



# Energy Materials for the 21st Century

May 11, 2023

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# 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,” “advantages,” “de-risks,” “estimate,” “expect,” “anticipate,” “plan,” “forecast,” “tailwinds,” “potential,” “intend,” “intensified,” “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) potential debt financing, the adequacy of funding, the Company's liquidity, and the Company's anticipated cash burn rate and capital requirements; (vi) the JDA and future agreements with SK On; and (vii) 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) our ability to finance growth plans and raise debt or equity capital; (b) 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; (c) the effects, extent and timing of additional competition in the markets in which we operate; (d) the ability to obtain contracts with customers; (e) available sources and transportation of graphite feedstock; (f) the ability to control costs and avoid cost and schedule overruns during the development, construction and operation of the Kellyton graphite plant; (g) the ability to construct and operate the Kellyton graphite plant in accordance with the requirements of permits and licenses and the requirements of tax credits and other incentives; (h) effects of inflation and rising interest rates; (i) the availability and supply of equipment and materials needed to construct the Kellyton graphite plant; (j) stock price volatility; (k) government regulation of the mining and manufacturing industries in the United States; (l) unanticipated geological, processing, regulatory and legal or other problems we may encounter; (m) the results of our exploration activities at the Coosa graphite deposit, and the possibility that future exploration results may be materially less promising than initial exploration results; (n) any graphite or vanadium discoveries at the Coosa graphite deposit not being in high enough concentration to make it economic to extract the metals; (o) the potential effects of the continued COVID-19 pandemic; (p) currently pending or new litigation or arbitration; (q) our ability to maintain and timely receive mining, manufacturing, and other permits from regulatory agencies. and (r) 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?

- On track to become the first US based vertically integrated anode graphite supplier.
- Our Kellyton graphite processing plant is currently under construction in Alabama and will provide high value battery products to customers while reducing supply chain risk domestically. Our Kellyton site has scope for significant future expansion. Phase II will increase CSPG capacity from 7,500 mt to 40,500 mt.
- Joint Development Agreement with SK On, a Tier 1 electrical vehicle battery producer
- Unprecedented growth in electrification drives a higher demand for our anode graphite product
- Demand is expected to outpace the growth of production
- Graphite is regarded a critical mineral by the US government and OEM and battery manufacturers are seeking supply from the USA
- Patented pending environmental purification technology, no use of hydrofluoric acid

# SK On Joint Development Agreement

**The Joint Development Agreement (JDA) with SK On represents a significant milestone reached with a Tier 1 global battery manufacturer.**

- SK On currently operates two EV battery plants in Commerce, Georgia, and is also building three EV battery plants in the U.S. with Ford Motor Co.
- SK On plans to build a \$5 billion EV battery manufacturing facility with Hyundai Motor Group.
- Under the JDA, SK On and Westwater will work together to ensure CSPG expected to be produced at the Kellyton Graphite Plant can be used in SK On's batteries
- Parties expect to negotiate a purchase agreement upon successful development of CSPG for SK On batteries

# The Kellyton Graphite Processing Plant – Phase I



- Construction well underway and has been for more than a year
- No recordable safety incidents by contractors or Westwater team members since beginning of the project
- Five processing buildings complete and ready for equipment installation
- Receipt of long-lead equipment underway
- Total costs for Phase I is estimated at ~\$271 million
- Expected throughput capacity of ~16,000 mtpa, and expected CSPG output of ~7,500 mtpa

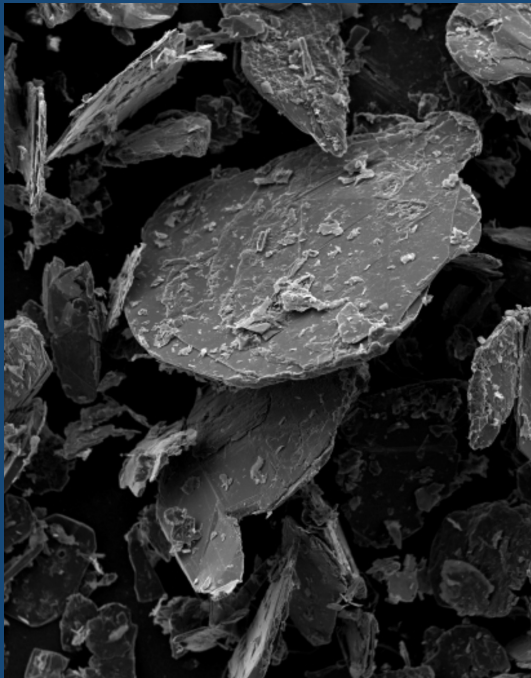
# Kellyton Graphite Processing Plant - Phase II



## Phase II Expansion:

- Approximately 70 acres secured at the Kellyton site, allowing Phase II expansion on current footprint
- Estimate capital costs for Phase II expansion of approximately \$465 million at pre-feasibility level
- Expected CSPG production of 40,500 metric tons per year.
- Phase II Definitive Feasibility Study expected to begin in second half of 2023

# 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 completed in December 2022).
- Indicated and inferred resources totaling ~3.8 million Cg short tons. Enough to support Phase I and II of the Kellyton Plant for over 35 years.
- Westwater's vanadium discovery at its Coosa Graphite Deposit could contribute revenues.

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



# Advancing Our Graphite Business

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

- As of March 31, 2023, we have total cash spend of ~\$89 million of the \$271 million estimated costs to construct Phase I of the Kellyton graphite processing plant.
- We have optimized and improved the estimated Phase I economics of the Kellyton graphite processing plant.
- We have executed five LOIs and one Joint Development Agreement with SK On.

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

- March 31, 2023, cash balance of \$39.7 million and zero debt.
- Progress being made to close a \$150 million private debt transaction.



# Financial Summary

(\$ in 000, Except for Per Share and Share Amounts)	Quarter Ended March 31, 2023	Quarter Ended March 31, 2022	Variance
Net Cash Used in Operations	\$(2,956)	\$(2,701)	9%
Net Cash Used in Investing Activities	\$(33,960)	\$(12,123)	180%
Net Cash Provided by Financing Activities	\$1,424	\$15,524	(91%)
Product Development Expenses	\$(490)	\$(233)	110%
General and Administrative	\$(2,402)	\$(2,211)	9%
Net Loss	\$(2,390)	\$(2,809)	(15%)
Net Loss Per Share	\$(0.05)	\$(0.08)	(38%)
Avg. Weighted Shares Outstanding	49,443,120	36,757,352	35%



Questions?



## Contact Us

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