretation *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* *Nature of the data used and of any assumptions made.* *The effect, if any, of alternative interpretations on Mineral Resource estimation. The use of geology in guiding and controlling Mineral Resource estimation.* *The factors affecting continuity both of grade and geology.*	■ The resource estimation has been based on the geological interpretation supplied by W Resources with minor corrections by Golder to improve three-dimensional (3D) conformity. W Resources examined the mineralised intercepts in each drill hole and grouped these into specific vein packages. ■ W Resources provided Golder with the sectional interpretation of these vein packages, then Golder tied these together in 3D to create wireframe solids of each vein package. ■ Three dimensional wireframe modelling were carried out using Vulcan® software.
Dimensions *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	■ The mineralised zone is approximately 1000 m long (north-west – south-east) by 400 m wide. The mineralisation goes from surface outcrop to approximately 300 m below the surface in the deepest zone.
Estimation and Modelling Techniques *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters, and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes*	■ Mineralisation was defined by mineralisation zones identified from downhole veining and geochemical data. Mineralised material is identified as being >1% accumulative vein across the sampling interval, other material is characterised as waste. ■ The estimation technique used for the Mineral Resource estimation is the geostatistical method of Ordinary Kriging. Parameters were derived from variograms to estimate the average grade for WO_3, Sn and As.

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appropriate account of such data. *The assumptions made regarding recovery of by-products.* *Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulfur for acid mine drainage characterisation).* *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* *Any assumptions behind modelling of selective mining units.* *Any assumptions about correlation between variables.* *Description of how the geological interpretation was used to control the resource estimates.* *Discussion of basis for using or not using grade cutting or capping.* *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	■ Block sizes were selected with respect to the nominal drilling spacing to ensure acceptable local estimation quality. ■ The block size selected for this deposit is 10 m (X) by 10 m (Y) by 5 m (Z). The sub-block size is 5 m (X) by 1 m (Y) by 2.5 m (Z). ■ All samples were composited to 3 m for estimation purposes. ■ The estimation was conducted in three passes with the search size increasing for each pass. ■ High grade spatial restraining was applied for grade estimation of individual domains. The threshold uses to restrict high grades was based on the assessment of sample statistics and probability plots. Restraining of high grades was to within 20 m by 20 m by 4 m distance inside the vein packages. ■ Each individual domain was estimate separately and an unfolding technique was applied for estimation to better capture mineralisation continuity within the domains ■ The model was validated visually and statistically using comparisons to composite data statistics, swath plots and evaluation of the grade estimation smoothing effect.
Moisture *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	■ All tonnages are based on volume measurements converted using dry bulk densities.
Cut-off Parameters *The basis of the adopted cut-off grade(s) or quality parameters applied.*	■ The resource model is constrained by assumptions about economic cut-off grades. The tabulated resources were reported using cut-off grade of 400 ppm WO_3 which was applied on a block by block basis.
Mining Factors or Assumptions *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution.* *It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	■ W Resources have a vision to develop an open pit mining and processing operation at La Parrilla with production rates circa. 2 million per annum. ■ Golder would expect that open pit production at those rates will require medium scale mining equipment on typical mining bench heights of around 5 to 10 m. ■ Golder does not expect any visual control on ore-waste contacts during mining, especially during night shift, so future grade control practices will be critical for minimising misdirection.
Metallurgical Factors or Assumptions *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical*	■ Detailed test work on ore sorting, pressure jig, standard hutch jig, scrubbing tests, gravity concentration on the fines, plus arsenic flotation and electrostatic separation testing have been carried out. A preliminary 72.8% tungsten metal recovery is used in the modelling, however further

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methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	optimisation is needed in the backend gravity circuit to gain confidence in the process flowsheet. ■ Arsenic removal is not an issue and investigation is underway for oxidising the flotation product (sulfur flotation) for sale as a possible tertiary product. ■ Arsenic content in the tungsten product can be reduced to below the EU transportable limit and subsequently end up with a clean, possibly saleable product. Alternatively, the arsenic can be oxidised to a stable form with bacteria before disposal.
Environmental Factors or Assumptions *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	■ Golder is not aware of any environmental issues that would affect the eventual economic extraction of the deposit. ■ While infrastructure requires some remediation prior to commencing operations, the site already has facilities for capturing process water, tailings residue facilities, and channels for diverting storm and flood water around the open pit.
Bulk Density *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.* *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	■ Bulk density values were assigned based on mineralisation. The bulk densities were based on immersion measurements from 692 samples from 43 diamond drill holes.
Classification *The basis for the classification of the Mineral Resources into varying confidence categories.* *Whether appropriate account has been taken of all relevant factors, i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data.* *Whether the result appropriately reflects the Competent Person(s)' view of the deposit.*	■ Mineral Resources are classified according to the following criteria and assumptions: ▪ <u>Measured Resources</u>: – Has a relative drill spacing of 25 by 25 m or less – Has a higher estimation confidence as reflected by: • Blocks that have a kriging slope of regression above 0.7 • Blocks that are estimated within the first two passes • Blocks that are estimated with 16 or more samples. ▪ <u>Indicated Resources</u>:

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	– Has a relative drill spacing of 100 by 25 m or less – Has a higher estimation confidence as reflected by: • Blocks that have a kriging slope of regression above 0.7 • Blocks that are estimated within the first two passes • Blocks that are estimated with 16 or more samples ▪ Inferred Resources: all remaining estimated blocks, generally represented by discontinuous and geologically complex zones with poor drilling coverage. ■ Extrapolation of mineralisation from drill holes was limited to half of the nominal drill hole spacing on section.
Audits or Reviews *The results of any audits or reviews of Mineral Resource estimates.*	■ This Mineral Resource estimate is an update to the previous estimates completed by Golder in 2013 and 2015. ■ No audits or reviews have been undertaken on this Mineral Resource estimate.
Discussion of Relative Accuracy/Confidence *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	■ The La Parrilla Mineral Resource is an estimate of the global remaining *in situ* WO_3 after making allowances for historical mining. No reliable historical production data is available to compare with this resource estimate. ■ The revised Mineral Resource estimate represents a global 3.9% increase of the average WO3 grade over the previous estimate. A small 3.7% reduction in tonnage is related to a review of mineralised veins extension. ■ The 2016 infill RC holes improved the confidence in the resource estimate around the south area of the current pit, resulting in upgrading part of the resources to Measured category. ■ The relative accuracy is reflected in the Mineral Resource classification discussed above that is in line with industry acceptable standards