

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended March 31, 2020

Or

Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from to

Commission file number 001-33404

WESTWATER RESOURCES, INC.

(Exact Name of Registrant as Specified in Its Charter)

DELAWARE

(State of Incorporation)

75-2212772

(I.R.S. Employer Identification No.)

6950 S. Potomac Street, Suite 300, Centennial, Colorado 80112

(Address of Principal Executive Offices, Including Zip Code)

(303) 531-0516

(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of Each Class</u>	<u>Trading Symbol(s)</u>	<u>Name of Each Exchange on Which Registered</u>
Common Stock, \$0.001 par value	WWR	Nasdaq Capital Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

<u>Title of Each Class of Common Stock</u>	<u>Number of Shares Outstanding</u>
Common Stock, \$0.001 par value	5,568,094 as of May 13, 2020

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PART I — FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

WESTWATER RESOURCES, INC.
 CONDENSED CONSOLIDATED BALANCE SHEETS
 (expressed in thousands of dollars, except share amounts)
 (unaudited)

	Notes	March 31, 2020	December 31, 2019
ASSETS			
Current Assets:			
Cash and cash equivalents	1	\$ 877	\$ 1,870
Prepaid and other current assets		843	491
Total Current Assets		<u>1,720</u>	<u>2,361</u>
Property, plant and equipment, at cost:			
Property, plant and equipment		91,701	91,746
Less accumulated depreciation and depletion		(71,377)	(71,409)
Net property, plant and equipment	6	<u>20,324</u>	<u>20,337</u>
Operating lease right-of-use assets	13	454	484
Restricted cash	1,5	3,806	3,797
Total Assets		<u>\$ 26,304</u>	<u>\$ 26,979</u>
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current Liabilities:			
Accounts payable		\$ 1,486	\$ 852
Accrued liabilities		1,227	1,770
Asset retirement obligations - current	8	1,090	894
Operating lease liability - current	13	153	153
Total Current Liabilities		<u>3,956</u>	<u>3,669</u>
Asset retirement obligations, net of current	8	5,290	5,406
Other long-term liabilities		500	500
Operating lease liability, net of current	13	310	340
Total Liabilities		<u>10,056</u>	<u>9,915</u>
Commitments and Contingencies	12		
Stockholders' Equity:			
Common stock, 100,000,000 shares authorized, \$.001 par value;			
Issued shares – 4,762,794 and 3,339,541 respectively			
Outstanding shares - 4,762,633 and 3,339,380 respectively	9	5	3
Paid-in capital	9,10	322,227	319,758
Accumulated deficit		(305,726)	(302,439)
Less: Treasury stock (161 and 161 shares, respectively), at cost		(258)	(258)
Total Stockholders' Equity		<u>16,248</u>	<u>17,064</u>
Total Liabilities and Stockholders' Equity		<u>\$ 26,304</u>	<u>\$ 26,979</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

WESTWATER RESOURCES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(expressed in thousands of dollars, except share and per share amounts)
(unaudited)

	Notes	For the Three Months Ended	
		March 31,	
		2020	2019
Operating Expenses:			
Mineral property expenses	7	\$ (728)	\$ (634)
General and administrative expenses		(1,779)	(1,705)
Arbitration costs		(669)	(131)
Accretion of asset retirement obligations	8	(106)	(126)
Depreciation and amortization		(13)	(23)
Total operating expenses		<u>(3,295)</u>	<u>(2,619)</u>
Non-Operating Income/(Expenses):			
Loss on sale of marketable securities	3,5	—	(720)
Interest income	3	—	166
Other income (expense)		8	(1)
Total other income (expense)		<u>8</u>	<u>(555)</u>
Net Loss		<u>\$ (3,287)</u>	<u>\$ (3,174)</u>
Other Comprehensive Income (Loss)			
Transfer to realized loss upon sale of available-for-sale securities		—	90
Comprehensive Loss		<u>\$ (3,287)</u>	<u>\$ (3,084)</u>
BASIC AND DILUTED LOSS PER SHARE		<u>\$ (0.82)</u>	<u>\$ (2.15)</u>
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING		4,004,948	1,478,233

The accompanying notes are an integral part of these condensed consolidated financial statements.

WESTWATER RESOURCES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS AND SUPPLEMENTAL CASH FLOW
INFORMATION
(expressed in thousands of dollars)
(unaudited)

	Notes	For the Three Months Ended March 31,	
		2020	2019
Operating Activities:			
Net loss		\$ (3,287)	\$ (3,174)
Reconciliation of net loss to cash used in operations:			
Non-cash lease expense		—	5
Accretion of asset retirement obligations	8	106	126
Costs incurred for restoration and reclamation activities	8	(26)	(335)
Amortization of note receivable discount	3	—	(123)
Depreciation and amortization		13	23
Stock compensation expense	10	—	8
Loss on sale of marketable securities	3	—	720
Increase in prepaids and other assets		(352)	(32)
Increase in payables and accrued liabilities		91	42
Net Cash Used In Operating Activities		<u>(3,455)</u>	<u>(2,740)</u>
Cash Flows From Investing Activities			
Proceeds from disposal of uranium assets, net	4	—	500
Proceeds from the sale of securities, net	3	—	536
Proceeds from note receivable	3	—	750
Net Cash Provided By Investing Activities		<u>—</u>	<u>1,786</u>
Cash Flows From Financing Activities:			
Issuance of common stock, net	9	2,471	415
Payment of minimum withholding taxes on net share settlements of equity awards		—	(1)
Net Cash Provided By Financing Activities		<u>2,471</u>	<u>414</u>
Net decrease in cash, cash equivalents and restricted cash		(984)	(540)
Cash, Cash Equivalents and Restricted Cash, Beginning of Period		5,667	5,309
Cash, Cash Equivalents and Restricted Cash, End of Period		<u>\$ 4,683</u>	<u>\$ 4,769</u>
Cash Paid During the Period for:			
Interest		<u>\$ 1</u>	<u>\$ 1</u>
Supplemental Non-Cash Information with Respect to Investing and Financing Activities:			
Securities received for payment of notes receivable – Laramide		—	750
Total Non-Cash Investing and Financing Activities for the Period		<u>\$ —</u>	<u>\$ 750</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

WESTWATER RESOURCES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(expressed in thousands of dollars, except share amounts)
(unaudited)

	Common Stock		Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Treasury Stock	Total
	Shares	Amount					
Balances, December 31, 2019	3,339,541	\$ 3	\$ 319,758	\$ —	\$ (302,439)	\$ (258)	\$ 17,064
Net loss	—	—	—	—	(3,287)	—	(3,287)
Common stock and common stock purchase warrants issued, net of issuance costs	1,422,742	2	2,469	—	—	—	2,471
Stock compensation expense and related share issuances, net of shares withheld for payment of taxes	511	—	—	—	—	—	—
Balances, March 31, 2020	4,762,794	\$ 5	\$ 322,227	\$ —	\$ (305,726)	\$ (258)	\$ 16,248
Balances, December 31, 2018	1,436,555	\$ 1	\$ 313,012	\$ (90)	\$ (291,874)	\$ (258)	\$ 20,791
Net loss	—	—	—	—	(3,174)	—	(3,174)
Common stock issued, net of issuance costs	57,205	—	416	—	—	—	416
Stock compensation expense and related share issuances, net of shares withheld for payment of taxes	393	—	8	—	—	—	8
Minimum withholding taxes on net share settlements of equity awards	—	—	(1)	—	—	—	(1)
Transfer to realized loss upon sale of available for sale securities	—	—	—	90	—	—	90
Balances, March 31, 2019	1,494,153	\$ 1	\$ 313,435	\$ —	\$ (295,048)	\$ (258)	\$ 18,130

The accompanying notes are an integral part of these condensed consolidated financial statements.

WESTWATER RESOURCES, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

1. BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements for Westwater Resources, Inc. (the “Company,” “we,” “us,” “WWR” or “Westwater”), have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) for interim financial information and with the instructions to Form 10-Q and Rule 8-03 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements. The accompanying statements should be read in conjunction with the audited financial statements included in Westwater Resources, Inc.’s 2019 Annual Report on Form 10-K. In the opinion of management, all adjustments (which are of a normal, recurring nature) considered necessary for a fair presentation have been included. Operating results for the three months ended March 31, 2020 are not necessarily indicative of the results that may be expected for any other period including the full year ending December 31, 2020.

Significant Accounting Policies

Our significant accounting policies are detailed in Note 1, *Summary of Significant Accounting Policies*, in the Notes to Consolidated Financial Statements within our Annual Report on Form 10-K for the year ended December 31, 2019.

Recently Adopted Accounting Pronouncements

In August 2018, the FASB issued ASU 2018-13, “Fair Value Measurement (ASC 820): Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement”. This update modifies the disclosure requirements for fair value measurements by removing, modifying or adding disclosures. The Company adopted this pronouncement effective January 1, 2020. The adoption of ASU 2018-13 has not had a material impact on the Company’s consolidated financial statements.

Recently Issued Accounting Pronouncements

In December 2019, the FASB issued ASU 2019-12, “Income Taxes - Simplifying the Accounting for Income Taxes (Topic 740)” which is intended to simplify various aspects related to accounting for income taxes. ASU 2019-12 removes certain exceptions to the general principles in Topic 740 and also clarifies and amends existing guidance to improve consistent application. ASU 2019-12 will be effective for interim and annual periods beginning after December 15, 2020.

In June 2016, the FASB issued ASU 2016-13, “Measurement of Credit Losses on Financial Instruments”. ASU 2016-13 will change how companies account for credit losses for most financial assets and certain other instruments. For trade receivables, loans and held-to-maturity debt securities, companies will be required to estimate lifetime expected credit losses and recognize an allowance against the related instruments. For available for sale debt securities, companies will be required to recognize an allowance for credit losses rather than reducing the carrying value of the asset. The adoption of this update, if applicable, will result in earlier recognition of losses and impairments. ASU 2016-13 will be effective for interim and annual periods beginning after January 1, 2023.

In November 2018, the FASB issued ASU 2018-19, “Codification Improvements to ASC 326, Financial Instruments – Credit Losses.” ASU 2016-13 introduced an expected credit loss methodology for the impairment of financial assets measured at amortized cost basis. That methodology replaces the probable, incurred loss model for those assets. ASU 2018-19 is the final version of Proposed Accounting Standards Update 2018-270, which has been deleted. Additionally, the amendments clarify that receivables arising from operating leases are not within the scope of Subtopic 326-20. Instead, impairment of receivables arising from operating leases should be accounted for in accordance with ASC 842, Leases. ASU 2018-19 will be effective for interim and annual periods beginning after January 1, 2023.

WESTWATER RESOURCES, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

The Company is currently evaluating ASU 2016-13, ASU 2018-19 and ASU 2019-12 for the potential impact of adopting this guidance on its financial reporting.

Cash, Cash Equivalents and Restricted Cash

The following table provides a reconciliation of cash, cash equivalents and restricted cash as reported within the consolidated balance sheet that sum to the total of the same such amounts shown in the statement of cash flows.

(thousands of dollars)	As of March 31,	
	2020	2019
Cash and cash equivalents	\$ 877	\$ 1,019
Restricted cash - pledged deposits for performance bonds	3,806	3,750
Cash, cash equivalents and restricted cash shown in the statement of cash flows	\$ 4,683	\$ 4,769

Funds deposited by the Company for collateralization of performance obligations are not available for the payment of general corporate obligations and are not included in cash equivalents. Restricted cash consists of money market accounts. The bonds are collateralized performance bonds required for future restoration and reclamation obligations related to the Company's South Texas production properties.

2. LIQUIDITY AND GOING CONCERN

The interim Condensed Consolidated Financial Statements of the Company have been prepared on a "going concern" basis, which means that the continuation of the Company is presumed even though events and conditions exist that, when considered in the aggregate, raise substantial doubt about the Company's ability to continue as a going concern because it is possible that the Company will be required to adversely change its current business plan or may be unable to meet its obligations as they become due within one year after the date that these financial statements were issued.

The Company last recorded revenues from operations in 2009 and expects to continue to incur losses as a result of costs and expenses related to maintaining its properties and general and administrative expenses. Since 2009, the Company has relied on equity financings, debt financings and asset sales to fund its operations and the Company expects to rely on these forms of financing to fund its operations into the near future. The Company will also continue to identify ways to reduce its cash expenditures.

The Company's current business plan requires working capital to fund non-discretionary expenditures for uranium reclamation activities, mineral property holding costs, business development costs and administrative costs. The Company intends to pursue 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 facilities and construction of commercial production facilities. The Company's current lithium business plan will be funded by working capital; however, the Company is pursuing project financing including possible joint venture partners to fund discretionary greenfield exploration activities.

At March 31, 2020 the Company's cash balances were \$0.9 million and the Company had a working capital deficit balance of \$2.2 million. The Company's cash balance at May 8, 2020 is \$0.5 million. Subsequent to May 8, 2020, the Company expects to fund operations as follows:

- The new Stock Purchase Agreement with Lincoln Park Capital, LLC., approved by the Company's shareholders at the annual shareholders meeting on April 28, 2020, whereby the Company may place up to \$12.0 million in the aggregate of the Company's common stock on an ongoing basis when required by the Company over a term of 24-months after execution of the agreement.

WESTWATER RESOURCES, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

- The Controlled Equity Offering Sales Agreement (the “ATM Offering Agreement”) with Cantor Fitzgerald & Co. The Company currently has registered the offer and sale from time to time of shares of its common stock having an aggregate offering price of up to \$3.1 million. As of May 8, 2020, \$2.8 million registered shares are available for future sales under the ATM Offering Agreement.
- The loan proceeds in the amount of \$0.3 million received from the Paycheck Protection Program (“PPP”) by URI, Inc., a wholly owned subsidiary of WWR, on May 4, 2020. See Note 15. The Company plans to use the proceeds from this loan for payroll and benefits costs for its South Texas operations, which are eligible expenses in accordance with the PPP. Under the terms of the promissory note executed by URI, principal and accrued interest are forgivable after eight weeks as long as the proceeds are used for eligible purposes. Any unforgiven portion of the loan is payable over two years at an interest rate of 1% with a deferral of payments for the first six months.
- Other debt and equity financings and asset sales.

While the Company has been successful in the past in raising funds through equity and debt financings as well as through the sale of non-core assets, no assurance can be given that additional financing will be available to it in amounts sufficient to meet its needs, or on terms acceptable to the Company. Stock price volatility and uncertain economic conditions caused by the recent Covid-19 pandemic could significantly impact the Company’s ability to raise funds through equity financing. In the event that we are unable to raise sufficient additional funds, we may be required to delay, reduce or severely curtail our operations or otherwise impede our on-going business efforts, which could have a material adverse effect on our business, operating results, financial condition, long-term prospects and ability to continue as a viable business. Considering all of the factors above, the Company believes there is substantial doubt regarding its ability to continue as a going concern.

3. NOTES RECEIVABLE

Laramide Note Receivable

As part of the consideration for the sale of Hydro Resources, Inc. (HRI) in January 2017, the Company received a promissory note in the amount of \$5.0 million, secured by a mortgage over the Churchrock and Crownpoint properties owned by Laramide Resources Ltd. (“Laramide”). The note had a three-year term and carried an initial interest rate of 5%. The Company received the first two installment payments of \$1.5 million each in January 2018 and January 2019. The final principal payment of \$2.0 million was due and payable on January 5, 2020. Interest was payable on a quarterly basis during the final year. Laramide had the right to satisfy up to half of the principal payments by delivering shares of its common stock to the Company, which shares were valued by reference to the volume weighted average price (“VWAP”) for Laramide’s common stock for the 20 trading days before their respective anniversaries of the initial issuance date in January. The fair value of this note receivable was determined using the present value of the future cash receipts discounted at a market rate of 9.5%.

On August 30, 2019, the Company sold the promissory note (Note 4). Prior to August 30, 2019, the Company had received three tranches of Laramide common shares as partial consideration for the sale, which had resulted in the receipt of 2,218,133, 1,982,483 and 2,483,034 Laramide common shares in January 2017, January 2018 and January 2019, respectively. These share payments represented the initial consideration from the January 2017 sale of HRI and two note installments in January 2018 and January 2019. The first note installment in the amount of \$1.5 million in January 2018, consisted of \$750,000 in cash and the issuance of 1,982,483 of Laramide’s common shares. The second note installment in the amount of \$1.5 million in January 2019, consisted of \$750,000 in cash and the issuance of 2,483,034 of Laramide’s common shares. Additionally, Laramide made interest payments in the amount of \$96,022 in cash during the year ending December 31, 2019.

WESTWATER RESOURCES, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

On March 25, 2019, the Company sold the third tranche of 2,483,034 Laramide common shares and 2,218,133 Laramide warrants resulting in net proceeds of \$0.5 million and a net loss on sale of marketable securities of \$0.7 million.

4. SALE OF URANIUM ASSETS

On March 5, 2019, the Company entered into an Asset Purchase Agreement with Uranium Royalty (USA) Corp. and Uranium Royalty Corp. (together “URC”) for the sale of four of its royalty interests on future uranium production from mineral properties located in South Dakota, Wyoming and New Mexico, as well as the remaining amount of the Laramide promissory note in the amount of \$2.0 million as discussed in Note 3 above, for \$2.75 million, including \$0.5 million paid at signing. On June 28, 2019, Westwater and URC entered into an Amendment to the Asset Purchase Agreement. The Amendment extended the date for closing from July 31, 2019 to August 30, 2019. URC delivered an additional \$1.0 million as deposit to the Company upon signing the Amendment. The transaction closed on August 30, 2019 at which time the Company transferred ownership of the royalties and promissory note in exchange for the final payment of \$1.25 million.

The sale of these uranium assets was accounted for as an asset disposal. The Company recorded the following gain on disposal of uranium assets on its Consolidated Statements of Operations for the year ended December 31, 2019:

URC Transaction	
<i>(thousands of dollars)</i>	
Total cash consideration received, net of transaction costs	\$ 2,470
Carrying value of promissory note	(1,741)
Carrying value of royalty interests	—
Gain on disposal of uranium assets	<u>\$ 729</u>

5. FINANCIAL INSTRUMENTS

Applicable accounting standards define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price) and establishes a fair-value hierarchy that prioritizes the inputs used to measure fair value using the following definitions (from highest to lowest priority):

- Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that are observable at the measurement date.
- Level 2 inputs include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability (i.e., interest rates, yield curves, etc.), and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market corroborated inputs).
- Level 3 includes unobservable inputs that reflect management’s assumptions about what factors market participants would use in pricing the asset or liability. These inputs are developed based on the best information available, including internal data.

WESTWATER RESOURCES, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

The Company believes that the fair value of its assets and liabilities approximate their reported carrying amounts. The following table presents information about assets that were recorded at fair value on a recurring and non-recurring basis as of March 31, 2020 and December 31, 2019 and indicate the fair value hierarchy.

(thousands of dollars)	March 31, 2020			
	Level 1	Level 2	Level 3	Total
Current Assets				
Short-term available-for-sale investments	\$ —	\$ —	\$ —	\$ —
Total current assets recorded at fair value	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Non-current Assets				
Restricted cash	\$ 3,806	\$ —	—	\$ 3,806
Total non-current assets recorded at fair value	<u>\$ 3,806</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 3,806</u>

(thousands of dollars)	December 31, 2019			
	Level 1	Level 2	Level 3	Total
Current Assets				
Short-term available-for-sale investments	\$ —	\$ —	\$ —	\$ —
Total current assets recorded at fair value	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Non-current Assets				
Restricted cash	\$ 3,797	\$ —	—	\$ 3,797
Total non-current assets recorded at fair value	<u>\$ 3,797</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 3,797</u>

Assets that are measured on a recurring basis include the Company's marketable securities and restricted cash.

6. PROPERTY, PLANT AND EQUIPMENT

(thousands of dollars)	Net Book Value of Property, Plant and Equipment at March 31, 2020					
	Turkey	Texas	Alabama	New Mexico	Corporate	Total
Uranium plant	\$ —	\$ 3,112	\$ —	\$ —	\$ —	\$ 3,112
Mineral rights and properties	—	—	8,972	7,806	—	16,778
Other property, plant and equipment	5	326	—	—	103	434
Total	<u>\$ 5</u>	<u>\$ 3,438</u>	<u>\$ 8,972</u>	<u>\$ 7,806</u>	<u>\$ 103</u>	<u>\$ 20,324</u>

(thousands of dollars)	Net Book Value of Property, Plant and Equipment at December 31, 2019					
	Turkey	Texas	Alabama	New Mexico	Corporate	Total
Uranium plant	\$ —	\$ 3,112	\$ —	\$ —	\$ —	\$ 3,112
Mineral rights and properties	—	—	8,972	7,806	—	16,778
Other property, plant and equipment	6	327	—	—	114	447
Total	<u>\$ 6</u>	<u>\$ 3,439</u>	<u>\$ 8,972</u>	<u>\$ 7,806</u>	<u>\$ 114</u>	<u>\$ 20,337</u>

The Company reviews and evaluates its long-lived assets for impairment on an annual basis or more frequently when events or changes in circumstances indicate that the related carrying amounts may not be recoverable. For the three months ended March 31, 2020 no events or changes in circumstance, including any affects from the COVID-19 pandemic, are believed to have impacted recoverability of the Company's long-lived assets. Accordingly, it was determined that no interim impairment was necessary.

WESTWATER RESOURCES, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

7. MINERAL PROPERTY EXPENDITURES

Mineral property expenditures by geographical location for the three months ended March 31, 2020 and 2019 are as follows:

	For the Three Months Ended March 31,	
	2020	2019
	(thousands of dollars)	
Kingsville Dome project, Texas	\$ 265	\$ 244
Rosita project, Texas	91	117
Vasquez project, Texas	240	186
Total Texas projects	596	547
Juan Tafoya project, New Mexico	6	6
Total New Mexico projects	6	6
Sal Rica project, Utah	—	1
Total Utah projects	—	1
Coosa project, Alabama	126	80
Total Alabama projects	126	80
Total expense for the period	<u>\$ 728</u>	<u>\$ 634</u>

8. ASSET RETIREMENT OBLIGATIONS

The following table summarizes the changes in the reserve for future restoration and reclamation costs on the balance sheet:

(thousands of dollars)	March 31,	December 31,
	2020	2019
Balance, beginning of period	\$ 6,300	\$ 6,203
Liabilities settled	(26)	(293)
Accretion expense	106	390
Balance, end of period	6,380	6,300
Less: Current portion	(1,090)	(894)
Non-current portion	<u>\$ 5,290</u>	<u>\$ 5,406</u>

The Company is currently performing plugging and surface reclamation activities at its Kingsville Dome, Rosita and Vasquez projects located in Kleberg and Duval Counties in Texas. The Company's current liability of \$1.1 million consists of the estimated costs associated with current reclamation activities through March 2021 at the Company's Kingsville Dome, Rosita and Vasquez projects.

WESTWATER RESOURCES, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

9. COMMON STOCK

Common Stock Issued, Net of Issuance Costs

Purchase Agreement (“PA”) with Lincoln Park Capital Fund, LLC (“Lincoln Park”)

On June 6, 2019, the Company entered into the PA with Lincoln Park to place up to \$10.0 million in the aggregate of the Company’s common stock on an ongoing basis when required by the Company over a term of 24 months. Westwater will control the timing and amount of any sales to Lincoln Park, and Lincoln Park is obligated to make purchases in accordance with the PA. Any common stock that is sold to Lincoln Park will occur at a purchase price that is based on an agreed upon fixed discount to the Company’s prevailing market prices at the time of each sale and with no upper limits to the price Lincoln Park may pay to purchase common stock. The PA may be terminated by Westwater at any time, in its sole discretion, without any additional cost or penalty.

The PA specifically provides that the Company may not issue or sell any shares of its common stock under the PA if such issuance or sale would breach any applicable rules of The Nasdaq Capital Market. In particular, Nasdaq Listing Rule 5635(d) provides that the Company may not issue or sell more than 19.99% of the shares of the Company’s common stock outstanding immediately prior to the execution of the PA without shareholder approval. On August 6, 2019 the Company conducted a Special Meeting of Shareholders whereby the Company received such approval to sell up to 3,200,000 shares of common stock under the PA.

Lincoln Park has no right to require the Company to sell any shares of common stock to Lincoln Park, but Lincoln Park is obligated to make purchases as the Company directs, subject to certain conditions. In all instances, the Company may not sell shares of its common stock to Lincoln Park under the PA if it would result in Lincoln Park beneficially owning more than 9.99% of its common stock.

Following effectiveness of a registration statement on Form S-1 relating to the resale of the shares subject to the PA on June 18, 2019, the Company began selling shares of its common stock to Lincoln Park under the terms of the PA. On September 11, 2019, October 28, 2019 and February 28, 2020 we filed subsequent registration statements on Form S-1, which were declared effective on September 20, 2019, November 7, 2019 and March 6, 2020, respectively, registering for resale additional shares under the PA. Inception-to-date through March 31, 2020, the Company has sold 2,576,764 shares of common stock for gross proceeds of \$7.1 million. In April 2020, the Company sold the remaining 623,236 registered shares of common stock for gross proceeds of \$0.6 million.

Stock Purchase Agreement with Lincoln Park Capital Fund, LLC. (“Lincoln Park”)

On May 24, 2019, Westwater entered into a securities purchase agreement, as amended by Amendment No. 1 thereto dated as of May 30, 2019 (as so amended, the "Securities Purchase Agreement"), with Lincoln Park, pursuant to which the Company agreed to issue and sell to Lincoln Park, and Lincoln Park agreed to purchase from the Company (i) 104,294 shares of the Company's common stock and (ii) warrants to initially purchase an aggregate of up to 182,515 shares of common stock, at an exercise price of \$5.062 per share. On May 30, 2019, the Company issued and sold the common shares and the warrants to Lincoln Park and received aggregate gross proceeds before expenses of \$550,751. The warrants became exercisable on November 30, 2019 and may be exercised at any time thereafter until November 30, 2024.

Controlled Equity Offering Sales Agreement with Cantor Fitzgerald (“Cantor”)

On April 14, 2017, the Company entered into the "ATM Offering Agreement" with Cantor acting as sales agent. Under the ATM Offering Agreement, the Company may from time to time sell shares of its common stock in “at-the-market” offerings and \$3.1 million of which shares were registered for sale under a registration statement on Form S-3, which was declared effective on April 13, 2020. The Company pays Cantor a commission of up to 2.5% of the gross proceeds from the sale of any shares pursuant to the ATM Offering Agreement. As of March 31, 2020, the Company had

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sold 1,029,197 shares of common stock for net proceeds of \$7.2 million under the ATM Offering Agreement, of which 540,512 shares of common stock and net proceeds of \$1.1 million was sold in the three months ended March 31, 2020.

Warrants

The following table summarizes warrants outstanding and changes for the three-month periods ending March 31, 2020 and 2019:

	<u>March 31, 2020</u>	<u>March 31, 2019</u>
	<u>Number of Warrants</u>	<u>Number of Warrants</u>
Warrants outstanding at beginning of period	197,622	15,107
Issued	—	—
Expired	—	—
Warrants outstanding at end of period	<u>197,622</u>	<u>15,107</u>

10. STOCK-BASED COMPENSATION

Stock-based compensation awards consist of stock options, restricted stock units and bonus shares issued under the Company's equity incentive plans which include: the 2013 Omnibus Incentive Plan (the "2013 Plan") and the Amended and Restated 2004 Directors' Stock Option and Restricted Stock Plan (the "2004 Directors' Plan"). Upon approval of the 2013 Plan by the Company's stockholders on June 4, 2013, the Company's authority to grant new awards under all plans other than the 2013 Plan was terminated. On July 18, 2017, April 18, 2019 and April 28, 2020, the Company's stockholders approved amendments to the 2013 Plan to increase the authorized number of shares of common stock available and reserved for issuance under the 2013 Plan by 20,000 shares, 66,000 and 350,000 shares, respectively and in 2017 re-approve the material terms of the performance goals under the plan. Under the 2013 Plan, the Company may grant awards of stock options, stock appreciation rights, restricted stock awards, restricted stock units ("RSUs"), unrestricted stock, dividend equivalent rights, performance shares and other performance-based awards, other equity-based awards and cash bonus awards to eligible persons. The maximum number of the Company's common stock that may be reserved for issuance under the 2013 Plan is currently 416,278 shares of common stock, plus unissued shares under the prior plans. Equity awards under the 2013 Plan are granted from time to time at the discretion of the Compensation Committee of the Board (the "Committee"), with vesting periods and other terms as determined by the Committee with a maximum term of 10 years. The 2013 Plan is administered by the Committee, which can delegate the administration to the Board, other Committees or to such other officers and employees of the Company as designated by the Committee and permitted by the 2013 Plan.

As of March 31, 2020, 45,886 shares were available for future issuances under the 2013 Plan. For the three months ending March 31, 2019 the Company recorded stock-based compensation expense of \$7,719. No stock-based compensation expense was recorded for the three months ending March 31, 2020. Stock compensation expense is recorded in general and administrative expenses.

In addition to the plans above, upon closing of the Company's acquisition of Alabama Graphite in April 2018, the Company issued 50,168 replacement options and warrants to the option and warrant holders of Alabama Graphite. The number of replacement options and warrants shares was determined using the arrangement exchange rate of 0.0016. The exercise prices for the option and warrant shares were first converted for the exchange rate of 0.0016 and then converted to USD using the exchange rate on December 13, 2017 of 0.77809 (CAD to USD). The options and warrant shares were issued with the same terms and conditions as were applicable prior to the acquisition of Alabama Graphite. As of March 31, 2020, there were 3,312 replacement options and 11,440 replacement warrants outstanding.

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Stock Options

The following table summarizes stock options outstanding and changes for the three-month periods ending March 31, 2020 and 2019:

	<u>March 31, 2020</u>		<u>March 31, 2019</u>	
	<u>Number of Stock Options</u>	<u>Weighted Average Exercise Price</u>	<u>Number of Stock Options</u>	<u>Weighted Average Exercise Price</u>
Stock options outstanding at beginning of period	37,786	\$ 37.42	19,170	\$ 79.78
Granted	—	—	—	—
Expired	(1,217)	75.95	(280)	179.68
Canceled or forfeited	—	—	—	—
Stock options outstanding at end of period	<u>36,569</u>	<u>\$ 36.14</u>	<u>18,890</u>	<u>\$ 78.21</u>
Stock options exercisable at end of period	<u>36,569</u>	<u>\$ 36.14</u>	<u>18,890</u>	<u>\$ 78.21</u>

The following table summarizes stock options outstanding and exercisable by stock option plan at March 31, 2020:

<u>Stock Option Plan</u>	<u>Outstanding Stock Options</u>		<u>Exercisable Stock Options</u>	
	<u>Number of Outstanding Stock Options</u>	<u>Weighted Average Exercise Price</u>	<u>Number of Stock Options Exercisable</u>	<u>Weighted Average Exercise Price</u>
2004 Plan	96	\$ 1,752.25	96	\$ 1,752.25
2004 Directors' Plan	3	10,380.00	3	10,380.00
2013 Plan	33,158	25.47	33,158	25.47
Replacement Options-Alabama Graphite	3,312	83.88	3,312	83.88
	<u>36,569</u>	<u>\$ 36.14</u>	<u>36,569</u>	<u>\$ 36.14</u>

Restricted Stock Units

Time-based and performance-based RSUs are valued using the closing share price of the Company's common stock on the date of grant. The final number of shares issued under performance-based RSUs is generally based on the Company's prior year performance as determined by the Compensation Committee of the Board of Directors at each vesting date, and the valuation of such awards assumes full satisfaction of all performance criteria.

The following table summarizes RSU activity for the three-month periods ended March 31, 2020 and 2019:

	<u>March 31, 2020</u>		<u>March 31, 2019</u>	
	<u>Number of RSUs</u>	<u>Weighted- Average Grant Date Fair Value</u>	<u>Number of RSUs</u>	<u>Weighted- Average Grant Date Fair Value</u>
Unvested RSUs at beginning of period	—	\$ —	2,260	\$ 70.00
Granted	—	—	—	—
Forfeited	—	—	(565)	70.00
Vested	—	—	—	—
Unvested RSUs at end of period	<u>—</u>	<u>\$ —</u>	<u>1,695</u>	<u>\$ 70.00</u>

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11. EARNINGS PER SHARE

Basic and diluted loss per common share have been calculated based on the weighted-average shares outstanding during the period. Additionally, potentially dilutive shares of 234,191 were excluded from the calculation of earnings per share because the effect on the basic income per share would be anti-dilutive for the three months ended March 31, 2020.

12. COMMITMENTS AND CONTINGENCIES

The Company's uranium recovery operations are subject to federal and state regulations for the protection of the environment, including water quality. Future closure and reclamation costs are provided for as each pound of uranium is produced on a unit-of-production basis. The Company reviews its reclamation obligations each year and determines the appropriate unit charge. The Company also evaluates the status of current environmental laws and their potential impact on their accrual for costs. The Company believes its operations are materially compliant with current environmental regulations.

At any given time, the Company may enter into negotiations to settle outstanding legal proceedings and any resulting accruals will be estimated based on the relevant facts and circumstances applicable at that time. We do not expect that such settlements will, individually or in the aggregate, have a material effect on our financial position, results of operations or cash flows.

13. LEASES

The Company's lease portfolio consists of operating leases for corporate offices, storage space and equipment. The leases have remaining lease terms of 1 to 3.5 years, one of which includes an option to extend the corporate office lease for 3 years. Under our corporate office lease, we are required to reimburse the lessor each month for common use expenses such as maintenance and security services. Because these amounts are variable from year to year and not specifically set in the lease terms, they are not included in the measurement of the right-of-use asset and related lease liability, but rather expensed in the period incurred.

The Company is party to several leases that are for under one year in length. These include such leases as those for land used in exploration and mining activities, office equipment, machinery, office space, storage and other. The Company has elected the short-term lease exemptions allowed under the new leasing standards, whereby leases with initial terms of one year or less are not capitalized and instead expensed on a straight-line basis over the lease term. In addition, the Company holds numerous leases related to mineral exploration and production to which it has not applied the new leasing standard. Leases to explore or use minerals and similar nonregenerative resources are specifically excluded by ASC 842-10.

The right-of-use assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Right-of-use assets and lease liabilities are recognized at the commencement date of the lease based on the present value of lease payments over the lease term using a discount rate of 9.5%. This rate is the Company's current estimated incremental borrowing rate.

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The components of lease expense are as follows:

<u>(thousands of dollars)</u>	Three months ended March 31, 2020	Three months ended March 31, 2019
Operating lease cost	\$ 40	\$ 40

Supplemental cash flow information related to the Company's operating leases is as follows:

<u>(thousands of dollars)</u>	Three months ended March 31, 2020	Three months ended March 31, 2019
Cash paid for amounts included in lease liabilities:		
Operating cash flows from operating leases	\$ 39	\$ 39
Right-of-use assets obtained in exchange for lease obligations:		
Operating leases	\$ 454	\$ 569

Supplemental balance sheet information related to the Company's operating leases is as follows:

<u>(thousands of dollars, except lease term and discount rate)</u>	March 31, 2020	December 31, 2019
Operating Leases		
Operating lease right-of-use assets	\$ 454	\$ 484
Current portion of lease liabilities	\$ 153	\$ 153
Operating lease liabilities – long term portion	310	340
Total operating lease liabilities	\$ 463	\$ 493

Weighted-average remaining lease term and discount rate for the Company's operating leases are as follows:

	March 31, 2020	March 31, 2019
Weighted Average Remaining Lease Term (in years)	3.5	4.4
Discount Rate	9.5 %	9.5 %

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Maturities of lease liabilities for the Company's operating leases are as follows:

Lease payments by year (In thousands)	March 31, 2020
2020 (remainder of year)	\$ 120
2021	161
2022	162
2023	93
Total lease payments	536
Less imputed interest	(73)
Total	\$ 463

As of March 31, 2020, the Company has \$0.5 million in right-of-use assets and \$0.5 million in related lease liabilities (\$0.2 million of which is current). The most significant operating lease is for its corporate office in Centennial, Colorado, with \$0.5 million remaining in undiscounted cash payments through the end of the lease term in 2023. The total undiscounted cash payments remaining on operating leases through the end of their respective terms is \$0.5 million.

14. GEOGRAPHIC AND SEGMENT INFORMATION

The Company currently operates in three reportable segments, which are uranium, lithium and graphite mining activities, including exploration, standby operations and restoration and reclamation activities. As a part of these activities, the Company explores, evaluates and, if warranted, develops uranium, lithium and graphite properties. The Company's long-term assets were \$24.6 million as of both March 31, 2020 and December 31, 2019. 100% of the long-term assets are located in the United States. The Company reported no revenues during the three months ended March 31, 2020 and March 31, 2019.

The reportable segments are those operations whose operating results are reviewed by the Chief Executive Officer to make decisions about resources to be allocated to the segment and assess its performance provided those operations pass certain quantitative thresholds. Operations whose revenues, earnings or losses or assets exceed or are expected to exceed 10% of the total consolidated revenue, earnings or losses or assets are reportable segments. Information about current assets and liabilities of the segments has not been provided because the information is not used to assess performance.

The table below provides a breakdown of the long-term assets by reportable segments as of March 31, 2020 and December 31, 2019:

(thousands of dollars)	March 31, 2020				
	Corporate	Uranium	Lithium	Graphite	Total
Net property, plant and equipment	\$ 103	\$ 11,249	\$ —	\$ 8,972	\$ 20,324
Restricted cash	—	3,796	—	10	3,806
Operating lease right of use assets	435	19	—	—	454
Total long-term assets	\$ 538	\$ 15,064	\$ —	\$ 8,982	\$ 24,584

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(thousands of dollars)	December 31, 2019				
	Corporate	Uranium	Lithium	Graphite	Total
Net property, plant and equipment	\$ 114	\$ 11,251	\$ —	\$ 8,972	\$ 20,337
Restricted cash	—	3,787	—	10	3,797
Operating lease right of use assets	463	21	—	—	484
Total long-term assets	\$ 577	\$ 15,059	\$ —	\$ 8,982	\$ 24,618

The table below provides a breakdown of the reportable segments for the three months ended March 31, 2020 and March 31, 2019. Non-mining activities and other administrative operations are reported in the Corporate column.

(thousands of dollars)	Three months Ended March 31, 2020				
	Corporate	Uranium	Lithium	Graphite	Total
Statement of Operations					
Mineral property expenses	\$ —	\$ 602	\$ —	\$ 126	\$ 728
General and administrative expenses	1,189	426	—	164	1,779
Arbitration expenses	669	—	—	—	669
Accretion of asset retirement costs	—	106	—	—	106
Depreciation and amortization	12	1	—	—	13
	<u>1,870</u>	<u>1,135</u>	<u>—</u>	<u>290</u>	<u>3,295</u>
Loss from operations	(1,870)	(1,135)	—	(290)	(3,295)
Other income	—	8	—	—	8
Loss before taxes	\$ (1,870)	\$ (1,127)	\$ —	\$ (290)	\$ (3,287)

(thousands of dollars)	Three months Ended March 31, 2019				
	Corporate	Uranium	Lithium	Graphite	Total
Statement of Operations					
Mineral property expenses	\$ —	\$ 553	\$ 1	\$ 80	\$ 634
General and administrative	1,148	392	—	165	1,705
Arbitration expenses	131	—	—	—	131
Accretion of asset retirement costs	—	126	—	—	126
Depreciation and amortization	1	22	—	—	23
	<u>1,280</u>	<u>1,093</u>	<u>1</u>	<u>245</u>	<u>2,619</u>
Loss from operations	(1,280)	(1,093)	(1)	(245)	(2,619)
Other expense	(555)	—	—	—	(555)
Loss before taxes	\$ (1,835)	\$ (1,093)	\$ (1)	\$ (245)	\$ (3,174)

15. SUBSEQUENT EVENTS

Loan under the Paycheck Protection Program

On May 4, 2020, URI, Inc, a wholly owned subsidiary of Westwater, received loan proceeds in the amount of \$0.3 million under the Paycheck Protection Program (“PPP”) in accordance with the terms of a promissory note executed in favor of Celtic Bank Corporation, a Salt Lake City based Small Business Administration Preferred Lender. The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loan and accrued interest are forgivable after eight weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll costs, rent and utilities. No more than 25% of the amount forgiven can be attributable to non-payroll costs. Any unforgiven portion of the PPP loan is payable over two years at an interest rate of 1%, with a deferral of payments for the first six months, making the first payment of principal and interest due on November 11, 2020.

The Company intends to use the proceeds for funding its payroll and benefits costs for the restart of South Texas operations, purposes consistent with the PPP. The Company’s South Texas operations were shut down and employees furloughed in March 2020 due to the uncertain economic conditions that had significantly impacted the capital markets. While the Company currently believes that its use of the loan proceeds will meet the conditions for forgiveness of the loan, no assurance can be provided that the Company will obtain forgiveness of the Loan, in whole or in part.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following management's discussion and analysis of the consolidated financial results and condition of Westwater for the three months ended March 31, 2020 has been prepared based on information available to us as of May 13, 2020. This discussion should be read in conjunction with the unaudited Condensed Consolidated Financial Statements and notes thereto included herewith and the audited Consolidated Financial Statements of WWR for the period ended December 31, 2019 and the related notes thereto filed with our Annual Report on Form 10-K, which have been prepared in accordance with U.S. GAAP. This discussion and analysis contains forward-looking statements that involve risks, uncertainties and assumptions. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of many factors, including, but not limited to, those set forth elsewhere in this report. See "Cautionary Note Regarding Forward-Looking Statements."

INTRODUCTION

Westwater Resources, Inc. is a 40-year-old public company trading on the Nasdaq Capital Market ("Nasdaq") under the symbol "WWR." Originally incorporated in 1977 as Uranium Resources, Inc. to mine uranium in Texas, our company has been reborn as a diversified energy materials developer. Westwater now has a presence in uranium, lithium exploration, and battery-ready graphite materials after its acquisition of Alabama Graphite Corp. ("Alabama Graphite") in April 2018. In addition, Westwater recently discovered significant vanadium concentrations at the Coosa Graphite Project (the "Coosa Project") in Alabama and has an exploration plan available to further investigate the size and extent of those concentrations.

Westwater holds battery-ready graphite development properties in Alabama, exploration properties with lithium exploration potential in Nevada and Utah, two idled uranium production properties in Texas and several uranium properties in Texas and New Mexico. Westwater ceased uranium production in 2009 due to reductions in the price of uranium, although Westwater's uranium properties and facilities in Texas can be restarted once the price of uranium recovers to acceptable levels.

Graphite, Lithium and Uranium Listed as Critical Materials

A Presidential Executive Order on a Federal Strategy to Ensure Secure and Reliable Supplies of Critical Minerals was issued on December 20, 2017, which we believe will result in important energy related mineral development in the United States. In conjunction with Professional Paper 1802, published by the US Geological Service ("USGS"), where 23 minerals are identified as critical to the Country's security and economy, WWR believes these actions are important steps in support of domestic minerals development. One of the important steps outlined in the Executive Order required a list of critical minerals to be provided by the US Secretary of the Interior. This list was provided and included all three of WWR's contemplated portfolio products consisting of graphite, lithium and uranium. Graphite and lithium, in particular, are critical to the development of batteries and other energy storage systems essential to the electric vehicle, solar and wind power industries.

Section 232 Investigation

The US Department of Commerce initiated a Section 232 investigation in July 2018 to determine whether the present quantity of uranium ore and product imports threaten to impair US national security. This trade investigation was initiated under Section 232 of the Trade Expansion Act after two US uranium producers petitioned the Department of Commerce in January 2018, seeking an order that US nuclear utilities be required to purchase 25% of their uranium from US domestic production. US uranium production has declined significantly since 1987, with domestic uranium producers experiencing a major slowdown in operations and employment.

On July 12, 2019, President Trump announced the completion of the Section 232 trade investigation. President Trump decided to take no trade action, which has allayed market uncertainty about whether a quota, tariff or other trade action would be imposed under the broad power delegated to the President under Section 232. Instead, President Trump

ordered a review of the domestic nuclear supply chain (uranium production, conversion, enrichment and fabrication) in the context of the 2017 White House initiative to revive, revitalize and expand the nuclear energy sector.

Accordingly, to address concerns regarding the production of domestic uranium and ensure a comprehensive review of the domestic nuclear supply chain, the President directed that a Nuclear Fuel Working Group (“NFWG”) be established. The NFWG includes the Secretary of State, Secretary of Energy and Secretary of Defense, among other key officials.

On April 23, 2020, the U.S. Department of Energy (“DOE”) announced the NFWG’s strategy to revive the U.S. uranium industry in a report entitled “Strategy to Restore American Nuclear Energy Leadership.” The most important recommendations in the report for the uranium mining sector are:

- U.S. purchases of 17-19 million pounds of U3O8 for a strategic uranium reserve, beginning in 2020 from domestic producers using a competitive bidding process.
- DOE will end the uranium bartering program and reevaluate DOE’s Excess Uranium Inventory Management Policy.
- Streamline regulatory reform and land access for uranium extraction.
- Support Department of Commerce efforts to extend the Russian Suspension Agreement to protect against future uranium dumping in the U.S. market.
- Enable the Nuclear Regulatory Commission to deny imports of nuclear fuel fabricated in Russia or China for national security purposes.
- Fund advanced water treatment technology for uranium mining and in-situ recovery.
- Increase efficiencies in the export processes and the adoption of 123 Agreements to open new markets for exports of U.S. civil nuclear technology, materials and fuel.

RECENT DEVELOPMENTS

On March 11, 2020, the World Health Organization designated COVID-19 as a global pandemic. The pandemic spread outside of China during the first quarter of 2020 and has impacted businesses throughout the world. In the U.S., many state and local governments have, based on local conditions, either recommended or mandated actions to slow the transmission of COVID-19. These measures range from limitations on crowd size, together with closures of bars and dine-in restaurants, to mandatory orders for non-essential citizens to “shelter in place” or “stay at home” until further direction. Borders between many countries have been closed to contain the spread of COVID-19. Uncertainty with respect to the economic effects of the pandemic has introduced significant volatility in the financial markets.

This pandemic, and the resultant uncertain economic conditions it has created, could adversely affect our operations, major facilities, or employees’ and consumers’ health. We have the following priorities while managing our business during this period of volatility and uncertainty:

- First, to ensure the health and safety of our employees and the communities where we work.
- Second, to work with our business partners to maintain our advanced graphite product development schedule.
- Third, to ensure adequate financial liquidity to support our key operations and business activities.

WWR’s corporate business activities are largely unaffected at this time. Even though we have closed our offices, we have instituted remote working arrangements to ensure that our team is able to work remotely using systems that we already had in place. Our continued focus on the health and safety of our employees, the safety of our operations,

and the safety of the communities in which we live and work remains paramount. To that end, we have eliminated unnecessary travel, instituted health protocols for working together, and ensured that our employees are permitted to take time off due to illness or the illness of those around them without penalty. As a result, our corporate business activities will continue on as before, without interruption.

In South Texas, due to tumultuous capital markets and uncertain economic conditions created by the pandemic, we shut down restoration and reclamation operations and furloughed employees in March 2020. We have complied with stay at home orders issued by county and state jurisdictions. After consultation with the Texas Commission on Environmental Quality, we are maintaining certain critical permit compliance activities with a limited workforce. Upon receipt of the PPP loan proceeds, we reinstated employees and restarted restoration and reclamation activities on May 4, 2020.

Our graphite business plan continues without pause. We visited our technical consulting partner, Dorfner Anzaplan, as well as equipment manufacturers in January. They continue to produce results that inform our pilot plant operations, which are presently scheduled for the fourth quarter of this year. The Company expects to issue press releases outlining the project's progress. We remain excited about the battery materials markets, the end markets for those products, and the part we plan to play in supplying critical materials to serve them.

To the extent that the COVID-19 pandemic continues or worsens, local governments or governmental agencies may impose additional restrictions. The result of COVID-19 and those restrictions could result in a number of adverse impacts to our business, including but not limited to additional disruption to the economy, additional work restrictions, and supply chains being interrupted, slowed, or rendered inoperable. As a result, it may be challenging to obtain and process raw materials to support our business needs, and individuals could become ill, quarantined, or otherwise unable to work and/or travel due to health reasons or governmental restrictions. Also, governments may impose other laws, regulations or taxes which could adversely impact our business, financial condition or results of operations. The potential effects of COVID-19 could also impact us in a number of other ways including, but not limited to, laws and regulations affecting our business, the availability of future borrowings, the cost of borrowings, and potential impairment of the carrying value of our long-lived tangible assets.

Payroll Protection Loan

The Paycheck Protection Program (or "PPP") was established under the congressionally-approved Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") and is administered by the U.S. Small Business Administration (SBA). The Paycheck Protection Program is a loan designed to provide a direct incentive for small businesses to keep their workers on the payroll. On May 4, 2020, URI, Inc, a wholly owned subsidiary of Westwater, received loan proceeds in the amount of \$0.3 million under the Paycheck Protection Program ("PPP") in accordance with the terms of a promissory note executed in favor of Celtic Bank Corporation, a Salt Lake City based SBA Preferred Lender. The loan and accrued interest are forgivable after eight weeks as long as the loan proceeds are used for eligible purposes, including payroll and benefits costs, rent and utilities. Any unforgiven portion of the PPP loan is payable over two years at an interest rate of 1%, with a deferral of payments for the first six months, making the first payment of principal and interest due on November 11, 2020.

Between February 14, 2020 and March 16, 2020, the Company's share price decreased 63% due to turmoil in the equity capital markets due to the COVID-19 pandemic discussed above. This significantly impacted the Company's financing facilities because registered share capacity was exhausted faster than anticipated due to the significant decrease in share price. For instance, the number of registered shares approved by shareholders available under the Company's Lincoln Park PA was exhausted in April 2020 with \$2.3 million of remaining usable capacity lost. As a result of the severe downturn in the capital markets and uncertainty about when economic conditions would return to normal, the Company shut down its South Texas operations and implemented other cost reduction initiatives. When the CARES Act was passed and PPP loan eligibility rules were promulgated, the Company's interpretation of the rules were that the loan proceeds could be used for payroll and benefits of URI's furloughed employees which would allow restart of operations in South Texas. Accordingly, the Company intends to use the proceeds for funding its payroll and benefits costs for its South Texas operations, purposes consistent with the PPP.

While the Company currently believes that its use of the loan proceeds will meet the conditions for forgiveness of the loan, no assurance can be provided that the Company will obtain forgiveness of the Loan, in whole or in part.

Equity Financings

Purchase Agreement (“PA”) with Lincoln Park Capital Fund, LLC. (“Lincoln Park:”)

On June 6, 2019, the Company entered into the PA with Lincoln Park to place up to \$10.0 million in the aggregate of the Company’s common stock on an ongoing basis when required by the Company over a term of 24 months. Westwater will control the timing and amount of any sales to Lincoln Park, and Lincoln Park is obligated to make purchases in accordance with the PA. Any common stock that is sold to Lincoln Park will occur at a purchase price that is based on an agreed upon fixed discount to the Company’s prevailing market prices at the time of each sale and with no upper limits to the price Lincoln Park may pay to purchase common stock. The PA may be terminated by Westwater at any time, in its sole discretion, without any additional cost or penalty.

Following effectiveness of a registration statement on Form S-1 relating to the resale of the shares subject to the PA on June 18, 2019, the Company began selling shares of its common stock to Lincoln Park under the terms of the PA. On September 11, 2019, October 28, 2019 and February 28, 2020 we filed subsequent registration statements on Form S-1, which were declared effective on September 20, 2019, November 7, 2019 and March 6, 2020, respectively, registering for resale additional shares under the PA. Inception-to-date through March 31, 2020, the Company has sold 2,576,764 shares of common stock for gross proceeds of \$7.1 million. In April 2020, the Company sold the remaining 623,236 shares of common stock for gross proceeds of \$0.6 million.

Turkish Government Taking of Temrezli and Sefaati Licenses and Westwater’s Arbitration Filing and Proceedings

On January 27, 2020, Westwater filed a Claimant’s Memorial (the “Memorial”) in its arbitration proceeding against the Republic of Turkey (“Turkey”). The Memorial relates to Westwater’s request for arbitration submitted to the International Centre for the Settlement of Investment Disputes (“ICSID”) in December 2018 as a result of Turkey’s unlawful actions against Westwater’s investments at the Temrezli and Sefaati uranium projects owned by Westwater’s Turkish subsidiary Adur Madencilik Limited Sirketi.

The Memorial sets forth the basis for Westwater’s claims under the treaty between the United States and Turkey concerning the reciprocal encouragement and protection of investments and international law generally, as well as the basis for the jurisdiction of the tribunal constituted on May 1, 2019 following ICSID’s registration of Westwater’s request for arbitration. The Memorial also establishes the reparations owed by Turkey for breach of its international obligations towards Westwater, consisting of no less than \$36.5 million, plus costs and post-award interest, as compensation for Westwater’s resulting loss of its investment. Accompanying the Memorial is an expert report regarding the reparations owed to Westwater. In determining the amount of Westwater’s loss, the expert report considered (i) the projected future cash flows from the expropriated projects, discounted to present value by a risk-adjusted discount rate, (ii) valuations from transactions for similar projects, and (iii) in the case of the Sefaati project, the amounts invested in the project.

On March 11, 2020, Turkey filed a request to bifurcate the arbitration proceeding, and on March 30, 2020, Westwater filed a response in opposition to Turkey’s request for bifurcation. On April 28, 2020, the arbitral tribunal denied Turkey’s bifurcation request. As a result of this decision, Turkey must file a Counter-Memorial on or before July 20, 2020, and a hearing on the substantive issues and damages is now scheduled for September 2021.

Additional information regarding the ICSID arbitration proceeding is presented in Part II, Item 1 below.

RESULTS OF OPERATIONS

Summary

Our consolidated net loss for the three months ended March 31, 2020 was \$3.3 million, or \$0.82 per share, as compared with a consolidated net loss of \$3.2 million, or \$2.15 per share for the same period in 2019. The \$0.1 million increase in our consolidated net loss from the respective prior period was partially the result of an increase in legal expenses related to the arbitration against the Republic of Turkey discussed above.

Mineral Property Expenses

The following table details our mineral property expenses for the three months ended March 31, 2020 and 2019:

	For the Three months Ended March 31,	
	2020	2019
Restoration/Recovery expenses		
Kingsville Dome project	\$ 1	\$ —
Rosita project	—	(19)
Vasquez project	—	37
Total restoration/recovery expenses	1	18
Standby care and maintenance expenses		
Kingsville Dome project	171	154
Rosita project	87	118
Vasquez project	84	73
Temrezli project	—	—
Total standby care and maintenance expenses	342	345
Exploration and evaluation costs		
Coosa project	126	80
Other projects	—	—
Land maintenance and holding costs	259	191
Total mineral property expenses	\$ 728	\$ 634

For the three months ended March 31, 2020, mineral property expenses increased by \$0.1 million from the corresponding period during 2019. The increase was primarily due to an increase in work related to the Coosa project as well as an increase in land maintenance and holding costs for our Vasquez project in South Texas as a result of a lease renewal that required a lease bonus payment.

General and Administrative Expenses

Significant expenditures for general and administrative expenses for the three months ended March 31, 2020 and 2019 were:

	For the Three months ended	
	March 31,	
	2020	2019
	(thousands of dollars)	
Stock compensation expense	\$ —	\$ 8
Salaries and payroll burden	767	684
Legal, accounting, public company expenses	653	721
Insurance and bank fees	167	142
Consulting and professional services	30	21
Office expenses	90	104
Sales and marketing	14	7
Other expenses	58	18
Total	<u>\$ 1,779</u>	<u>\$ 1,705</u>

For the three months ended March 31, 2020, general and administrative charges were approximately \$0.1 million higher than the corresponding period in 2019. The increase was primarily due to executive search consulting costs for a sales and marketing executive for Westwater.

Arbitration Costs

During the three months ended March 31, 2020, the Company incurred arbitration related legal and expert consulting costs of \$0.7 million associated with the Request for Arbitration against the Republic of Turkey filed with ICSID in December 2018. For further reference, see discussion in the Recent Developments section of this Part I and below at Part II, Item 1. The increase of \$0.6 million over the \$0.1 million cost incurred during the same period in 2019 was due to the increased activity leading up to and following the filing of the Company's Memorial with ICSID on January 27, 2020.

Other Income and Expenses

For the three months ended March 31, 2020 the \$0.6 million increase in other income compared to the three months ended March 31, 2019 was primarily due to the \$0.7 million loss recorded in 2019 from the sale of marketable securities. No such loss occurred for the same period in 2020.

FINANCIAL POSITION

Operating Activities

Net cash used in operating activities was \$3.5 million for the three months ended March 31, 2020, as compared with \$2.7 million for the same period in 2019. The \$0.8 million increase in cash used was primarily due to an increase in arbitration costs as well as land maintenance and holding costs for our Vasquez project in South Texas.

Investing Activities

Net cash provided by investing activities was \$0 for the three months ended March 31, 2020, as compared with \$1.8 million of cash provided by investing activities for the three months ended March 31, 2019. For the 2019 period, the Company received note payments on the Laramide note in the amount of \$0.8 million in cash. Additionally, the Company received net proceeds of \$0.5 million from the sale of Laramide securities and \$0.5 million from URC as a deposit in accordance with the terms of the Asset Purchase Agreement signed on March 5, 2019. See Note 4 to our unaudited Condensed Consolidated Financial Statements included herewith for more information.

Financing Activities

Net cash provided by financing activities was \$2.5 million for the three months ended March 31, 2020 from the proceeds of sales of common stock through the Company's ATM Offering Agreement and to Lincoln Park pursuant to the Stock Purchase Agreement.

For the three months ended March 31, 2019, net cash provided by financing activities was \$0.4 million from the sale of common stock through the Company's ATM Offering Agreement.

LIQUIDITY AND CAPITAL RESOURCES

The interim Condensed Consolidated Financial Statements of the Company have been prepared on a "going concern" basis, which means that the continuation of the Company is presumed even though events and conditions exist that, when considered in the aggregate, raise substantial doubt about the Company's ability to continue as a going concern because it is possible that the Company will be required to adversely change its current business plan or may be unable to meet its obligations as they become due within one year after the date that these financial statements were issued.

The Company last recorded revenues from operations in 2009 and expects to continue to incur losses as a result of costs and expenses related to maintaining its properties and general and administrative expenses. Since 2009, the Company has relied on equity financings, debt financings and asset sales to fund its operations and the Company expects to rely on these forms of financing to fund its operations into the near future. The Company will also continue to identify ways to reduce its cash expenditures.

The Company's current business plan requires working capital to fund non-discretionary expenditures for uranium reclamation activities, mineral property holding costs, business development costs and administrative costs. The Company intends to pursue 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 facilities and construction of commercial production facilities. The Company's current lithium business plan will be funded by working capital; however, the Company is pursuing project financing including possible joint venture partners to fund discretionary greenfield exploration activities.

At March 31, 2020 the Company's cash balances were \$0.9 million and the Company had a working capital deficit balance of \$2.2 million. The Company's cash balance at May 8, 2020 is \$0.5 million. Subsequent to May 8, 2020, the Company expects to fund operations as follows:

- The new Stock Purchase Agreement with Lincoln Park Capital, LLC., approved by the Company's shareholders at the annual shareholders meeting on April 28, 2020, whereby the Company may place up to \$12.0 million in the aggregate of the Company's common stock on an ongoing basis when required by the Company over a term of 24-months after execution of the agreement.
- The Controlled Equity Offering Sales Agreement (the "ATM Offering Agreement") with Cantor Fitzgerald & Co. The Company currently has registered the offer and sale from time to time of shares of its common stock having an aggregate offering price of up to \$3.1 million. As of May 8, 2020, \$2.8 million registered shares are available for future sales under the ATM Offering Agreement.
- The loan proceeds in the amount of \$0.3 million received from the Paycheck Protection Program ("PPP") by URI, Inc., a wholly owned subsidiary of WWR, on May 4, 2020. See Note 15. The Company plans to use the proceeds from this loan for payroll and benefits costs for its South Texas operations, which are eligible expenses in accordance with the PPP. Under the terms of the promissory note executed by URI, principal and accrued interest are forgivable after eight weeks as long as the proceeds are used for eligible purposes. Any unforgiven portion of the loan is payable over two years at an interest rate of 1% with a deferral of payments for the first six months.
- Other debt and equity financings and asset sales.

While the Company has been successful in the past in raising funds through equity and debt financings as well as through the sale of non-core assets, no assurance can be given that additional financing will be available to it in amounts sufficient to meet its needs, or on terms acceptable to the Company. Stock price volatility and uncertain economic conditions caused by the recent Covid-19 pandemic could significantly impact the Company's ability to raise funds through equity financing. In the event that we are unable to raise sufficient additional funds, we may be required to delay, reduce or severely curtail our operations or otherwise impede our on-going business efforts, which could have a material adverse effect on our business, operating results, financial condition, long-term prospects and ability to continue as a viable business. Considering all of the factors above, the Company believes there is substantial doubt regarding its ability to continue as a going concern.

OFF-BALANCE SHEET ARRANGEMENTS

We have no off-balance sheet arrangements.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

With the exception of historical matters, the matters discussed in this report are forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from projections or estimates contained herein. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include, without limitation, statements regarding the adequacy of funding, liquidity, the timing or occurrence of any future drilling or production from the Company's properties, the ability of the Company to acquire additional properties or partner with other companies, the realization of expected benefits from recent business combinations and the Company's anticipated cash burn rate and capital requirements. Words such as "may," "could," "should," "would," "believe," "estimate," "expect," "anticipate," "plan," "forecast," "potential," "intend," "continue," "project" and variations of these words, comparable words and similar expressions generally indicate forward-looking statements. You are cautioned not to place undue reliance on forward-looking statements. Actual results may differ materially from those expressed or implied by these forward-looking statements. Factors that could cause actual results to differ materially from these forward-looking statements include, among others:

- the spot price and long-term contract price of graphite, vanadium, lithium and uranium;
- the ability of the Company to enter into and successfully close acquisitions, dispositions or other material transactions;
- the Company's ability to raise capital in the future;
- government regulation of the mining industry and the nuclear power industry in the United States;
- risks associated with our operations and the operations of our partners, including the impact of COVID-19;
- our expectations regarding the use of funds from the Company's PPP Loan and the potential for loan forgiveness under the terms of the PPP Loan;
- operating conditions at our projects;
- the world-wide supply and demand of graphite, vanadium, lithium and uranium;
- weather conditions;
- unanticipated geological, processing, regulatory and legal or other problems we may encounter;
- the results of our exploration activities, and the possibility that future exploration results may be materially less

promising than initial exploration results;

- any graphite, vanadium, lithium or uranium discoveries not being in high enough concentration to make it economic to extract the metals;
- currently pending or new litigation or arbitration;
- our ability to continue to satisfy the listing requirements of the Nasdaq Capital Market;
- our ability to maintain and timely receive mining and other permits from regulatory agencies.

as well as other factors described elsewhere in this Quarterly Report on Form 10-Q, our 2019 Annual Report on Form 10-K and the other reports we file with the SEC. Most of these factors are beyond our ability to predict or control. Future events and actual results could differ materially from those set forth herein, contemplated by or underlying the forward-looking statements. Forward-looking statements speak only as of the date on which they are made. We disclaim any obligation to update any forward-looking statements made herein, except as required by law.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As a smaller reporting company, we are not required to provide this information in our Quarterly Reports.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in its filings with the Securities and Exchange Commission (“SEC”) is recorded, processed, summarized and reported within the time period specified in the SEC’s rules and forms, and that such information is accumulated and communicated to management, including the Company’s Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management has recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is required to apply judgment in evaluating the Company’s controls and procedures.

During the fiscal period covered by this report, the Company’s management, with the participation of the Chief Executive Officer and Chief Financial Officer of the Company, carried out an evaluation of the effectiveness of the design and operation of the Company’s disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended). Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective as of March 31, 2020.

Changes in Internal Controls

There were no changes in our internal control over financial reporting during the quarter ended March 31, 2020 that materially affected, or are reasonably likely to materially affect our internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Information regarding reportable legal proceedings is contained in Part I, Item 3, “Legal Proceedings,” in our Annual Report on Form 10-K for the year ended December 31, 2019. There have been no material changes to the legal proceedings previously disclosed in the Annual Report on Form 10-K, other than as set forth below.

On December 13, 2018, Westwater filed a Request for Arbitration against the Republic of Turkey before the International Centre for the Settlement of Investment Disputes (“ICSID”), pursuant to the Treaty between the United States of America and the Republic of Turkey concerning the Reciprocal Encouragement and Protection of Investments. The Request for Arbitration was filed as a result of the Republic of Turkey’s unlawful actions against the Company’s licenses for the Temrezli and Sefaatli uranium projects owned by Westwater’s Turkish subsidiary Adur Madencilik Limited Sirketi (“Adur”). Specifically, in June 2018, the Turkish government cancelled all of Adur’s exploration and operating licenses with retroactive effect, rendering Westwater’s investment in Adur effectively worthless. While the Turkish authorities had variously issued, renewed and overseen these licenses for more than a decade, in June 2018 they asserted that those licenses were issued by mistake and that the Turkish government has a governmental monopoly over all uranium mining activities in Turkey, in violation of Westwater’s rights under both Turkish and international law. Westwater reached out on numerous occasions to the Turkish government to resolve this dispute amicably, to reinstate the licenses and to remedy Turkey’s unlawful actions, but to no avail.

As a result, on December 13, 2018, Westwater filed before ICSID its arbitration request against the Republic of Turkey. On December 21, 2018, ICSID registered Westwater’s Request for Arbitration. On May 1, 2019, the three-member ICSID Panel for the arbitration was established – one of the panel members was selected by Westwater, another was selected by Turkey, and the third panel member (serving as the Chair) was selected by the two party-appointed arbitrators. On September 9, 2019, the ICSID Panel issued Procedural Order #1, which places the locale for the proceeding in Washington, DC, and sets numerous dates for both parties to make various filings.

On January 27, 2020, Westwater filed its Memorial, which is a document that sets out Westwater’s case. On March 11, 2020, Turkey filed a request to bifurcate the arbitration proceeding, and on March 30, 2020, Westwater filed a response in opposition to Turkey’s request for bifurcation. In Procedural Order #2 issued on April 28, 2020, the arbitral tribunal denied Turkey’s bifurcation request. As a result of the tribunal’s decision, Turkey must file a Counter-Memorial setting forth its positions in the arbitration on or before July 20, 2020, and a hearing on substantive issues and damages is now scheduled for September 2021.

ITEM 1A. RISK FACTORS.

Other than the risk factor set forth below, there have been no material changes from those risk factors set forth in our Annual Report on Form 10-K for the year ended December 31, 2019, which are incorporated herein by reference.

We face various risks related to health epidemics, pandemics and similar outbreaks, including the global outbreak of coronavirus disease 2019 (“COVID-19”). The continued spread of COVID-19 has led to disruption and volatility in the global capital markets, which increases the cost of capital and adversely impacts access to capital. If significant portions of our workforce are unable to work effectively, including because of illness, quarantines, government actions, facility closures or other restrictions in connection with the COVID-19 pandemic, our operations will likely be impacted. In addition, our costs may increase as a result of the COVID-19 outbreak. These cost increases may not be fully recoverable or adequately covered by insurance.

It is possible that the continued spread of COVID-19 could also further cause disruption in our supply chains, adversely affect our business partners, delay our plans to advance our pilot plant or cause other unpredictable events. We continue to work with our stakeholders to address this global pandemic responsibly. In addition, we continue to monitor the situation, to assess further possible implications to our business, and to take actions in an effort to mitigate adverse consequences.

We cannot at this time predict the impact of the COVID-19 pandemic, but it could have material adverse effects on our business, financial position, results of operations and/or cash flows.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

None

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

ITEM 5. OTHER INFORMATION.

None.

ITEM 6. EXHIBITS.

Exhibit Number	Description
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS:	XBRL Instance Document
101.SCH:	XBRL Taxonomy Extension Schema Document
101.CAL:	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF:	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB:	XBRL Taxonomy Extension Label Linkbase Document
101.PRE:	XBRL Taxonomy Extension Presentation Linkbase Document

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

WESTWATER RESOURCES, INC.

Dated: May 13 2020

By: /s/ Christopher M. Jones
Christopher M. Jones
President and Chief Executive Officer
(Principal Executive Officer)

Dated: May 13, 2020

By: /s/ Jeffrey L. Vigil
Jeffrey L. Vigil
Vice President - Finance and Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)