

W Resources PLC

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W Resources set to become major European tungsten producer

- First tin and tungsten produced late in 2018
- Plant construction and installation nearing completion
- Significant revenues and profits expected this year
- Other development assets progressing

What does W Resources do?

W Resources PLC (LON:WRES) is a long-standing constituent of London's AIM market, run by mining entrepreneur Michael Masterman.

Masterman has been involved with several resources companies over the years and has plenty of experience in bringing projects all the way from early stage exploration towards and into the production stage. W Resources is focussed primarily on tungsten, tin and gold.

What does W Resources own?

The company owns several exploration and development assets in Spain and Portugal, most notably the La Parrilla project, which produced its first tin and tungsten late last year.

The fully automated 350 tonnes per hour crushing circuit is already operational. It can be run with one operator and has run smoothly at full capacity.

Work on the plant and wider infrastructure are due to begin the final commissioning process in July 2019, as the wider La Parrilla ramp-up process continues towards a target of processing 200 tonnes per month by the end of the year.

Meanwhile, at Régua in Portugal, development work continues to progress well. Infill drilling of the mine entry portals is now complete and database completion is underway for a review of the resource.

Road construction, mining contractor and contract crushing contract negotiation is advanced and is expected to be finalised in the third quarter of 2019.

And at the São Martinho gold deposit in Portugal, SRK Consulting is progressing well with the updated gold resource estimate, which is expected to be finalised in the second quarter of 2019. W Resources has applied for a trial mine licence in order to commence initial mining and production and this will be progressed through the Portuguese regulatory programme.

Broker expects significant revenues this year

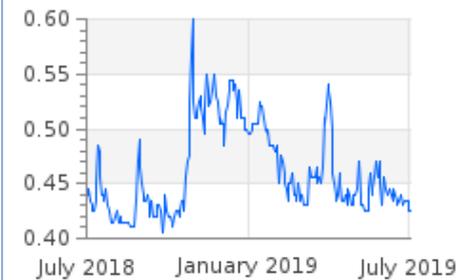
Broker Northland forecasts that the La Parrilla project will generate revenues of around £29m this year, following the completion of the ramp-up process.

That will translate into profits before tax of £7.6m and earnings per share of 0.1p.

Price: 0.435p

Market Cap: £26.23M

1 Year Share Price Graph



Share Information

Code: WRES

Listing: AIM

52 week High Low
0.62p 0.40p

Sector: Mining

Website: www.wresources.com

Company Synopsis:

W Resources strategy is to build a European mining company focussed on delivering long term production of tungsten, a key strategic metal with strong market fundamentals. With five projects in Spain and Portugal, its flagship project, La Parrilla in Spain, is one of the world's largest tungsten mines, where production commenced in late 2018 and is expected to deliver significant earnings growth in 2019.

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At the end of the year, Northland forecasts that the company will be carrying a debt of around £15mln. The broker sets a price target of 1.2p

Chairman Michael Masterman upbeat about progress

Completion of the spiral and shaking table buildings at La Parrilla was "an important milestone," said Michael Masterman, chairman of W Resources, with the on-site priority for July being completing electrical cabling to begin the final commissioning.

This will give the group the operational capability to expand tungsten and tin production as part of the second stage of plant ramp-up.

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