



## ENERGY MATERIALS FOR THE 21<sup>ST</sup> CENTURY

FIRST QUARTER 2022 CORPORATE PRESENTATION

MAY 11, 2022

**Chad Potter**

*President and Chief Executive Officer*

**(NYSE American:WWR)**

**Terence Cryan**

*Executive Chairman*

**Jeff Vigil**

*Chief Financial Officer*

## CAUTIONARY STATEMENT

### CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements convey our current expectations or forecasts of future events. Forward-looking statements are subject to risks, uncertainties and assumptions and are identified by words such as “may,” “could,” “should,” “would,” “believe,” “estimate,” “expect,” “anticipate,” “plan,” “forecast,” “potential,” “intend,” “continue,” “project,” “scheduled,” and variations of these words, comparable words and similar expressions. All statements addressing operating performance, events or developments that Westwater expects will occur in the future, including but not limited to statements relating to: (i) the expected future growth in the demand for graphite, graphite products and vanadium; (ii) the timing or occurrence of the construction and operation of the Kellyton graphite processing plant; (iii) potential benefits from vanadium by-product sales on the Coosa graphite deposit; (iv) the timing or occurrence of any future drilling or production from the Company’s properties or projects, and the anticipated economics and rate of return from the Company’s projects; (v) the adequacy of funding, the Company’s liquidity, and the Company’s anticipated cash burn rate and capital requirements; and (vi) future governmental action to promote the production or price of domestically produced graphite, are forward-looking statements.

Because they are forward-looking statements, they should be evaluated in light of important risk factors and uncertainties. Factors that could cause actual results to differ materially from these forward-looking statements include, among others: (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) the effects, extent and timing of the entry of additional competition in the markets in which we operate; (c) the ability to obtain contracts with customers; (d) available sources and transportation of graphite feedstock; (e) the ability to control costs and avoid cost and schedule overruns during the development, construction and operation of the Kellyton graphite processing plant; (f) the ability to construct and operate the Kellyton graphite processing plant in accordance with the requirements of permits and licenses and the requirements of tax credits and other incentives; (g) government regulation of the mining and manufacturing industries in the United States; (h) unanticipated geological, processing, regulatory and legal or other problems we may encounter; (i) the results of our exploration activities, and the possibility that future exploration results may be materially less promising than initial exploration results; (j) any graphite or vanadium discoveries not being in high enough concentration to make it economic to extract the metals; (k) our ability to finance growth plans; (l) the potential effects of the continued COVID-19 pandemic; (m) currently pending or new litigation or arbitration; and (n) our ability to maintain and timely receive mining, manufacturing, and other permits from regulatory agencies and (o) other factors which are more fully described in our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, and other filings with the SEC.

Although we have attempted to identify important factors that could cause actual results to differ materially from those described in forward-looking statements and forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. You are cautioned not to place undue reliance on forward-looking statements. There can be no assurance that these statements will prove to be accurate as actual results and future events could differ materially from those anticipated in the statements. Actual results may differ materially from those expressed or implied by these forward-looking statements because of, among other reasons, the factors described above and in the periodic reports that we file with the SEC from time to time, including Forms 10-K, 10-Q and 8-K and any amendments thereto. Except as required by law, we assume no obligation to publicly update any forward-looking statements and forward-looking information, whether as a result of new information, future events or otherwise.

## WHY WESTWATER AS AN INVESTMENT?

- We are an energy technology company focused on producing battery-grade natural graphite materials for advanced batteries here in the United States, using our patent pending proprietary purification process.
- During the first quarter construction activities continued including:
  - Civil and earthwork, which began in March;
  - Hiring of a general contractor;
  - Continuing to order and progress long-lead equipment; and
  - Buildout and completion in April of our administrative offices in April
- In April we hosted a ceremonial groundbreaking at the Kellyton site attended by the Governor of Alabama and other elected officials.
- Also in April, we completed our exploration drilling program at our Coosa graphite deposit and expect a geological model by the end of the year.

## STOCK & FINANCIAL SNAPSHOT

Shares outstanding <sup>1</sup>	47.2 million	Share Price (5/04/2022)	\$1.37
Liquidity (3 Mo. Avg.) (5/4/2022)	3.2 million shs/day	52 Wk Hi-Low (5/4/2022)	\$5.70 - \$1.23
Options/RSUs <sup>2</sup>	525,336	Market Capitalization <sup>3</sup>	\$64.7 million
Cash and Equivalents (3/31/2022)	\$116.0 million	Debt	\$0

<sup>1</sup> Shares Outstanding are as of May 4, 2022.

<sup>2</sup> Options and RSUs outstanding are as of March 31, 2022

<sup>3</sup> Calculated using the shares outstanding and share price as of May 4, 2022

## FINANCIAL SUMMARY

(\$ in 000, Except for Per Share and Share Amounts)	Q1 2022	Q1 2021	Variance
<b>Net Cash Used in Operations</b>	\$(2,701)	\$(4,850)	(44%)
<b>Net Cash (Used) From Investing Activities</b>	\$(12,123)	333	n/m
<b>Net Cash From Financing Activities</b>	\$15,524	\$72,203	(78%)
<b>Product Development Expenses</b>	\$(233)	\$(1,823)	(87%)
<b>General and Administrative</b>	\$(2,211)	\$(2,084)	6%
<b>Net Loss</b>	\$(2,809)	\$(5,390)	(48%)
<b>Net Loss Per Share</b>	\$(0.08)	\$(0.19)	(58%)
<b>Avg. Weighted Shares Outstanding</b>	36,757,352	28,597,938	29%

## WESTWATER – ENSURING THE HEALTH AND GROWTH OF OUR BUSINESS

### **We continue to advance our battery-grade graphite business:**

- As of March 31, 2022, we have incurred \$17.8 million of costs associated with the \$202 million of estimated cost to construct Phase I of the Kellyton graphite processing plant.
- We incurred exploration expense of \$0.2 million during the quarter related to the Coosa graphite deposit and completed our drilling program in April 2022.

### **We continue to work to ensure adequate financial liquidity to support our key operations and business activities:**

- March 31, 2022, cash balance of \$116.0 million and zero debt.
- We are in active discussions on a range of alternative sources of the additional capital necessary to complete Phase I of the Kellyton graphite processing plant, with a focus on securing the lowest cost of capital available.

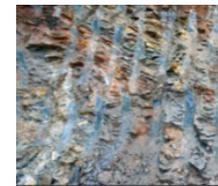
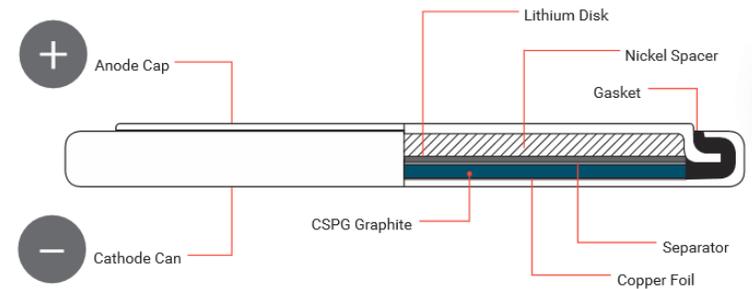
# GRAPHITE IS A MAJOR COMPONENT OF ALL BATTERIES

## Why Graphite Matters:

- A critical component of all types of batteries including lead-acid, alkaline power cells and non-rechargeable lithium cells
- Coated Purified Spherical Graphite (CSPG) is a critical component in lithium-ion batteries \*
- The US Government has defined graphite as critical to the nation's security and prosperity and the White House has invoked the Defense Production Act\*\*
- The Department of Energy Funding Opportunity Announcement (DE-FOA-0002678) allocates \$3.1 billion to expand advanced battery manufacturing capabilities in the U.S.

\* Roskill Natural and Synthetic Graphite Report, May 2017

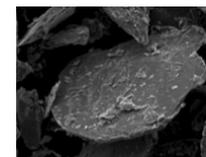
\*\*<https://www.whitehouse.gov/briefing-room/presidential-actions/2022/03/31/memorandum-on-presidential-determination-pursuant-to-section-303-of-the-defense-production-act-of-1950-as-amended/>



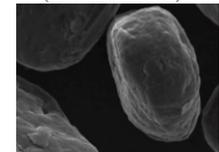
GRAPHITE MINING  
ALABAMA, USA



PRIMARY  
PROCESSING  
96.7% Cg PURITY  
(Across All Flake sizes)

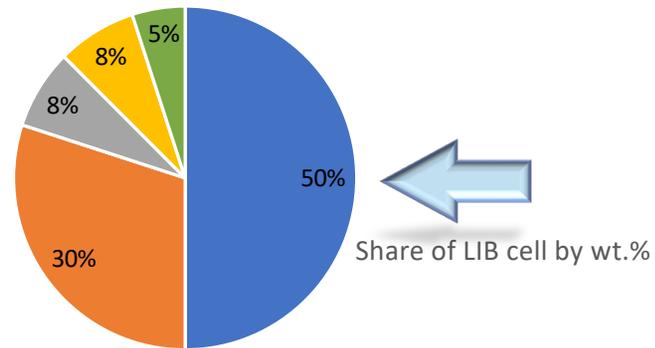
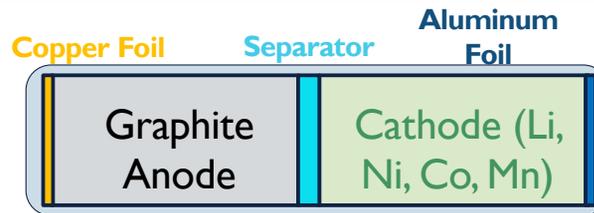


SECONDARY  
PROCESSING  
99.99% Cg PURITY



SPECIALTY  
CSPG GRAPHITE  
FOR LI-ION BATTERIES

# GRAPHITE ANODE CONSUMPTION IN LIB CELL

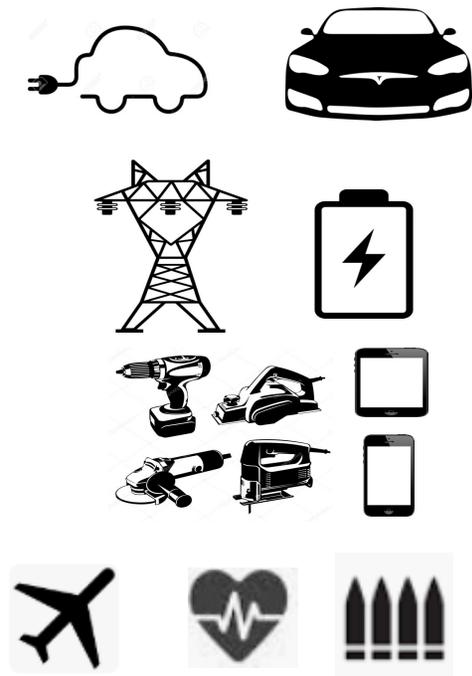


■ Graphite ■ Nickel ■ Cobalt ■ Manganese ■ Lithium

**A typical Electric Vehicle with 80 Kwh battery pack contains approximately 175 – 210 lbs of anode graphite.**

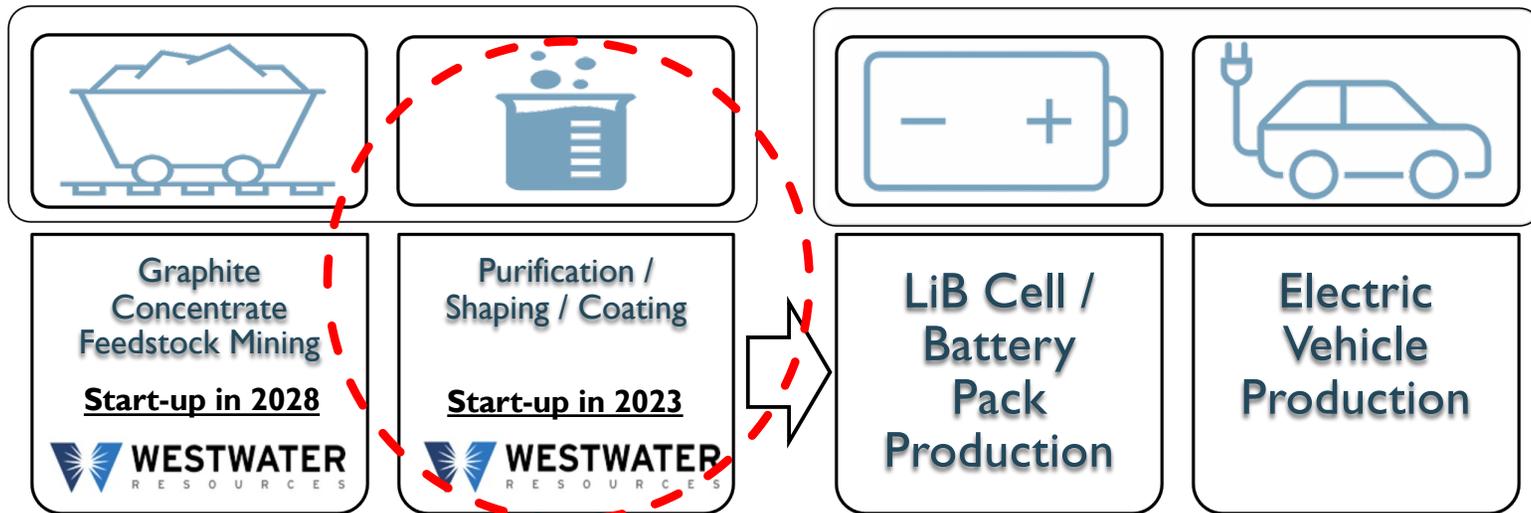
# BATTERY MARKETS ARE GROWING – GRAPHITE IS A CRITICAL COMPONENT

<h2>Transportation</h2>	<ul style="list-style-type: none"> <li>• 24% CAGR expected over next 8 years</li> <li>• Predominantly Lithium-ion batteries</li> <li>• US Government and Automakers announced a goal of 50% of all autos sold will be Electric Vehicle by 2050</li> </ul>
<h2>Energy Storage Systems</h2>	<ul style="list-style-type: none"> <li>• 19% CAGR expected over the next 8 years</li> <li>• Lithium-ion battery storage is the enabling technology for many renewable energy sources</li> </ul>
<h2>Consumer Electronics</h2>	<ul style="list-style-type: none"> <li>• 3% CAGR with well-established value chain</li> <li>• Many sub-segments and players</li> </ul>
<h2>Specialties</h2>	<ul style="list-style-type: none"> <li>• Defense, Aerospace, Military and Medical with major players in North America</li> <li>• Government and major contract base business</li> </ul>



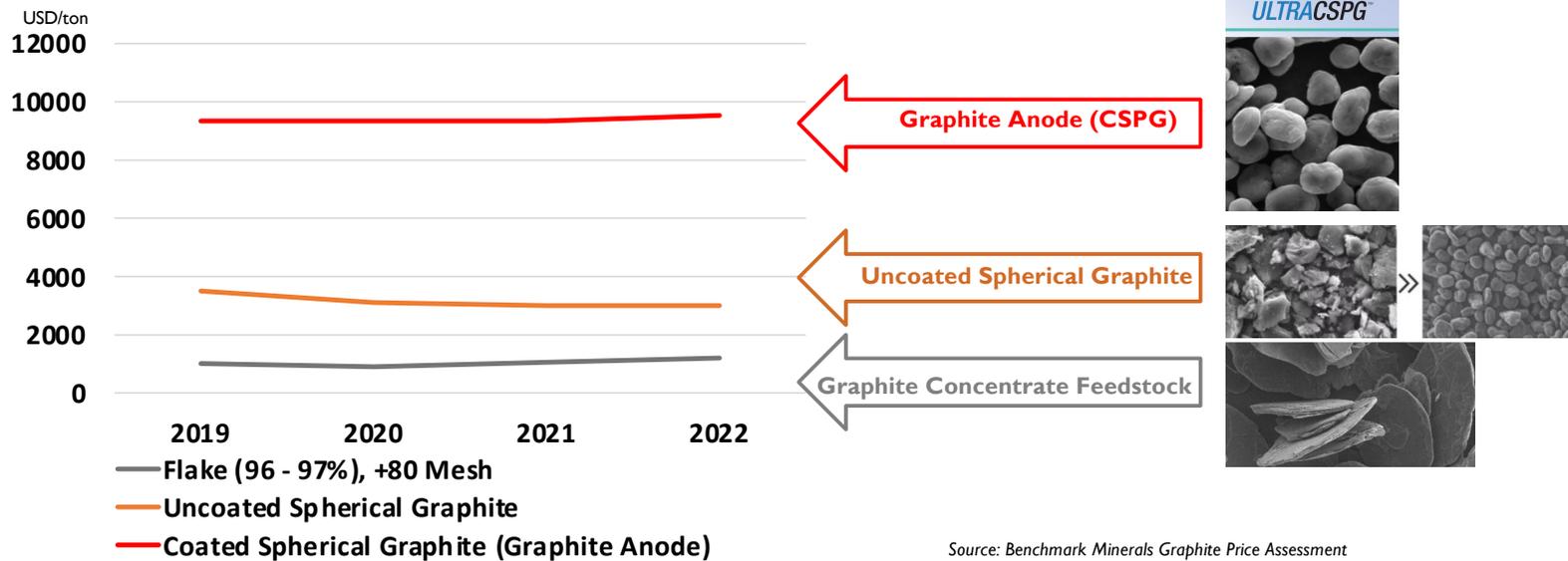
*Westwater's Business development is focusing on the most bankable segments*

## WHERE WE PLAY IN THE VALUE CHAIN



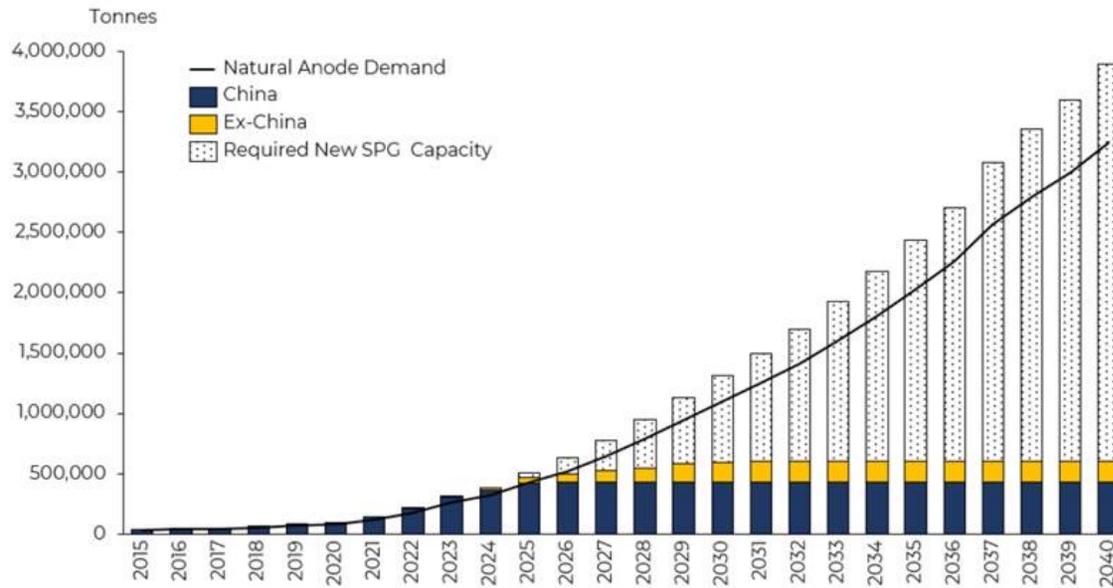
- We're a **Graphite Anode** company directly serving lithium-ion battery (LiB) and electric vehicle companies. Graphite Anode is otherwise known as Active Anode Material (AAM for short).
- Our Coosa graphite mining project is anticipated to begin operating in 2028 to vertically integrate our operations and provide security of feedstock supply to the Kellyton graphite processing plant.

# VALUE CREATION FROM PROCESSING NATURAL FLAKE GRAPHITE



- We add >3 times value as we process graphite concentrate feedstock in our graphite anode plant
- From graphite concentrate feedstock to Graphite Anode, the value multiplier is ≥ 9.0 times

# NATURAL GRAPHITE ANODE MARKET & SUPPLY CHAIN PROJECTED IMBALANCE



Source: Benchmark Mineral Intelligence



- Natural graphite anode **supply shortage projected**
- Poses major supply security concerns **particularly for the U.S.**

## PROPRIETARY PURIFICATION TECHNOLOGY

- Westwater has developed a new technology for graphite purification.
- We have filed a Provisional Patent Application with the U.S. Patent and Trademark Office for this technology:
  - Our purification methodology has a more sustainable footprint than those currently used in China where environmentally damaging and expensive-to-manage hydrofluoric acid is used.
  - This process yields graphitic carbon (Cg) grade of more than 99.95% . The process allows for flexible feedstock and consistent performance.
  - Our process consists of three process steps including (1) caustic roasting of the graphite concentrate sample, (2) acid leaching of the roasted sample and (3) thermal treatment of the sample.

## BUSINESS PLAN FOR THE KELLYTON GRAPHITE PROCESSING PLANT - OVERVIEW

- **Phase I construction has begun. Expected completion in Q2 2023.**
  - Expected purified graphite production of 7500 metric tons per year.
  - In April, we completed the build out of our administrative offices at the Kellyton site.
  - Samples of our battery-grade products are in customers' hands for evaluation.
  - The Governor and elected officials of the State of Alabama strongly support the project and attended our groundbreaking ceremony.



## THE COOSA GRAPHITE DEPOSIT PROVIDES KEY ADVANTAGES

### **The Coosa graphite deposit is a source of domestic U.S. natural flake graphite**

- Exploration drilling to further define the deposit is complete (geological model expected in 2022).
- Westwater's vanadium discovery at its Coosa Graphite Deposit could contribute revenues – exploration drilling is complete.
- Westwater's battery-grade graphite products will initially be produced from a non-Chinese source of natural flake graphite until the Coosa graphite deposit is developed.

**Our Kellyton graphite processing plant and our Coosa graphite deposit together represent the first fully integrated domestic battery-grade graphite project in the U.S.**

## OUR TEAM GOING FORWARD: TENURED LEADERSHIP

**Terence J. Cryan**  
Executive Chairman

- Joined WWR as Chairman in 2017
- An experienced CEO; Extensive public company board experience
- 20+ year career in investment banking and private equity
- MSc. Econ. London School of Economics

**Chad M. Potter**  
President and CEO

- Joined in August 2021; more than 25 years of operational and executive experience in the metals industry
- B.S. in Business from Wright State University; MBA from Morehead State University

**Jeffrey L. Vigil,**  
VP Finance and CFO

- Joined in June 2013; more than 40 years of financial experience, in mining and manufacturing
- B.S. in Accounting from the University of Wyoming; licensed CPA

**Steven M. Cates**  
Chief Accounting Officer

- Joined in May 2021; 20 years of financial experience in mining, oil & gas and public accounting
- B.S. in Accounting from the University of Redlands; licensed CPA

**Dain A. McCoig,**  
VP Operations

- Joined in 2004; experienced in all phases of ISR development and production; licensed Professional Engineer
- B.S. in Mechanical Engineering from Colorado School of Mines

**Cevat Er**  
VP- Technical Services

- Joined in 2015. Founder of SRK Ankara, with 30 years of Turkish and US mining and environmental experience taking projects from concept to production
- M.Sc. from University of Arizona, and B.S. Geological Engineering

**John W. Lawrence,**  
General Counsel and Corporate Secretary

- Joined in 2012; more than 35 years of experience in law and licensing across nuclear fuel cycle
- B.S. in Nuclear Engineering from Purdue University and a J.D. from Catholic University, Columbus School of Law

**Jay Wago,**  
VP Marketing and Sales

- Joined in 2020, more than 20 years experience in sales and marketing to the lithium ion and electric vehicle markets in the US and Asia.
- BSBA Marketing from Georgia State University

## WWR'S COMMITMENT TO SAFETY & ESG



- Each Other
- Our Environment
- Our Assets
- Social Compact in the Communities Where We Work
- Our Reputation

Environmental Stewardship

- Manufacturing practices are environmentally superior to a majority of existing CSPG manufacturing processes in the world
- Patent pending proprietary purification process
- Aiming for an industry leading low carbon footprint

Financial Stewardship

- Effective and efficient use of our shareholders' assets
- Focus on first quartile cost performance

Governance & Integrity

- Received 2021 Award from Women's leadership Institute for having a gender balanced board
- Highest level of performance every day
- Conservative promises well kept

QUESTIONS?



ENERGY MATERIALS FOR THE TWENTY-FIRST CENTURY

## Contact Us

### **Westwater Resources Contacts:**

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