

Westwater Resources Reports 2017 Results

CENTENNIAL, Colo., **March 2, 2018** – **Westwater Resources, Inc. (Nasdaq: WWR)** (the “Company”), an energy minerals exploration and development company, announced today its results for fiscal year 2017 ending December 31, 2017, and also discussed its business outlook and its energy minerals business development for 2018.

“2017 was a pivotal year for the Company with the strategic move to increase our exposure to the growing battery materials sector through the pending acquisition of Alabama Graphite Corp. In addition, we have eliminated all of our debt, we conducted exploration drilling at our lithium properties, and we continue to leverage the nuclear power sector,” said Christopher M. Jones, President and Chief Executive Officer. “All of our work has been justified by the United States government’s report, issued on February 16, 2018, designating all three of our mineral property portfolio opportunities – uranium, lithium, and soon to be graphite – as materials critical to the security of the country.”

Highlights for 2017 and to Date

- **Proposed Graphite Acquisition.** On December 13, 2017, Westwater announced a binding agreement with Alabama Graphite Corp. (“AGC”), under which Westwater will acquire all outstanding shares of AGC. This transaction is expected to close in the second quarter of 2018, and it will position WWR as a near term producer of advanced battery graphite materials.
- **Lithium Exploration Projects.** The Company expanded its lithium property holdings by obtaining an option to purchase a 3,000-acre block of unpatented placer mining claims in the Columbus Basin Project area and in June 2017 the Company acquired its third lithium exploration project through the staking of 9,270 acres of federal placer mining claims within the Railroad Valley of central Nevada. In the fall of 2017, Westwater completed Phase 1 exploration drilling and acquired water rights at the Columbus Basin lithium brine project in Nevada, and announced positive lithium results at the Sal Rica Project in Utah.
- **Name Change.** The Company changed its name from Uranium Resources to Westwater Resources on August 21, 2017 in order to better reflect our strategic energy minerals focus.
- **Uranium Projects.** The Company continued to maintain its uranium properties on standby, awaiting improved uranium prices. Activities included continued restoration/reclamation activities in South Texas, while in New Mexico, the Company negotiated extensions on the Cebolleta and Juan Tafoya leases. The Company’s Temrezli property in Turkey is also being maintained on standby.
- **Laramide Asset Sale.** On January 5, 2017, the Company closed the sale of its Crownpoint and Churchrock properties in New Mexico to Laramide Resources Ltd. (“Laramide”). At closing, the Company received \$2.25 million in cash, common stock and warrants from Laramide valued at \$0.5 million, a three-year secured promissory note in the amount of \$5.0 million, and other consideration. Laramide made the first required principal payment on the promissory note in January 2018, consisting of \$750,000 in cash and the issuance of 1,982,483 shares of Laramide’s common stock.
- **Equity Capital Raises.** In 2017, the Company raised net proceeds of \$16.5 million, comprised of \$13.4 million from a confidentially marketed public offering and a registered direct offering, \$2.1 million from sales under the Company’s common stock purchase agreement with Aspire Capital Fund LLC, and \$1.0 million from sales through the Company’s At-The-Market sales agreement.
- **RCF Loan Retirement.** On February 9, 2017, the Company repaid \$5.5 million of principal and unpaid interest in cash to retire the obligations remaining under the loan agreement dated November 13, 2013, by and among the Company, certain of its subsidiaries and Resource Capital Fund V L.P. (“RCF”). In addition, on July 31, 2017, the Company and RCF terminated the Stockholders’ Agreement dated March 1, 2012, pursuant to which RCF had certain participation and Board rights.

- ASX Delist. In October 2017, the Company terminated its listing on the Australian Stock Exchange (“ASX”) as part of our continuing cost reduction process.

Financial Overview

- Net Cash Used in Operations. Net cash used in operating activities in 2017 was \$11.6 million, as compared with \$12.3 million in 2016. This difference can largely be attributed to a decrease in general and administrative expenses during the year.
- Mineral Property Expenses. Mineral property expenses increased by \$1.3 million in 2017 over 2016. The bulk of this difference is due to increased land holding costs as well as exploration costs relating to the newly acquired lithium holdings in Nevada. The remaining \$0.5 million was due to 2016 lease obligations on the Juan Tafoya Project that were deferred until 2017. General and administrative charges decreased by \$1 million in 2017, primarily due to decreases in stock compensation expenses, salaries, consulting and professional services.
- Net Loss. Consolidated net loss for 2017 was \$19.3 million, or \$0.78 per share, as compared with \$19.6 million, or \$3.73 per share in 2016. The decrease of \$0.3 million from the prior period was mostly the result of decreases in interest expense of \$3.4 million, \$0.3 million decrease in commitment fees and a \$3.3 million loss on the sale of marketable securities in 2016. Additionally, a gain of \$4.9 million was recognized on the disposal of our Churchrock and Crownpoint projects. These differences were offset by a \$9.8 million increase in the impairment of uranium properties, a \$0.5 million increase in accretion of asset retirement obligations and a \$1.3 million increase in mineral property expenses for 2017.
- Cash and Working Capital. Continued working capital improvements during the year resulted in an improved cash balance of \$4 million at December 31, 2017 compared with \$3.3 million at December 31, 2016. The balance for cash and cash equivalents as of February 26, 2018 was \$1.6 million.
- Shares Outstanding. Total shares outstanding as of February 26, 2018 were 27,929,194.

Table 1: Financial Summary

(\$ and Shares in 000, Except Per Share)	2017	2016	Variance
Net Cash Used in Operations	\$ (11,603)	\$ (12,309)	-6%
Mineral Property Expenses	\$ (4,584)	\$ (3,248)	41%
General and Administrative, including Non-Cash Stock Compensation	\$ (6,614)	\$ (7,650)	-14%
Net Loss	\$ (19,288)	\$ (19,605)	-2%
Net Loss Per Share	\$ (0.78)	\$ (3.73)	-79%
Avg. Weighted Shares Outstanding	24,737	5,252	371%

Business Update

Lithium Business

Over the past 18 months, WWR has expanded its energy minerals business by leveraging its existing business operations and technical capabilities. Those efforts have resulted in the acquisition of three lithium brine exploration projects -- Columbus Basin, Sal Rica, and now Railroad Valley -- totaling over 36,730 acres of mineral claims and representing one of the largest lithium brine exploration holdings in North America.

WWR will integrate its newest property, known as the Railroad Valley Project, into the Company’s ongoing lithium exploration activities in Nevada and Utah. Studies underway for the Railroad Valley Project include additional surface sediment sampling and the acquisition of relevant geophysical data generated from both

historical and current oil exploration within the basin for reinterpretation. Further exploration work will be dependent on results from these studies.

Water rights are critical to the production of brines, and water law in the arid southwest United States is robust. In order to secure WWR's ability to produce any brines found on its Columbus Basin Project, the Company successfully acquired all of the remaining water rights in the Columbus Basin. Applications for water rights are in queue for the Sal Rica and Railroad Valley projects to secure WWR's production capacity in those basins should economic quantities of brines be discovered there.

On July 31, 2017, the Company announced the commencement of exploration drilling at the Columbus Basin lithium brine project. On October 31, 2017, the Company announced that Phase 1 drilling was complete with the following results:

- Three core holes were completed at the 14,200-acre Columbus Basin Project for a total of 3,870 ft. of drilling. The maximum drilled depth was 1,680 ft. and fluids with high total dissolved solids (TDS) were identified in all three holes.
- In-house laboratory work performed at our Kingsville, Texas facility returned lithium concentrations of up to 43 parts per million (ppm) and boron concentrations of up to 173 ppm.
- Planning is underway for a Phase 2 exploration program at the Columbus Basin Project. Westwater also notes that brines have been discovered near our claims by Caeneus Minerals Ltd. ("Caeneus") with reported concentrations of up to 95.9 ppm lithium and 1,100 ppm boron at depths of 260-340 feet. As a result of our results and those reported by Caeneus, Westwater has filed a Notice of Intent to drill with the Bureau of Land Management (BLM) on the nearby Nina Claim Block of our Columbus Basin Project. Westwater will drill this block as part of the Phase 2 exploration program.

The Company is in the process of applying for an exploration permit on its Sal Rica Project. Earlier sample results indicate widespread lithium values. The intent of the new program at Sal Rica will be to further define the extent and quality of lithium in brines, and is scheduled for 2018, depending upon the timing of receipt of permits to drill there.

Uranium Business

Continuing reclamation work at our Texas properties has resulted in the approval by the Texas Commission on Environmental Quality ("TCEQ") on July 28, 2017 of bond reduction in the amount of \$318,000 at the Rosita Project. In addition, on November 6, 2017, the TCEQ advised Westwater that groundwater restoration at the Vasquez Project was deemed complete. This decision now paves the way for final plugging and reclamation of the site. These important milestones for the Company demonstrate our continuing commitment to the communities where we work, and is a testament to the hard and high-quality work by our team in South Texas.

Further to the successful environmental work, the Company secured the following:

- A \$200,000 bond release for relinquishment of the Cebolleta/Juan Tafoya Project exploration license after certification by the State of New Mexico that no disturbance had occurred; and
- A \$50,000 bond release for the successful reclamation of a circa 1980's uranium pilot plant after certification by the State of Wyoming.

Corporate Business

On April 14, 2017, the Company entered into an at-the-market offering (the "ATM Offering") with Cantor acting as sales agent. Under the ATM Offering, the Company may from time to time sell shares of its common stock having an aggregate offering amount up to \$30.0 million in "at-the-market" offerings, which shares are registered under a registration statement on Form S-3, which was declared effective on March 9, 2017. The Company pays Cantor a commission equal to 2.5% of the gross proceeds from the sale of any shares pursuant to the ATM Offering. As of March 1, 2018, the Company had sold 812,723 shares of common stock for net proceeds of \$1.2 million under the ATM Offering. As a result, the Company had approximately \$28.8 million remaining available for future sales under the ATM Offering.

On September 25, 2017, the Company entered into the CSPA with Aspire Capital to sell up to \$22.0 million in the aggregate of the Company's common stock on an ongoing basis when required by the Company over a term of 30 months. The Company will control the timing and amount of sales to Aspire Capital, and at a price based on market prices at that time. As consideration for Aspire Capital entering into the purchase agreement, the Company issued 880,000 shares of its common stock to Aspire Capital. The shares of common stock subject to the CSPA were registered pursuant to the Company's effective shelf registration statement on Form S-3. As of March 1, 2018, \$19.8 million of the aggregate \$22.0 million remain available for future sales under the CSPA.

On October 20, 2017 the Company terminated its listing on the Australian Stock Exchange ("ASX"). Trading volumes had significantly diminished since the original listing in November 2015, as the majority of ASX shareholders had transferred their shares to the Nasdaq stock exchange and capital raising efforts in Australia had been unsuccessful. Shareholders on the ASX were given the option of transferring their ownership interest to Nasdaq. The Company will save costs of approximately \$50,000 annually as a result of the delisting.

Outlook 2018

The Company's current cash, plus funding available under the Cantor ATM Sales Agreement and the Aspire Capital CSPA, is expected to fund critical operations through 2018. As an exploration and development company with no near-term production, the Company expects to obtain additional capital market financing, including the possible further sale of non-core assets, to fund its graphite business (expected transaction closing in Q2 2018), its lithium exploration program and to operate the Company through 2018. The Company's goals for 2018 are as follows:

- **Graphite:** WWR evaluated the Preliminary Economic Assessment performed by AGC and released an improved business plan for the Coosa Graphite Project on March 1, 2018. Highlights include:
 - Reduced planned initial capital expenditures by almost one third to \$30.0 million, with approximately \$7.0 million required initially for constructing a pilot plant.
 - Increased the net present value (discounted at 8%) to \$490 million from \$444 million.
 - Advanced revenues to 2020 from 2022.
 - Advanced positive cash flow to 2021 from 2022.
 - Reduced project risk through utilizing proven, environmentally sustainable processes for battery graphite production, starting the plant on widely available purchased feedstock, deferring mine construction and utilizing operations cash flow for the capital expenditures.
 - Staged the production of, now three, advanced battery materials to allow for product qualification timelines. These products are essential for the production of many battery types from lead-acid to alkaline power cells, and lithium-ion batteries.
 - Plans for 2018 include the specification and construction of a pilot plant that will produce these products in significant quantities for qualification by potential customers, as well as refine design parameters for the full-scale processing facility.
 - Work will continue with state and local officials in Alabama to site, permit and explore business incentives.
- **Lithium:** Continue to develop and implement exploration plans for the Company's lithium assets in Nevada and Utah.
- **Uranium:** Maintain our low-cost uranium portfolio and continue reclamation work in Texas.
- **Ongoing Cost Rationalization Efforts:** Continue to reduce operating and general and administrative expenditures.

- **M&A Efforts Continue.** Maintain an opportunistic posture in mergers and acquisitions by focusing on low-cost, high value development opportunities in the resource sector.

About Westwater Resources

WWR (formerly Uranium Resources, Inc.) is focused on developing energy-related minerals. The Company has developed a dominant land position in three prospective lithium brine basins in Nevada and Utah in preparation for exploration and potential development of any resources that may be discovered there. In addition, WWR remains focused on advancing the Temrezli in-situ recovery (ISR) uranium project in Central Turkey when uranium prices permit economic development of this project. WWR controls extensive exploration properties in Turkey under eight exploration and operating licenses covering approximately 39,000 acres (16,000 ha) with numerous exploration targets, including the potential satellite Sefaatli Project, which is 30 miles (48 km) southwest of the Temrezli Project. In Texas, the Company has two licensed and currently idled processing facilities and approximately 11,000 acres (4,400 ha) of prospective ISR uranium projects. In New Mexico, the Company controls mineral rights encompassing approximately 188,700 acres (76,394 ha) in the prolific Grants Mineral Belt, which is one of the largest concentrations of sandstone-hosted uranium deposits in the world. Incorporated in 1977, WWR also owns an extensive uranium information database of historic drill hole logs, assay certificates, maps and technical reports for the Western United States.

Furthermore, on December 13, 2017, WWR announced it had entered into a definitive agreement to acquire Alabama Graphite Corp. (AGC) (TSX-V: CSPG) (OTCQB: CSPGF) pursuant to an arrangement agreement and plan of arrangement. The primary asset of AGC is the Coosa graphite project, located across 41,900 acres in east-central Alabama. Finalization of the acquisition is subject to shareholder votes, as well as customary regulatory agency and court approvals. Closing of the acquisition is targeted for the second quarter of 2018.

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,” “intent,” “projects,” “anticipates,” “believes,” “should,” “could,” “will,” and other similar words. All statements addressing events or developments that the Company expects or anticipates will occur in the future, including but not limited to statements relating to the Company’s growth, developments at the Company’s projects, including future exploration costs and results, intent and timing of new and existing programs and testing, the potential improvements contained in WWR’s initial optimization study of the Coosa Project, the expected timing and closing of the merger, expected savings from delisting from the ASX 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 close its transaction with AGC and successfully integrate AGC’s business into its own, and the risk that additional analysis of the Coosa 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, uranium and lithium; (d) risks associated with our foreign and domestic operations; (e) operating conditions at the Company’s projects; (f) government and tribal regulation of the graphite industry, uranium industry, the lithium industry, and the power industry; (g) world-wide graphite, uranium and lithium 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, Nevada and Republic of Turkey; (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, Railroad Valley, and Sal Rica projects, and the possibility that future exploration results may be materially less promising than initial exploration result; (l) any graphite, lithium or uranium discoveries not being in high enough concentration to make it economic to extract the metals; and (m) 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.

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