

**FOR IMMEDIATE RELEASE**

**WESTWATER RESOURCES ANNOUNCES YEAR-END 2020 RESULTS  
AND BUSINESS UPDATE**

**Company Expanding Battery Graphite Manufacturing Business with Pilot Program**

**Westwater Has Developed A New, More Sustainable Processing Method for Purification of Graphite**

**Battery Graphite Market Expected to Grow at an Annual Rate of 20% Over the Next 10 Years**

**CENTENNIAL, Colo. February 16, 2021 - Westwater Resources, Inc. (Nasdaq: WWR)**, an explorer and developer of U.S.-based mineral resources essential for batteries for energy storage, today announced its results for the year ended December 31, 2020.

“2020 was an immensely successful year for us. We sold our uranium assets and commenced graphite production with our Pilot Program, and as a result, we are now focused on processing battery-grade graphite products for an energy-dependent world,” said Chris Jones, CEO of Westwater Resources. “This major step into the energy storage economy, which aligns with electrification and decarbonization transitions around the world, is critical to our success and has the potential to provide remarkable new value to our Shareholders. The Westwater team is experienced and has the strengths needed to execute a business plan that manufactures battery graphite products, while keeping our promise to be environmentally sensitive and sustainable. Westwater expects to be producing commercial quantities of battery-grade graphite in 2023.”

**BUSINESS UPDATE**

**Graphite**

Graphite has become essential to people – it is used in products that touch almost every aspect of life, including airplanes, cars, flashlights, laptops, smartphones, and smoke detectors. The battery-grade graphite market has been growing with no signs of slowing. Westwater is now positioned to benefit from this growth with its battery-grade graphite. The United States has no domestically sourced and processed graphite production, and Westwater can provide a domestic battery-grade source of this important material. The Company has developed a patent-pending proprietary process for the purification of graphite; this process is anticipated to be environmentally safe and cost-efficient, giving Westwater a distinct advantage over its competitors. A definitive feasibility study is expected to be completed in mid-2021 for our commercial processing plant, which is planned for startup in late 2022.

**Vanadium**

Vanadium is a lightweight metal used in the construction industry, in high strength steel alloys and in large grid storage batteries. Vanadium batteries are also used in solar and wind power generators to make their installations more reliable electricity providers. Currently 85 percent of all vanadium is imported into the United States from South Africa, China and Russia. There is no significant production

of vanadium currently in the United States. Over the last several years, Westwater has discussed and updated the marketplace with regard to its vanadium mineralization. During the first half of 2021, the Company anticipates drilling various targets on its Coosa property to expand its knowledge of the project's geology, examine the core and/or cutting results for mineral constituents and evaluate its economic potential.

### **U.S. Critical Minerals List**

Both graphite and vanadium have been listed on the U.S. Government Critical Minerals List because they are "essential to the economic and national security of the United States." Priority is being given to these minerals by the U.S. Government.

### **Recent News**

On January 5, 2021, Westwater announced [the sale of all of its uranium assets located in New Mexico and Texas to enCore Energy Corp. of Vancouver, British Columbia, Canada](#), a Toronto Venture Exchange-listed company (TSXV:EU). Total consideration accruing to Westwater from the deal is \$1.8 million in enCore shares (2,571,598 shares), representing a 1.5% ownership of enCore, and two royalties from future production from the New Mexico uranium properties. enCore also assumed the asset retirement obligation on all remaining uranium reclamation activities associated with the Texas uranium assets in the amount of approximately \$5.2 million. All performance bonds for the Texas uranium properties have been transferred to enCore as of December 31, 2020, as well as the release of \$0.7 million in restricted cash collateral to Westwater as a result of the transfer of the performance bonds. Westwater is retaining its uranium interests in the Republic of Turkey, which are subject to an ongoing international arbitration proceeding.

On December 7, 2020, Westwater provided [an update on progress at its pilot plant operations](#) at Dorfner Anzplan's facilities near Amberg, Germany, as well as at facilities in Frankfurt, Germany, Chicago, Illinois and Buffalo, New York. This pilot program, performed at several individual facilities has produced high quality battery-grade graphite products which were previously produced at a bench scale. Westwater intends to sell these three battery-grade graphite products: ULTRA-PMG™, ULTRA-CSPG™ and ULTRA-DEXDG™.

### **FINANCIAL SUMMARY**

"We significantly strengthened our balance sheet during the fourth quarter of 2020 with the sale of our uranium business and disposal of its legacy asset retirement obligation liabilities, and with the addition of over \$50 million to our treasury," said Jeff Vigil, CFO of Westwater. "Our successful strategic shift to battery materials has resonated with investors and the capital markets, reflective in the increase in our market capitalization from \$7 million beginning 2020 to \$95 million ending 2020, and \$260 million as of February 12, 2021. With an additional \$50 million added to the treasury since the end of 2020, we are on the path towards raising the necessary financial resources to direct at our graphite beneficiation business plan."

**Table 1: Financial Summary**

(\$ in 000's, Except Per Share)	<b><u>FY 2020</u></b>	<b><u>FY 2019</u></b>	<b><u>Variance</u></b>
Net Cash Used in Operations (1)	\$(15,183)	\$(10,049)	51.1%
Product Development Expenses	\$(4,049)	\$(116)	n/m
General and Administrative Expenses	\$(5,678)	\$(4,474)	26.9%
Net Loss from Continuing Operations	\$(13,912)	\$(6,004)	131.7%
Net Loss from Discontinued Operations	\$(9,662)	\$(4,561)	111.8%
Net Loss (1)	\$(23,574)	\$(10,565)	123.1%
Net Loss Per Share (1)	\$(2.68)	\$(5.39)	-50.3%
Avg. Weighted Shares Outstanding	8,799,190	1,961,086	348.7%

(1) Includes discontinued operations.

#### **Net Cash Used in Consolidated Operations**

Net cash used in operating activities, including discontinued operations, was \$15.2 million for the year ended December 31, 2020, compared with \$10.0 million for 2019. The \$5.2 million increase in cash used was primarily due to a \$3.9 million increase in product development expense and \$1.3 million increase in general and administrative expense.

#### **Product Development Expenses from Continuing Operations**

For the period ended December 31, 2020, \$4.0 million was spent on product development. Of this amount \$3.2 million was related to the design, construction and operation of Westwater's graphite processing pilot program; the remainder was attributable to product testing, labor and other miscellaneous items.

#### **General and Administrative Expenses from Continuing Operations**

General and administrative expenses for 2020 increased by approximately \$1.2 million, to \$5.7 million, as compared to \$4.5 million in 2019. The increase was primarily related to increased graphite sales and marketing costs including recruiting and hiring a Sales & Marketing executive, a near doubling of Directors & Officers liability insurance premiums and an increase in stock compensation expense.

#### **Net Loss from Continuing Operations**

The net loss from continuing operations was \$13.9 million and \$6.0 million for the 12 months ended December 31, 2020 and 2019, respectively. The \$7.9 million increase compared to 2019 was primarily due to an increase of \$4.0 million for product development costs, \$1.2 million in corporate general and administrative expenses and \$2.7 million for loss on disposal of uranium assets resulting from resolution of enCore Energy transaction issues and final negotiations in the fourth quarter of 2020.

#### **Net Loss from Discontinued Operations**

The net loss from discontinued operations was \$9.7 million and \$4.6 million for the 12 months ended December 31, 2020 and 2019, respectively. The \$5.1 million increase from 2019 was primarily due to a \$5.2 million impairment charge on uranium assets recorded in the third quarter of 2020 after the announcement of a binding letter of intent to sell the uranium assets to enCore Energy.

### **Cash and Working Capital**

As of December 31, 2020, and December 31, 2019, the Company's cash balance was \$50.3 million and \$1.8 million, respectively. The significant increase in 2020 was due to capital raises in October 2020 utilizing the Company's financing facilities with Cantor Fitzgerald & Co. and Lincoln Park Capital LLC. In addition, from January 1 to February 11, 2021, the Company raised another \$50.3 million with these financing facilities. As of February 11, 2021, the Company's cash position was \$101 million.

These funds are to be used to fund the ongoing operations of the Company, development of the graphite business, and to provide a portion of the capital funding required to build the production plant.

### **Shares Outstanding**

Total shares outstanding are 29.4 million at February 11, 2021.

### **CONFERENCE CALL**

Westwater Resources will hold a conference call to discuss its financial results for the year ended December 31, 2020, and the business outlook for the remainder of the year. **The conference call will be held on Tuesday, February 16, 2021 at 11:00 am Eastern time (9:00 am Mountain Time).**

### **DIAL-IN NUMBERS**

**1-800-319-4610 (US and Canada)**

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

**Conference ID: Westwater Resources Conference Call**

Hosting the call will be Christopher M. Jones, President and Chief Executive Officer of Westwater Resources, who will be joined by Jeffrey L. Vigil, Vice President-Finance and Chief Financial Officer, and Dain McCoig, Vice President of Operations. Mr. Jones will present an overview of the Company's business position, including the status of the construction of its pilot plant, and the U.S. Government's recent ruling on graphite. Mr. Vigil will review the financial results and the financial condition of the Company and Mr. McCoig will be available for questions as part of the call.

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

### **REPLAY NUMBERS**

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

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

**Replay Access Code 5927**

### **About Westwater Resources**

Westwater Resources (NASDAQ: WWR) is focused on developing energy-related materials. The Company's battery-materials projects include the Coosa Graphite Project — the most advanced natural flake graphite project in the contiguous United States — and the associated Coosa Graphite Deposit located across 41,900 acres (~17,000 hectares) in east-central Alabama. For more information, visit [www.westwaterresources.net](http://www.westwaterresources.net).

### **Cautionary Statement**

This news release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are subject to risks, uncertainties and assumptions and are identified by words such as "expects," "estimates," "projects," "anticipates,"

“believes,” “could,” and other similar words. All statements addressing events or developments that WWR expects or anticipates will occur in the future, including but not limited to future demand for and price of graphite, the Company’s growth, developments at the Company’s projects and the output expected therefrom, including relating to the pilot program and proposed commercial plant and production of battery graphite products, the timing and occurrence of positive cash flow from the Company’s projects, and the Company’s liquidity and cash demands, including future capital markets financing and disposition activities, are forward-looking statements. Because they are forward-looking, they should be evaluated in light of important risk factors and uncertainties. These risk factors and uncertainties include, but are not limited to, (a) the spot price and long term contract price of graphite (both flake graphite feedstock and purified graphite products) and vanadium, and the world-wide supply and demand of graphite and vanadium; (b) government regulation of the mining and manufacturing industries in the United States; (c) operating conditions at our mining and manufacturing projects; (d) unanticipated geological, processing, regulatory and legal or other problems we may encounter; (e) the results of our exploration activities, and the possibility that future exploration results may be materially less promising than initial exploration results; (f) any graphite or vanadium discoveries not being in high enough concentration to make it economic to extract the metals; (g) our ability to finance our growth plans; (h) currently pending or new litigation or arbitration; (i) our ability to maintain and timely receive mining, manufacturing, and other permits from regulatory agencies; and (j) other factors which are more fully described in the Company’s Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, and other filings with the Securities and Exchange Commission. Should one or more of these risks or uncertainties materialize or should any of the Company’s underlying assumptions prove incorrect, actual results may vary materially from those currently anticipated. In addition, undue reliance should not be placed on the Company’s forward-looking statements. Except as required by law, the Company disclaims any obligation to update or publicly announce any revisions to any of the forward-looking statements contained in this news release.

## **Contacts**

### **Westwater Resources**

Christopher M. Jones, President & CEO

Phone: 303.531.0480

Jeffrey L. Vigil, Vice President Finance & CFO

Phone: 303.531.0481

Email: [Info@WestwaterResources.net](mailto:Info@WestwaterResources.net)

Product Sales Contact:

Jay Wago, Vice President – Sales and Marketing

Phone: 303.531.0472

Email: [Sales@westwaterresources.net](mailto:Sales@westwaterresources.net)

### **Investor Relations**

Porter, LeVay & Rose

Michael Porter

Phone: 212.564.4700

Email: [Westwater@plinvest.com](mailto:Westwater@plinvest.com)