

Dear Fellow Shareholders,

Westwater continued to execute its plan to improve performance in safety, environmental sustainability, and diversification into green energy markets in 2018. We completed our strategic transformation into a developer of graphite and explorer for lithium – both critical minerals needed for the manufacturing of electric automobiles and energy storage for the 21<sup>st</sup> century.

## SAFETY AND ENVIRONMENTAL SUSTAINABILITY

I am proud to announce that our entire company completed its second full year without any recordable safety or environmental incidents. This means that the Westwater team has performed without an injury requiring a doctor's care for over two years. It also means that our environmental record for the year was violation free. This is especially significant as we execute reclamation activities at our Vasquez and Rosita properties in Texas.

## BUSINESS PLAN EXECUTION

We acquired Alabama Graphite Corp. this year and successfully integrated the Coosa Graphite Project ("Coosa Project") into our portfolio. With a new, more robust business plan, we accelerated our path towards positive cash flow and made substantial improvements to the project's net present value. Westwater is at the forefront of developing energy storage battery materials in the United States, and we currently have three products under development and testing at potential customers.

In October of this past year we discovered vanadium at our Coosa Project. Subsequent sampling demonstrated widespread vanadium values that show some promise of further enhancing that project's economics on a co-product basis. These results also indicate that higher graphite values may be associated with elevated vanadium assays – further enhancing potential project returns. While vanadium, like graphite, is used in the energy storage space, the largest market is as a critical alloy for strengthening steel – currently in short supply worldwide and trading at multi-year high prices. We expect to announce an exploration plan for the Coosa Project in the coming weeks – one that will help further define the extent and amount of vanadium available to us that may further improve the unit economics of the mine plan.

## OUR PLANS

Our plans for 2019 and beyond include:

- Sustainability:
  - Continuing our great safety and environmental performance.
  - Completing reclamation at our Vasquez uranium property. This will reduce expenses in Texas and, ultimately, return cash to Westwater in the form of bond release.
  - Completing reclamation at PAA1 and PAA2 at our Rosita Property. Likewise, we expect to return cash to Westwater in the form of bond release.
- Graphite business development

- Developing our pilot plant.
- Developing our product line and placing more material in customers' hands.
- Exploring for vanadium on the Coosa project as a potential co-product and economic enhancement to an already robust business model.
- Pursue reimbursement from the Republic of Turkey
  - Continuing our attempt to work with the Turkish Government to reimburse Westwater for the illegal taking of its uranium licenses.
  - Continuing, at the same time, to pursue remedies for that taking in arbitration at the International Court for the Settlement of Investment Disputes (ICSID).

## TAKING CARE OF OUR SHAREHOLDERS

- Changes we made as a result of last year's "Say on Pay" Vote:
  - We made significant changes to the way we paid our executive officers in 2018 in response to shareholders' wishes.
  - Our executive officers forfeited 2018 performance-based restricted shares as performance did not meet Total Shareholder Return criteria for the period.
- We changed our board membership.
- We need to maintain our Nasdaq listing.
  - Our share liquidity is important to our shareholders – and maintaining our Nasdaq listing is critical to that liquidity.
  - A share price above \$1.00 allows a larger group of investors to consider ownership of our stock due to internal minimum price requirements.
  - Our Nasdaq listing allows us access to the largest capital markets in the world – increasing our ability to develop our business.
  - Nasdaq requires our share price to be above \$1.00, and we are seeking shareholder approval authorizing a reverse split of our shares so we can achieve and maintain that level.

## SUMMARY

2018 was a transitional year for Westwater. We are grateful to our shareholders for their support and feedback as we completed our strategic transformation in 2018.

We are grateful to our dedicated team of 32 employees who exemplified a best-in-class safety culture, creativity and teamwork to support our reclamation efforts and strategic transformation to a graphite and lithium business.

With a great business plan, a record of achievement, and an experienced and accomplished team at Westwater – we are confident that our entry into the Green Energy Economy can be achieved.

Very Best Wishes,

Christopher M. Jones, President and CEO