



1 June 2018

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

Final Results for the Year Ended 31 December 2017

W Resources Plc (AIM: WRES), the tungsten, copper and gold exploration and development company with assets in Spain and Portugal, announces its audited financial results for the year ended 31 December 2017. In 2017, W Resources substantially advanced its tungsten, copper and gold assets in Spain and Portugal.

HIGHLIGHTS

La Parrilla

- Upgraded the JORC Resource and completed Maiden JORC Reserves at La Parrilla, further underpinning strong fundamentals.
- Awarded key contracts for the Jig & Mill, Concentrator and Crusher.
- Released the Financial Investment Decision ("FID") Report (25 August 2017) further reaffirming the project as a large scale, long life, low-cost tungsten and tin mine.
- Completed the US\$35m debt funding from BlackRock in February 2018.
- Submitted the Grant application to the Junta de Extremadura Government in Spain, who awarded a Grant of €5.3m to W's 100% owned subsidiary, Iberian Resources Spain SL in March 2018.

Portuguese Projects

- Purchased 20.3 hectares of land covering the main area of the Régua mine, for a total of €300,000.
- Extended the Régua Trial Mine Licence for a further year to 19 June 2020.
- Completed a month-long reverse circulation ("RC") drilling programme at Tarouca including 29 holes with 1,515 metres of total drilling, completed in depths of 5 to 70 metres.
- Extend the Tarouca licence for a further two-year period, expiring on 23 March 2019.
- Commenced a 15 hole, 2,000m RC drilling programme at São Martinho with a view to materially increase the JORC resource.

Chairman of W, Michael Masterman commented: "The key priority and focus for the Company is to complete construction development and commissioning of La Parrilla. Market conditions are strong and the development is well timed to meet emerging supply shortages. In parallel our Tungsten, Copper and Gold projects in Portugal will be advanced."

Financial Statements for the Year Ended 31 December 2017

A full copy of the W Resources Consolidated Financial Statements for the year ended 31 December 2017 is available on the Company's website at www.wresources.co.uk and an extract of the Consolidated Financial Statements for the year ended 31 December 2017 is presented below.

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APPENDIX I – JORC Compliant Mineral Reserves and Resource Estimates**La Parrilla Proven and Probable Mineral Reserves - JORC 2012**

	Tonnes '000	Grade WO ₃ (ppm)	Metal Content WO ₃ (t)	Grade Sn (ppm)	Metal Content Sn (t)
Proven	1,177	995	1,171	251	295
Probable	28,577	928	26,511	111	3,156
Total	29,754	931	27,683	116	3,451

Note: The La Parrilla mine reserves are set out in the following table based on the optimal LOM Pit. Estimate for La Parrilla Deposit using a 330 ppm WO₃ Cut-Off Grade and 5% dilution. All tonnes quoted are dry tonnes. Differences in the addition of tonnes to the total displayed is due to rounding.

The La Parrilla JORC-compliant mineral reserves update was fully disclosed, with JORC Table 1 in a Company news release on 14 June 2017. Mr Adén Muñoz of AYMA Mining Solutions SL, a Spanish Mining Engineering company based in Seville was the Competent Person responsible for the La Parrilla Proven and Probable Mineral Reserves. The mineral reserves are based on indicated and measured resources prepared by Golder Associated in March 2017 (RNS, 11 May 2017).

La Parrilla JORC Compliant Mineral Resource Estimate

Category	Tonnes	WO ₃ %	Sn (ppm)	Cut-off
Indicated	36 mt	0.096	115	0.04% WO ₃
Inferred	15 mt	0.095	92	0.04% WO ₃
Total	51 mt	0.096	108	0.04% WO₃

The La Parrilla JORC-compliant mineral resource update was fully disclosed, with JORC Table 1 in a Company news release on 5 February 2016. Mr Andrew Weeks (Golder Associates Pty Ltd) was the Competent Person responsible for the Mineral Resource Estimate for the La Parrilla deposit.

Régua JORC Compliant Mineral Resource Estimate

Category	Tonnes	WO ₃ %	Cut-off
Indicated	3.76 mt	0.304	0.1% WO ₃
Inferred	1.70 mt	0.227	0.1% WO ₃
Total	5.46 mt	0.280	0.1% WO₃

The Régua JORC-compliant mineral resource update was fully disclosed, with JORC Table 1 in a Company news release on 27 October 2015. Mr Sia Khosrowshahi (Golder Associates Pty Ltd) was the Competent Person responsible for the Mineral Resource Estimate for the Régua deposit.

São Martinho Maiden JORC Compliant Mineral Resource Estimate

Category	Tonnes	Au (g/t)	Au Content (Oz)	Cut-off
Indicated	0.48 mt	1.03	17,363	0.5 g/t Au
Inferred	2.56 mt	1.05	94,624	0.5 g/t Au
Total	3.04 mt	1.04	111,987	0.5 g/t Au

The São Martinho maiden JORC-compliant mineral resource update was fully disclosed, with JORC Table 1 in a Company news release on 8 June 2016. Mr Jorge Peres (Golder Associates Pty Ltd) was the Competent Person responsible for the Mineral Resource Estimate for the São Martinho deposit.

**W RESOURCES PLC
CHAIRMAN'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017**

2017 proved to be the critical year to lay the foundations for the financing and move to full development of La Parrilla and Régua in North-western Portugal.

In early 2018, W Resources delivered on its objective to fund the La Parrilla Mine in South-western Spain and is rapidly moving to complete construction and commissioning of the mine and processing plant as well as advancing its core Portuguese Tungsten, Copper and Gold assets. La Parrilla was fully funded on 15 February 2018 through a US\$35m Term Loan facility from BlackRock Financial Management Inc. ("BlackRock"), and development of the La Parrilla tungsten and tin mine is on schedule for the completion in the first quarter of 2019.

During the course of 2017, European ammonium paratungstate ("APT") rose by over 60% to current price levels of over US\$330 / mtu, creating very solid market conditions to bring W's tungsten mines on stream.

The large scale, low-cost nature of W's La Parrilla and Régua tungsten projects sets the Company in good stead to be competitive in all market conditions and generate strong returns.

TUNGSTEN and TIN

La Parrilla - Spain

La Parrilla is a large scale, low-cost, long life Tungsten and Tin Mine, located 300km south of Madrid. Australasian Joint Ore Reserves Committee ("JORC") compliant resources total 49 million tonnes ("mt") at a grade of 998 parts per million ("ppm") tungsten trioxide ("WO₃") and JORC compliant reserves of 29.8mt at a diluted grade of 931ppm WO₃.

The development towards first ore in Q1 2019 at La Parrilla remains a key focus now that the financing and key contracts are all in place. Development work is underway targeting first ore and ramp-up in Q1 2019 to mine 2 million tonnes per annum ("mtpa") of Run of Mine ("ROM") and produce approximately 2,700 tonnes ("t") of tungsten concentrate and 500t of tin (Sn) concentrate per annum.

Key Milestones

- JORC Resource upgrade completed with Maiden JORC Reserves, further underpinning the strong fundamentals of La Parrilla
- Key contracts awarded for the Jig & Mill, Concentrator and Crusher.
- Financial Investment Decision ("FID") Report finalised (released 25 August 2017) further reaffirming the project as a large scale, long life, low-cost tungsten and tin mine.
- Completed the US\$35m debt funding from BlackRock in February 2018.
- Grant application submitted to the Junta de Extremadura Government in Spain, who awarded a Grant of €5.3m to W's 100% owned subsidiary, Iberian Resources Spain SL in March 2018.

Contract Awards

All major plant components for La Parrilla are now contracted and currently being built.

In April 2017, W announced the award of the Design and Construction Contract for the La Parrilla Jig and Mill to allmineral Aufbereitungstechnik GmbH & Co. KG ("allmineral") of Germany at a contract price of €4.98m. allmineral is providing vendor finance for just under 50% of the contract price on very competitive terms. Subsequently, in January 2018, allmineral was also awarded the Concentrator Contract at a contract price of €8m.

In August 2017, W awarded the Crusher Plant contract to Metso Minerals Portugal, Lda, a subsidiary of Metso Corporation, one of the world's leading suppliers of crusher equipment, for €1.2m.

Resource Upgrade

In May, W confirmed an increase in the grades and an upgrade in resource categorisation of its JORC (2012) Resource for La Parrilla, with an upgraded Resource Report completed by Golder Associates Ltd, following a successful programme of infill drilling in 2016. Measured plus Indicated Resources now total 36 million tonnes at the grades set out in the following table.

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

In June, W announced its Maiden Ore Reserves for the La Parrilla mine, prepared in accordance with the JORC Code 2012. The mine life under the reserve mine schedule is 11 years and the grades feed to the plant are higher in the early years of mine life contributing to increased production and projected cash flows in the critical early years.

La Parrilla Proven and Probable Mineral Reserves - JORC 2012

	Tonnes	Grade	Metal Content	Grade	Metal Content
	'000	WO ₃ (ppm)	WO ₃ (t)	Sn (ppm)	Sn (t)
Proven	1,177	995	1,171	251	295
Probable	28,577	928	26,511	111	3,156
Total	29,754	931	27,683	116	3,451

Note: Estimate for La Parrilla Deposit using a 330ppm WO₃ Cut-Off Grade and 5% dilution. All tonnes quoted are dry tonnes. Differences in the addition of tonnes to the total displayed is due to rounding.

Grants

W formally submitted the final Grant Application to the Junta de Extremadura Government for the La Parrilla tungsten and tin project in May 2017. The Grant Application was for a percentage of the €19.5m plant and facilities package for the La Parrilla Fast Track Mine development, which includes the Crusher, Jig & Mill Plant, and the Concentrator.

The Government evaluated the full application and in March 2018 W's 100% owned subsidiary, Iberian Resources Spain SL ("IRS"), was awarded €5.3m of grant funds, or 32% (at the upper-end range) of the €16.6m plant and facilities package that qualified for grant contribution.

The Grant will be paid by the Junta de Extremadura Government to IRS once the fulfilment of all conditions (including the completion of the plant and facilities and meeting the target employment levels), as outlined in the application, have been verified in an audit by the Junta de Extremadura Government.

Régua - Portugal

Significant progress was also made at Régua in Northern Portugal.

Régua has a current JORC compliant mineral resource of 5.46mt at a grade of 0.28% WO₃, with an indicated resource of 3.76mt at a grade of 0.304% WO₃. In July, the Portuguese Secretary of State for Energy under the Ministry for the Economy granted a further one-year extension to the Régua Trial Mine Licence to 19 June 2020.

Régua's high ROM grade (at greater than 0.3% WO₃) and proximity to a crushing facility are likely to prove beneficial to the project economics.

The Régua deposit remains open at depth and on all sides, with significant potential to boost the resource growth to the northeast including a 10m thick tungsten intersection.

The Company has now secured all approvals, and in February 2018 W cleared the last hurdle for development when the purchase of 20.3 hectares of land covering the main area of the Régua mine, for a consideration of €300,000, was concluded. This land covers the outcropping resource of the deposit along with the trial mine facilities including the portals and the underground projected stopes.

Preparatory mine grade control drilling will commence in Q2 2018.

Tarouca - Portugal

In September, the Portuguese Secretary of State for Energy under the Ministry for the Economy approved W's application to extend the Tarouca licence for a further two-year period. The extended Tarouca licence will expire on 23 March 2019.

In 2015, trench sampling at the Tarouca project showed high-grade tungsten results with 15 out of 126 samples exceeding 0.5% WO₃, including 0.8m at 11.4% WO₃ (TTR063). Together with the 15 holes drilled in 2014, this confirms an outstanding exploration target in the north-eastern area of the licence.

The Company is working towards consolidating the prior exploration programmes completed to date by carrying out a reverse circulation (“RC”) drilling campaign. In April 2018, the team carried out a month-long RC drilling programme including 29 holes with 1,515 metres of total drilling, completed in depths of 5 to 70 metres.

Intersections are expected from surface to a maximum of 50-metre depth, based on the very distinctive mineralisation at surface. The full assay results are expected to be received in Q3 2018, following which the development team will model the mineralised lenses in order to advance a geological resource at Tarouca.

The outcome of the drilling campaign at Tarouca will assist to further delineate the resource with a view to increasing our overall tungsten resource and production base. Tarouca is just 20km from Régua and has the potential to enhance and expand the Régua development.

Copper Gold Resources

With continued strengthening of both copper and gold prices, the fundamentals of the Copper and Gold projects look increasingly compelling.

In March 2017, following the full review, W concluded that there is a significant opportunity to accelerate the development of its copper and gold projects by focusing dedicated funding in this area which will increase the value of these assets.

Following the successful BlackRock financing, which has a senior secured position over both the Spanish and Portuguese assets, the Company's plan is to now add very significant value to the copper gold assets during 2018 and add additional licenses and projects to the current portfolio.

With management's priority and focus on the successful execution of La Parrilla, it is most efficient for the dedicated Portuguese technical team to advance the assets.

CAA Portalegre - Gold

São Martinho currently has a JORC gold resource of over 110,000oz. Results from the drilling campaign in 2017 provided very promising results with a thick intersection of over 55m of gold at 2.34g/t. These results provide a solid base to drive extension drilling with the potential for a materially larger resource.

In May 2018, the Portuguese technical team commenced a 15 hole, 2,000m RC drilling programme with a view to materially increase the JORC resource.

The overall results of the RC drilling campaign will form part of the update for the upgrade to the JORC compliant mineral resource estimate which is expected to be completed in H2 2018.

Monforte-Tinoca - Copper

The Monforte-Tinoca Copper exploration licence, which contains the Tinoca and Azeiteiros former copper mines, was granted to W in July 2016 and this project will be advanced during 2018. Geophysics surveys are currently underway using both Induced Polarisation / Electric Resistivity and Transient Electromagnetics methods across the target Copper zones.

The geophysics surveys are expected to pin point the copper anomaly and extensions of the former high-grade copper mines. RC drilling (1,500m in total) is expected to commence in H2 2018.

Commodity Pricing

Tungsten prices significantly recovered in 2017 with the European APT now up 60% since 1 January 2017 at over US\$330 / mtu, with commentators predicting it will surpass the US\$350 mark in 2018. The continued emerging shortages of Tungsten concentrate bodes well for forward looking pricing projections.

Tin prices have surged from US\$13,500 per tonne at the beginning of 2016 reaching a current price of over US\$21,000 per tonne. The prospect of higher tin content and continued strengthening in the tin price provides potential for higher revenues and lower costs after by-product credits in the early years of production at La Parrilla.

Copper has jumped 20% since the end of May 2017 helped by positive economic data from China, the world's biggest consumer of commodities, and a weak US dollar. Copper for delivery in three months on the London Metal Exchange is currently trading at US\$6,866 per tonne.

Gold has continued to increase, hitting US\$1,347/oz in April 2018.

Finance

W raised £2.6 million in five placings in 2017. The funds raised were predominately used to advance approvals, engineering procurement and development for the 2mtpa ROM / 2,700tpa concentrate La Parrilla expansion, commence hard rock production at the La Parrilla mine, complete the highly successful São Martinho drilling campaign and to provide general working capital.

Finance activity continues to be focused on financing the construction and development at the La Parrilla mine.

The Company recorded an after-tax loss of £858,000 in 2017, compared to a loss of £854,000 in 2016.

Outlook

The key priority and focus for the Company is to complete construction development and commissioning of La Parrilla. Market conditions are strong and the development is well timed to meet emerging supply shortages.

In parallel our Tungsten, Copper and Gold projects in Portugal will be advanced.

The Board would like to thank the technical and corporate teams for their hard work and dedication throughout the year in reaching the very important milestones and we look forward to delivering our 2018 objectives on time and on budget.



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M G Masterman
Chairman

W RESOURCES PLC
CONSOLIDATED INCOME STATEMENT AND STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £'000	2016 £'000
CONTINUING OPERATIONS			
Revenue	2	-	140
Cost of sales		-	(141)
GROSS LOSS		-	(1)
Administrative expenses		(711)	(680)
Exceptional items		-	(149)
OPERATING LOSS		(711)	(830)
Finance costs	4	(21)	(24)
LOSS BEFORE INCOME TAX	5	(732)	(854)
Income tax	6	(126)	-
LOSS FOR THE YEAR		(858)	(854)
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to income statement:			
Translation reserve		433	1,639
Share Warrants expired		-	(77)
Share Options Issued		-	60
Income tax relating to items of other comprehensive income		-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		433	1,622
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(425)	768
Loss per share expressed in pence per share:	8		
Basic		(0.02)	(0.02)
Diluted		(0.02)	(0.02)

W RESOURCES PLC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2017

	Notes	2017 £'000	2016 £'000
ASSETS			
Non-Current Assets			
Intangible assets	9	13,618	11,718
Property, plant and equipment	10	2,204	1,983
Investments	11	-	-
		15,822	13,701
Current Assets			
Inventories	12	47	-
Trade and other receivables	13	1,055	892
Cash and cash equivalents	14	451	357
		1,553	1,249
TOTAL ASSETS		17,375	14,950
EQUITY			
Shareholders' Equity			
Called up share capital	15	5,157	4,360
Share premium	16	24,146	22,381
Share based payment reserve	16	60	60
Merger Reserve	16	909	909
Translation Reserve	16	780	347
Retained earnings	16	(15,049)	(14,191)
TOTAL EQUITY		16,003	13,866
LIABILITIES			
Current Liabilities			
Trade and other payables	17	902	895
Financial liabilities - borrowings Interest bearing loans and borrowings	18	344	189
Tax payable		126	-
		1,372	1,084
TOTAL LIABILITIES		1,372	1,084
TOTAL EQUITY AND LIABILITIES		17,375	14,950

The financial statements were approved by the Board of Directors on 1 June 2018 and were signed on its behalf by:



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M G Masterman
Chairman

Date: 1 June 2018

W RESOURCES PLC
COMPANY STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2017

	Notes	2017 £'000	2016 £'000
ASSETS			
Non-Current Assets			
Intangible assets	9	-	-
Property, plant and equipment	10	-	-
Investments	11	1,520	1,520
		1,520	1,520
Current Assets			
Trade and other receivables	13	17,665	15,057
Cash and cash equivalents	14	191	113
		17,856	15,170
TOTAL ASSETS		19,376	16,690
EQUITY			
Shareholders' Equity			
Called up share capital	15	5,157	4,360
Share premium	16	24,146	22,381
Share based payment reserve	16	60	60
Merger Reserve	16	909	909
Translation Reserve	16	(98)	(98)
Retained earnings	16	(11,267)	(11,261)
TOTAL EQUITY		18,907	16,351
LIABILITIES			
Current Liabilities			
Trade and other payables	17	344	339
Tax Payable		125	-
TOTAL LIABILITIES		469	339
TOTAL EQUITY AND LIABILITIES		19,376	16,690

The financial statements were approved by the Board of Directors on 1 June 2018 and were signed on its behalf by:



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M G Masterman
Chairman

Date: 1 June 2018

W RESOURCES PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017

	Called up Share Capital £'000	Retained Earnings £'000	Share Premium £'000
Balance at 1 January 2016	3,694	(13,337)	20,316
Changes in equity			
Issue of share capital	666	-	2,065
Total comprehensive income	-	(854)	-
Balance at 31 December 2016	<u>4,360</u>	<u>(14,191)</u>	<u>22,381</u>

Changes in equity			
Issue of share capital	797	-	1,765
Total comprehensive income	-	(858)	-
Balance at 31 December 2017	<u>5,157</u>	<u>(15,049)</u>	<u>24,146</u>

	Share Based Payment Reserve £'000	Merger Reserve £'000	Translation Reserve £'000	Total Equity £'000
Balance at 1 January 2016	77	909	(1,292)	10,367
Changes in equity				
Issue of share capital	-	-	-	2,731
Total comprehensive income	(17)	-	1,639	768
Balance at 31 December 2016	<u>60</u>	<u>909</u>	<u>347</u>	<u>13,866</u>

Changes in equity				
Issue of share capital	-	-	-	2,562
Total comprehensive income	-	-	433	(425)
Balance at 31 December 2017	<u>60</u>	<u>909</u>	<u>780</u>	<u>16003</u>

W RESOURCES PLC
COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017

	Called up Share Capital £'000	Retained Earnings £'000	Share Premium £'000
Balance at 1 January 2016	3,694	(12,889)	20,316
Changes in equity			
Issue of share capital	666	-	2,065
Total comprehensive income	-	1,628	-
Balance at 31 December 2016	<u>4,360</u>	<u>(11,261)</u>	<u>22,381</u>
Changes in equity			
Issue of share capital	797	-	1,765
Total comprehensive income	-	(6)	-
Balance at 31 December 2017	<u>5,157</u>	<u>(11,267)</u>	<u>24,146</u>

	Share Based Payment Reserve £'000	Merger Reserve £'000	Translation Reserve £'000	Total Equity £'000
Balance at 1 January 2016	77	909	(98)	12,009
Changes in equity				
Issue of share capital	-	-	-	2,731
Total comprehensive income	(17)	-	-	1,611
Balance at 31 December 2016	<u>60</u>	<u>909</u>	<u>(98)</u>	<u>16,351</u>
Changes in equity				
Issue of share capital	-	-	-	2,562
Total comprehensive income	-	-	-	(6)
Balance at 31 December 2017	<u>60</u>	<u>909</u>	<u>(98)</u>	<u>18,907</u>

W RESOURCES PLC
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £'000	2016 £'000
Cash flows from operating activities			
Cash absorbed by operations	1	(709)	(714)
Interest paid		(21)	(15)
Net cash from operating activities		<u>(730)</u>	<u>(729)</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(1,577)	(2,233)
Purchase of tangible fixed assets		(311)	(31)
Net cash outflows from investing activities		<u>(1,888)</u>	<u>(2,264)</u>
Cash flows from financing activities			
New loans in year		168	15
Loan repayments in year		(35)	(144)
Amount introduced by directors		16	-
Share issue		797	637
Share Issue Premium		1,879	2,067
Share Issue Costs		(113)	(89)
Net cash from financing activities		<u>2,712</u>	<u>2,486</u>
Increase/(decrease) in cash and cash equivalents		94	(507)
Cash and cash equivalents at beginning of year	2	357	864
Cash and cash equivalents at end of year	2	<u><u>451</u></u>	<u><u>357</u></u>

W RESOURCES PLC
COMPANY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £'000	2016 £'000
Cash flows from operating activities			
Cash absorbed by operations	1	(2,570)	(3,206)
Net cash absorbed by operating activities		<u>(2,570)</u>	<u>(3,206)</u>
Cash flows from investing activities			
Interest received		85	559
Net cash from investing activities		<u>85</u>	<u>559</u>
Cash flows from financing activities			
Share issue		797	637
Share Premium		1,879	2,067
Share issue costs		(113)	(89)
Net cash from financing activities		<u>2,563</u>	<u>2,615</u>
Increase/(decrease) in cash and cash equivalents		78	(32)
Cash and cash equivalents at beginning of year	2	113	145
Cash and cash equivalents at end of year	2	<u>191</u>	<u>113</u>

W RESOURCES PLC
NOTES TO THE STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017

1. RECONCILIATION OF LOSS/PROFIT BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

Group	2017	2016
	£'000	£'000
Loss before income tax	(732)	(854)
Depreciation charges	212	205
Loss on disposal of fixed assets	-	8
Share based payment	-	116
Translation reserve	(7)	73
Share warrants expired	-	(77)
Share options issued	-	60
Finance costs	21	24
	<hr/>	<hr/>
	(506)	(445)
Increase in inventories	(47)	-
Increase in trade and other receivables	(163)	(318)
Increase in trade and other payables	7	49
Cash absorbed by operations	<hr/> <hr/>	<hr/> <hr/>
	(709)	(714)

Company	2017	2016
	£'000	£'000
Profit before income tax	119	1,628
Share based payments	-	116
Increase in inter-group loans	(2,624)	(4,468)
Share warrants expired	-	(77)
Share options issued	-	60
Finance costs	-	9
Finance income	(85)	(559)
	<hr/>	<hr/>
	(2,590)	(3,291)
(Increase)/decrease in trade and other receivables	(6)	26
Increase in trade and other payables	26	59
Cash absorbed by operations	<hr/> <hr/>	<hr/> <hr/>
	(2,570)	(3,206)

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statements of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

	Group		Company	
	31.12.17	1.1.17	31.12.17	1.1.17
	£'000	£'000	£'000	£'000
Year ended 31 December 2017				
Cash and cash equivalents	451	357	191	113
	<hr/>	<hr/>	<hr/>	<hr/>
Year ended 31 December 2016				
Cash and cash equivalents	357	864	113	145
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	357	864	113	145

W RESOURCES PLC
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

2. SEGMENTAL REPORTING

2016		Corporate £'000	Mineral Exploration £'000	Total £'000
By Business Segment:				
Gain/(Loss) for the year		1,628	(2,482)	(854)
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Balance Sheet	- Segment Assets	143	14,807	14,950
	- Segment Liabilities	(203)	(881)	(1,084)
Net Assets		(60)	13,926	13,866
<hr/> <hr/>				
By Geographical Sector:				
		Iberia £'000	UK £'000	Total £'000
Loss for the year		(2,482)	1,682	(854)
<hr/>				
Balance Sheet	- Segment Assets	14,807	143	14,950
	- Segment Liabilities	(881)	(203)	(1,084)
Net Assets		13,926	(60)	13,866
<hr/> <hr/>				
2017		Corporate £'000	Mineral Exploration £'000	Total £'000
By Business Segment:				
Gain/(Loss) for the year		(26)	(832)	(858)
<hr/>				
Balance Sheet	- Segment Assets	229	17,146	17,375
	- Segment Liabilities	(361)	(1,011)	(1,372)
Net Assets		(132)	16,135	16,003
<hr/> <hr/>				
By Geographical Sector:				
		Iberia £'000	UK £'000	Total £'000
Loss for the year		(832)	(26)	(858)
<hr/>				
Balance Sheet	- Segment Assets	17,146	229	17,375
	- Segment Liabilities	(1,011)	(361)	(1,372)
Net Assets		16,135	(132)	16,003
<hr/> <hr/>				

4. NET FINANCE COSTS

	2017 £'000	2016 £'000
Finance costs:		
Other interest	21	24

5. LOSS BEFORE INCOME TAX

The loss before income tax is stated after charging:

	2017 £'000	2016 £'000
Cost of sales	-	141
Depreciation - owned assets	157	152
Loss on disposal of fixed assets	-	8
Intangible assets amortisation	54	53
Auditors' remuneration	26	24
Auditors' remuneration for non-audit related services	2	1
Exceptional Item	-	149

A total of £120,000 (2016: £160,000) relating to M Masterman's consultancy fees were capitalised in intangible assets in 2017.

The exceptional item in 2016 relates to a review by HMRC of the Company's VAT position resulting in the suspension of the Company's VAT registration number and a deemed irrecoverability of VAT which has been provided for in the financial statements. The Company has disputed HMRC's decision and the review remains ongoing. VAT in the current year has not been reclaimed and expenditure in 2017 is shown gross of VAT, where relevant.

6. INCOME TAX

Analysis of tax expense	2017 £'000	2016 £'000
Current tax:		
Tax	126	-
Total tax expense in consolidated income statement and statement of other comprehensive income	126	-

Factors affecting the tax expense

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2017 £'000	2016 £'000
Loss before income tax	(732)	(854)
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2016 - 20%)	(139)	(171)
Effects of:		
Share options costs disallowed	-	12
Share warrants expired	-	(15)
Share based payment disallowed	-	23
Benefit of losses brought forward	(3,544)	(3,393)
Benefit of losses carried forward	3,684	3,544
Interest taxed above current year losses	123	-
Effect of change in rate of tax	2	-
Tax expense	126	-

8. LOSS PER SHARE

Basic loss per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Diluted loss per share is calculated using the weighted average number of shares adjusted to assume the conversion of all dilutive potential ordinary shares. The share options issued during 2016 and share warrants issued during 2017 are considered to be anti-dilutive in accordance with IAS 33 as on conversion they would decrease loss per share from continuing operations.

Reconciliations are set out below.

	Loss £'000	2017 Weighted average number of shares	Per-share amount pence
Basic LPS			
Loss attributable to ordinary shareholders	(858)	4,762,658,488	(0.02)
Effect of dilutive securities	-	-	-
Diluted LPS			
Adjusted loss	(858)	4,762,658,488	(0.02)

	Loss £'000	2016 Weighted average number of shares	Per-share amount pence
Basic LPS			
Loss attributable to ordinary shareholders	(854)	4,004,583,481	(0.02)
Effect of dilutive securities	-	-	-
Diluted LPS			
Adjusted loss	(854)	4,004,583,481	(0.02)

9. INTANGIBLE ASSETS

Group	Intangible assets £'000
COST	
At 1 January 2017	11,887
Additions	1,577
Exchange differences	383
At 31 December 2017	13,847
AMORTISATION	
At 1 January 2017	169
Amortisation for year	54
Exchange differences	6
At 31 December 2017	229
NET BOOK VALUE	
At 31 December 2017	13,618

Group	Intangible assets £'000
COST	
At 1 January 2016	8,349
Additions	2,233
Exchange differences	1,305
At 31 December 2016	<u>11,887</u>
AMORTISATION	
At 1 January 2016	99
Amortisation for year	53
Exchange differences	17
At 31 December 2016	<u>169</u>
NET BOOK VALUE	
At 31 December 2016	<u><u>11,718</u></u>

The above represents capitalised testing works and concessions costs acquired.

10. PROPERTY, PLANT AND EQUIPMENT

Group	Plant and machinery £'000
COST	
At 1 January 2017	2,357
Additions	311
Exchange differences	80
At 31 December 2017	<u>2,748</u>
DEPRECIATION	
At 1 January 2017	374
Charge for year	157
Exchange differences	13
At 31 December 2017	<u>544</u>
NET BOOK VALUE	
At 31 December 2017	<u><u>2,204</u></u>

Group	Plant and machinery £'000	Fixtures and fittings £'000	Motor vehicles £'000	Totals £'000
COST				
At 1 January 2016	2,054	13	6	2,073
Additions	31	-	-	31
Disposals	(62)	(13)	(6)	(81)
Exchange differences	334	-	-	334
At 31 December 2016	<u>2,357</u>	<u>-</u>	<u>-</u>	<u>2,357</u>
DEPRECIATION				
At 1 January 2016	245	13	6	264
Charge for year	152	-	-	152
Eliminated on disposal	(55)	(13)	(6)	(74)
Exchange differences	32	-	-	32
At 31 December 2016	<u>374</u>	<u>-</u>	<u>-</u>	<u>374</u>
NET BOOK VALUE				
At 31 December 2016	<u>1,983</u>	<u>-</u>	<u>-</u>	<u>1,983</u>

11. INVESTMENTS

Company	Shares in group undertakings £'000
COST	
At 1 January 2017 and 31 December 2017	<u>1,520</u>
NET BOOK VALUE	
At 31 December 2017	<u>1,520</u>
At 31 December 2016	<u>1,520</u>
Shares in group undertakings £'000	
COST	
At 1 January 2016 and 31 December 2016	<u>1,520</u>
NET BOOK VALUE	
At 31 December 2016	<u>1,520</u>

Company

The group or the company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Subsidiaries

Iberian Resources Spain SL

Registered office: Finca La Parrilla, 10132 Almoharin Caceres, Spain

Nature of business: Tungsten mining, production, exploration

Class of shares:	%
	holding
Ordinary	100.00

	2017	2016
	£'000	£'000
Aggregate capital and reserves	(2,402)	(2,001)

Copper Gold Resources Plc (Group)

Registered office: 27/28 Eastcastle Street, London W1W 8DH

Nature of business: Tungsten mining exploration, development

Class of shares:	%
	holding
Ordinary	100.00

	2017	2016
	£'000	£'000
Aggregate capital and reserves	233	258

Iberian Resources Portugal LDA

Registered office: Lugar das Mozes, 5110-159 Armamar, Portugal

Nature of business: Mineral Exploration

Class of shares:	%
	holding
Ordinary	100.00

	2017	2016
	£'000	£'000
Aggregate capital and reserves	121	126

12. INVENTORIES

	Group	
	2017	2016
	£'000	£'000
Concentrate for re-sale	47	-

13. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Current:				
Amounts owed by group undertakings	-	-	17,630	15,028
Other debtors	410	527	10	6
Prepayments	645	365	25	23
	1,055	892	17,665	15,057

14. CASH AND CASH EQUIVALENTS

	Group		Company	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Bank accounts	451	357	191	113

15. CALLED UP SHARE CAPITAL

Allotted and issued:

Number:	Class:	Nominal Value	2017 £'000	2016 £'000
5,156,646,034	Ordinary	0.1p	5,157	4,360

796,150,060 Ordinary Shares of 0.1p were issued during the year for cash as follows:

- On 14 March 2017, 214,285,713 Ordinary Shares of 0.1p each were issued at a premium of 0.25p raising £750,000.
- On 20 June 2017, 232,142,857 Ordinary Shares of 0.1p each were issued at a premium of 0.18p raising £650,000. Warrants were also issued alongside these shares on a 1 for 1 basis, with an exercise period of 2 years redeemable at 0.42p per share. None were exercised during the year.
- On 21 June 2017, 35,714,284 Ordinary Shares of 0.1p each were issued at a premium of 0.18p raising £100,000. Warrants were also issued alongside these shares on a 1 for 1 basis, with an exercise period of 2 years redeemable at 0.42p per share. None were exercised during the year.
- On 3 October 2017, 40,540,540 Ordinary Shares of 0.1p each were issued at a premium of 0.27p raising £150,000 to repay the balance of advances from ICD Alloys and Metals LLP.
- On 12 October 2017, 273,466,666 Ordinary Shares of 0.1p each were issued at a premium of 0.275p raising £1,000,000. Including 6.8m shares to Turner Pope Investments (TPI) Ltd as part placing fees at 0.375p (premium 0.275p).

At the year-end there were 267,857,141 Share Warrants in issue that were yet to be exercised.

16. RESERVES

Group	Retained earnings £'000	Share premium £'000	Share based payment reserve £'000
At 1 January 2017	(14,191)	22,381	60
Deficit for the year	(858)		
Cash share issue	-	1,879	-
Cost of share issue	-	(114)	-
At 31 December 2017	(15,049)	24,146	60

Group	Merger Reserve £'000	Translation Reserve £'000	Totals £'000
At 1 January 2017	909	347	9,506
Deficit for the year			(858)
Cash share issue	-	-	1,879
Cost of share issue	-	-	(114)
Trans to translation reserve	-	433	433
At 31 December 2017	909	780	10,846

Company	Retained earnings £'000	Share premium £'000	Share based payment reserve £'000
At 1 January 2017	(11,261)	22,381	60
Deficit for the year	(6)		
Cash share issue	-	1,879	-
Cost of share issue	-	(114)	-
At 31 December 2017	(11,267)	24,146	60

Company	Merger Reserve £'000	Translation Reserve £'000	Totals £'000
At 1 January 2017	909	(98)	11,991
Deficit for the year			(6)
Cash share issue	-	-	1,879
Cost of share issue	-	-	(114)
At 31 December 2017	909	(98)	13,750

17. TRADE AND OTHER PAYABLES

	Group		Company	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Current:				
Trade creditors	740	476	70	46
Amounts owed to group undertakings	-	-	115	136
Other creditors	136	390	136	135
Accrued expenses	26	29	23	22
	902	895	344	339

18. FINANCIAL LIABILITIES - BORROWINGS

In June 2017, a short term loan of £35,492 was granted by the Banco Bilbao Vizcaya to Iberian Resources Spain SL. This loan was repaid in its entirety in July 2017. In November 2017, a second loan of £133,097 was granted by the Banco Bilbao Vizcaya to Iberian Resources Spain SL. Repayment. This loan was repaid in its entirety in February 2018.

On 20 October 2014, Beronia Investments Pty granted Iberian Resources Spain SL a short term loan of €200,000 to cover VAT receivables. This remained outstanding at 31 December 2017, and it was repaid in its entirety on 21 February 2018. This loan had an interest rate of 5% per annum. Interest in the year was recognised in the Income Statement of £16,000 (2016 £ 15,000). The converted balance included in financial liabilities - borrowings at the year-end was £211,000 (2016; £189,000).