

## Westwater Resources Announces Second Quarter 2020 Results & Business Update

**CENTENNIAL, Colo. August 6, 2020 - Westwater Resources, Inc. (Nasdaq: WWR)**, an energy materials development company, today announced its results for the second quarter of 2020 and provided an update on its materials development business.

Christopher M. Jones, President and Chief Executive Officer, said, “In the first half of the year, the COVID-19 pandemic has not materially impacted our business activities. Even though we closed our offices, the remote use system already in place enabled our team to remain productive and to make great strides as we continued to execute our 2020 strategy. We remain focused on the health and safety of all Westwater Resources employees, on maintaining highest safety standards in all of our operations and on ensuring the safety of the communities where we live and work. To this end, we have eliminated unnecessary travel and instituted health protocols at all job sites. We also continue to make sure our team members can take time off without penalty due to illness or to care for those around them who have fallen ill. Thanks to our diligence and concern, and to the enthusiasm and industriousness of our team, we are efficiently conducting our business.”

Some of the key milestones from the second quarter of 2020 and through the date of this press release include:

- On July 9, 2020, the company announced that independent performance testing of its ULTRA-CSPG™ (Coated Spherical Purified Graphite (“CSPG”)) material produced in a laboratory setting shows that it performs as well or better than benchmark commercially available natural flake and synthetic materials. ULTRA-CSPG™ is Westwater’s anode material utilized in lithium ion batteries in the fast-growing electric vehicle market.
- As of June 30, 2020, the Westwater Resources relationship with Dorfner Anzoplan continues without pause to produce results that inform the design of Westwater’s pilot plant operation. The pilot plant is scheduled to operate during the 4<sup>th</sup> quarter of 2020. Westwater is now undertaking the final design of the pilot plant, as well as the purchase and installation of all necessary equipment.
- On June 2, 2020, Westwater announced that independent testing of its ULTRA-PMG™ (Purified Micronized Graphite (“PMG”)) battery graphite material has shown outstanding resistivity values as a conductive additive.
- The Company continues its restoration and reclamation activities on its South Texas uranium properties.
- During the quarter the Company secured a PPP loan for its’ subsidiary, URI, Inc. Since the loan was executed, the Company has met all requirements for forgiveness of the loan as outlined in the Small Business Administration Guidelines, and a process has begun for extinguishment of the note.
- On April 28, 2020, in the ICSID arbitration proceeding for the Company’s challenge that the Republic of Turkey unlawfully revoked licenses for the Temrezli and Sefatli uranium projects, the arbitral tribunal denied Turkey’s bifurcation request, which would have materially extended the potential timeline for the completion of the arbitration proceeding. On June 3, 2020, the arbitral tribunal ruled

that Turkey must file its Counter-Memorial on or before September 14, 2020. The hearing on substantive issues and damages is still scheduled for September 13-17, 2021.

“We are delighted with the progress we have made during an immensely difficult quarter for just about every business worldwide,” Mr. Jones added. “Our goal now is to continue at this pace through year-end. We are inspired by the performance of our battery materials, and we are on target to have our pilot plant, in collaboration with Dorfner Anzoplan, operational by year-end. Notwithstanding COVID-19 and other challenges, 2020 is shaping up to be a solid year for Westwater Resources.”

## **FINANCIAL SUMMARY**

**Table 1: Financial Summary**

(000's, Except Per Share)	<b><u>2Q 2020</u></b>	<b><u>2Q 2019</u></b>	<b><u>2Q Variance</u></b>	<b><u>1H 2020</u></b>	<b><u>1H 2019</u></b>	<b><u>1H Variance</u></b>
Net Cash Used in Operations	\$ (2,610)	\$ (1,584)	65%	\$ (6,065)	\$ (4,324)	40%
Mineral Property Expenses	\$ (576)	\$ (808)	-29%	\$ (1,178)	\$ (1,426)	-17%
General and Administrative	\$ (1,659)	\$ (1,700)	-2%	\$ (3,438)	\$ (3,405)	1%
Net Loss	\$ (2,467)	\$ (2,775)	-11%	\$ (5,754)	\$ (5,949)	-3%
Net Loss Per Share	\$ (0.43)	\$ (1.81)	-76%	\$ (1.18)	\$ (3.95)	-70%
Weighted Avg. Shares Outstanding	5,786	1,533	277%	4,896	1,506	225%

- **Net Cash Used in Operations.** Net cash used in operating activities was \$6.0 million for the six months ended June 30, 2020, as compared with \$4.3 million for the same period in 2019. The \$1.7 million increase in cash used was primarily due to an increase in prepaid assets and a decrease in accounts payable and accrued liabilities in 2020.
- **Operating Expenses.** For the three months ended June 30, 2020, mineral property expenses decreased by \$0.2 million from the corresponding period in 2019. The decrease was primarily due to the timing of the annual lease rental for a uranium property in New Mexico. For the current year, the leaseholder agreed to payments in seven monthly installments from May to November, while in 2019 the lease rental was paid in whole during the second quarter of the year. At June 30, 2020, five monthly payments remained.
- **General and Administrative Expenses.** General and administrative expenses for the three and six months ended June 30, 2020 and 2019 remained relatively constant at \$1.7 million and \$3.4 million respectively.
- **Net Loss.** Consolidated net loss for the three months ended June 30, 2020 was \$2.5 million, or \$0.43 per share, as compared with a consolidated net loss of \$2.8 million, or \$1.81 per share for the same period in 2019. The \$0.3 million decrease in our consolidated net loss from the respective prior period was the result of a decrease in mineral property expenses in the current year and a decrease in arbitration costs due to minimal scheduled proceedings during the current quarter.
- **Cash and Working Capital.** At June 30, 2020 the Company’s cash balances were \$2.3 million and the Company had a working capital deficit balance of \$1.0 million. The Company’s cash balance at July 31, 2020 is \$2.9 million. The company is pursuing project financing to support execution of the graphite business plan, including discretionary capital expenditures associated with graphite battery-material product development, construction of pilot plant facility and construction of commercial production facility.

- **Shares Outstanding.** Total shares outstanding are 7,564,815 at July 31, 2020.

## **Conference Call & Webcast**

The Company will hold a conference call to discuss its financial results and recent developments for its second quarter ended June 30<sup>th</sup> 2020 on Thursday, August 6, 2020 at 12:00 p.m. Eastern Time (10:00 a.m. Mountain Time).

### **Dial-in Numbers:**

**+1 (800) 319-4610 (U.S. and Canada)**

**+1 (604) 638-5340 (International)**

**Conference ID: Westwater Resources Conference Call**

Hosting the call will be Christopher M. Jones, President and Chief Executive Officer of Westwater Resources, who will be joined by Jeffrey L. Vigil, Vice President-Finance and Chief Financial Officer and Dain McCoig, Vice President of Operations. Mr. Jones will present an overview of the Company's business position and provide updates on its graphite, lithium and uranium businesses. Mr. Vigil will review the financial results. Mr. McCoig will be available for questions as part of the call.

The conference call and presentation will also be available via a live webcast through the Company's website, [www.WestwaterResources.net](http://www.WestwaterResources.net). A replay of the call will be available on the Company's website for a limited time and by phone using the details below.

### **Replay Numbers:**

**+1 (855) 669-9658 (U.S. and Canada)**

**+1 (412) 317-0088 (International)**

**Replay Access Code: 4994**

## **About Westwater Resources**

Westwater Resources (NASDAQ: WWR) is focused on developing energy-related materials. The Company's battery-materials projects include the Coosa Graphite Project — the most advanced natural flake graphite project in the contiguous United States — and the associated Coosa Graphite Mine located across 41,900 acres (~17,000 hectares) in east-central Alabama. Processing pilot plant operations are scheduled in the fourth quarter of 2020, producing ULTRA-PMG<sup>TM</sup>, ULTRA-DEXDG<sup>TM</sup> and ULTRA-CSPG<sup>TM</sup> in quantities that facilitate qualification testing at potential customers. In addition, the Company maintains lithium mineral properties in prospective lithium brine basins in Nevada and Utah. Westwater's uranium projects are located in Texas and New Mexico. In Texas, the Company has two licensed and currently idled uranium processing facilities and approximately 11,000 acres (~4,400 hectares) of prospective in-situ recovery uranium projects. In New Mexico, the Company controls mineral rights encompassing approximately 188,700 acres (~76,000 hectares) in the prolific Grants Mineral Belt, which is one of the largest concentrations of sandstone-hosted uranium deposits in the world. Incorporated in 1977 as Uranium Resources, Inc., Westwater also owns an extensive uranium information database of historic drill hole logs, assay certificates, maps, and technical reports for the western United States. For more information, visit [www.westwaterresources.net](http://www.westwaterresources.net).

## Cautionary Statement

This news release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are subject to risks, uncertainties and assumptions and are identified by words such as "expects," "estimates," "projects," "anticipates," "believes," "could," "scheduled," and other similar words. All statements addressing events or developments that WWR expects or anticipates will occur in the future, including but not limited to the future demand for and price of graphite, lithium and uranium, the Company's growth, developments at the Company's projects, and the Company's liquidity and cash demands, including future capital markets financing and disposition activities, are forward-looking statements. Because they are forward-looking, they should be evaluated in light of important risk factors and uncertainties. These risk factors and uncertainties include, but are not limited to, (a) the Company's ability to successfully integrate Alabama Graphite Corporation's business into its own, and the risk that additional analysis of the Coosa Graphite Project may result in revisions to the findings of WWR's initial optimization study; (b) the Company's ability to raise additional capital in the future; (c) spot price and long-term contract price of graphite, lithium, vanadium and uranium; (d) risks associated with our operations and the operations of our partners such as Dorfner Anzaplan, including the impact of COVID-19 and its potential impacts to the capital markets; (e) operating conditions at the Company's projects; (f) government and tribal regulation of the graphite industry, the lithium industry, the vanadium industry, the uranium industry, and the power industry, and government support for domestic uranium production and nuclear power; (g) world-wide graphite, lithium, vanadium and uranium supply and demand, including the supply and demand for lithium-based batteries; (h) maintaining sufficient financial assurance in the form of sufficiently collateralized surety instruments; (i) unanticipated geological, processing, regulatory and legal or other problems the Company may encounter in the jurisdictions where the Company operates or intends to operate, including in Alabama, Texas, New Mexico, Utah, and Nevada; (j) the ability of the Company to enter into and successfully close acquisitions or other material transactions; (k) the results of the Company's lithium brine exploration activities at the Columbus Basin and Sal Rica projects, and the possibility that future exploration results may be materially less promising than initial exploration result; (l) any graphite, lithium, vanadium or uranium discoveries not being in high-enough concentration to make it economic to extract the metals; (m) currently pending or new litigation or arbitration; and (n) other factors which are more fully described in the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, and other filings with the Securities and Exchange Commission. Should one or more of these risks or uncertainties materialize or should any of the Company's underlying assumptions prove incorrect, actual results may vary materially from those currently anticipated. In addition, undue reliance should not be placed on the Company's forward-looking statements. Except as required by law, the Company disclaims any obligation to update or publicly announce any revisions to any of the forward-looking statements contained in this news release.

### Contacts

Westwater Resources Contact:  
Christopher M. Jones, President & CEO  
Phone: 303.531.0480  
Jeff Vigil, VP Finance & CFO  
Phone: 303.531.0481  
Email: [Info@WestwaterResources.net](mailto:Info@WestwaterResources.net)

### Investor Relations Contact:

Porter, LeVay & Rose  
Michael Porter  
Phone: 212.564.4700  
Email: [Westwater@plrinvest.com](mailto:Westwater@plrinvest.com)