



# Battery Materials for the 21st Century

September 4, 2024

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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 are subject to risks, uncertainties and assumptions and are identified by words such as "expects," "estimates," "planned," "intends," "projects," "anticipates," "believes," "could," "scheduled," "targets," "plans," and other similar words. Forward looking statements include, among other things, statements concerning: the off-take agreement with Stellantis and SK On; Westwater's future sales of CSPG products to Stellantis and SK On, including the amounts, timing, and types of products included within those sales; possible off-take agreements with other customers; potential debt financing arrangements including the amount and type of debt and the schedule for closing; the anticipated annual production from Phase I of Kellyton Graphite Plan; the positive anticipated economic results from the Initial Assessment with Economic Analysis related to its Coosa Graphite Deposit; and the construction and operation of the Kellyton Graphite Plant, the Company's Coosa Graphite Deposit and its PEA, and the costs, schedules, production and economic projections associated with them. The Company cautions that there are factors that could cause actual results to differ materially from the forward-looking information that has been provided. The reader is cautioned not to put undue reliance on this forward-looking information, which is not a guarantee of future performance and is subject to a number of uncertainties and other factors, many of which are outside the control of the Company; accordingly, there can be no assurance that such suggested results will be realized.

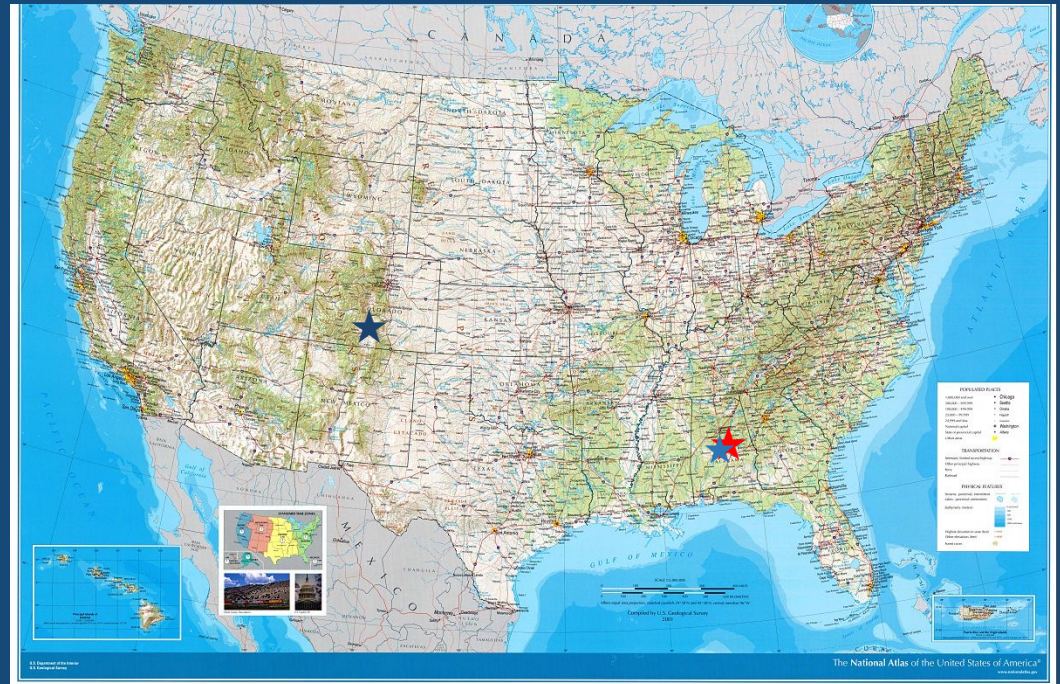
Because they are forward-looking statements, they should be evaluated in light of important risk factors and uncertainties. Factors that could cause actual results to differ materially from these forward-looking statements include the following factors, in addition to those discussed in Westwater's Annual Report on Form 10-K for the year ended December 31, 2023, and subsequent securities filings: (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 additional competition in the markets in which we operate; (c) our ability to obtain contracts or other agreements 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 Plant; (f) 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; (g) effects of inflation, including labor shortages and supply chain disruptions; (h) rising interest rates and the associated impact on the availability and cost of financing sources; (i) potential debt financing arrangements including the amount and type of debt and the schedule for closing; (j) the availability and supply of equipment and materials needed to construct the Kellyton Graphite Plant; (k) stock price volatility; (l) government regulation of the mining and manufacturing industries in the United States; (m) unanticipated geological, processing, regulatory and legal or other problems we may encounter; (n) 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; (o) any graphite or vanadium discoveries at the Coosa Graphite Deposit not being in high enough concentration to make it economic to extract the minerals; (p) our ability to finance growth plans; (q) our ability to obtain and maintain rights of ownership or access to our mining properties; (r) currently pending or new litigation or arbitration; (s) our ability to maintain and timely receive mining, manufacturing, and other permits from regulatory agencies; and (t) 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.

# Westwater Resources Overview

Energy technology company focused on producing battery-grade natural graphite anode materials for advanced batteries here in the United States

- Publicly traded company (NYSE American: WWR) ★
- Originally in uranium mining, now a vertically integrated EV battery graphite materials company
- Acquired Alabama Graphite Company in April 2018
- Headquarters: Centennial, CO ★
- Kellyton Graphite Anode Plant: Located in Kellyton, Alabama ★
- Coosa Graphite Deposit: Located ~30 miles from Kellyton in Coosa County, Alabama ★



# Graphite a major component of lithium-ion cell

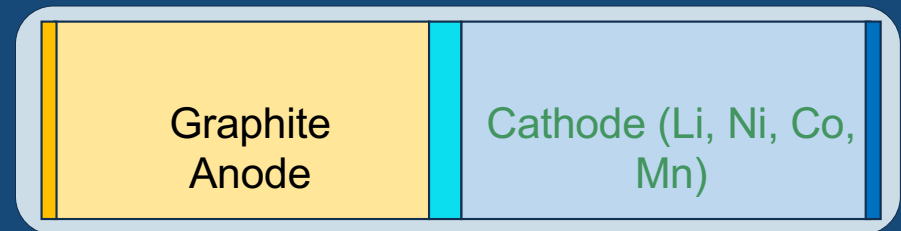
## Why Graphite Matters:

- A critical component of all types of batteries including the lithium-ion battery.
- Graphite anode, both synthetic and natural, is a critical component in lithium-ion batteries
- 100 Gwh Giga factory requires 100,000 – 120,000 tons of Graphite Anode
- The US Government has defined graphite as “Critical to the nation’s security and prosperity” and Presidential Executive Orders ask U.S. Government Agencies to act with alacrity. \*

\*<https://www.federalregister.gov/documents/2018/05/18/2018-10667/final-list-of-critical-minerals-2018> <https://whitehouse.archives.gov/presidential-actions/executive-order-addressing-threat-domestic-supply-chain-reliance-critical-minerals-foreign-adversaries/>

Copper Foil

Separator



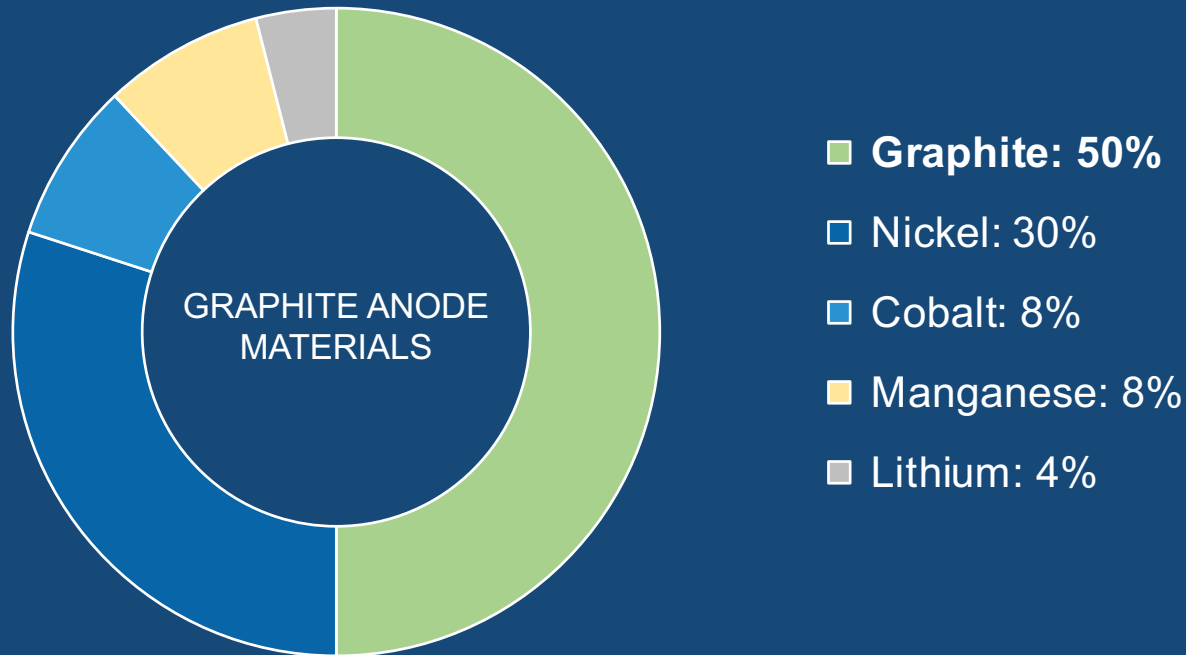
GRAPHITE MINING  
ALABAMA, USA



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

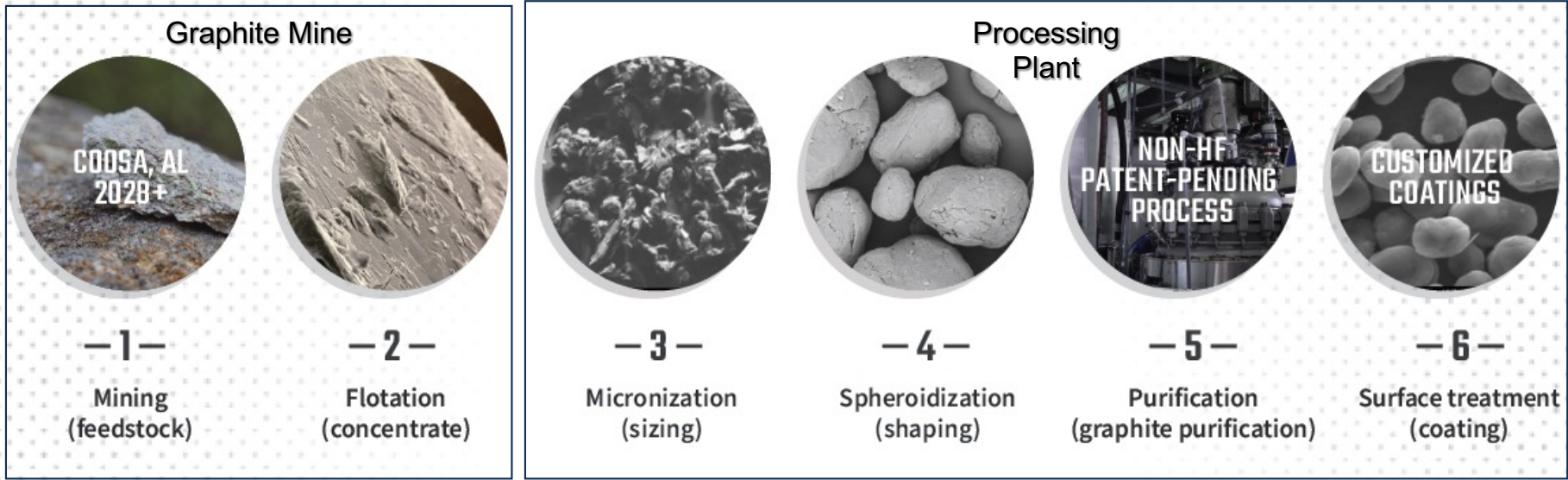
# Graphite Anode Materials – 50% of a Lithium-Ion battery cell

A typical Electric Vehicle with 80 Kwh battery pack contains approx. 175 – 210 lbs of anode graphite (~50% of lithium-ion battery by weight)



# WWR Natural graphite - Process FLOWSHEET

## NATURAL GRAPHITE ANODE MATERIAL PRODUCTION PROCESS



Patent Application filed for Proprietary Environmentally Benign Purification Technology

# Westwater's unique position – onshoring U.S. anode market

U.S.-based vertical integration and environmentally-friendly purification process offer key advantages, including:

- *Supply security* – IRA-compliant supplier of battery grade natural graphite; made in USA
- *Early market mover* – Anticipating qualification line operational during Q4 2024, staged commissioning of Kellyton Plant in 2H 2025, commercial production in Q1 2026
- *Performance* – Positive anode test results leading to two off-take agreements
- *Environmentally friendly* – No HF or HCl use for purification; low CO<sub>2</sub> footprint



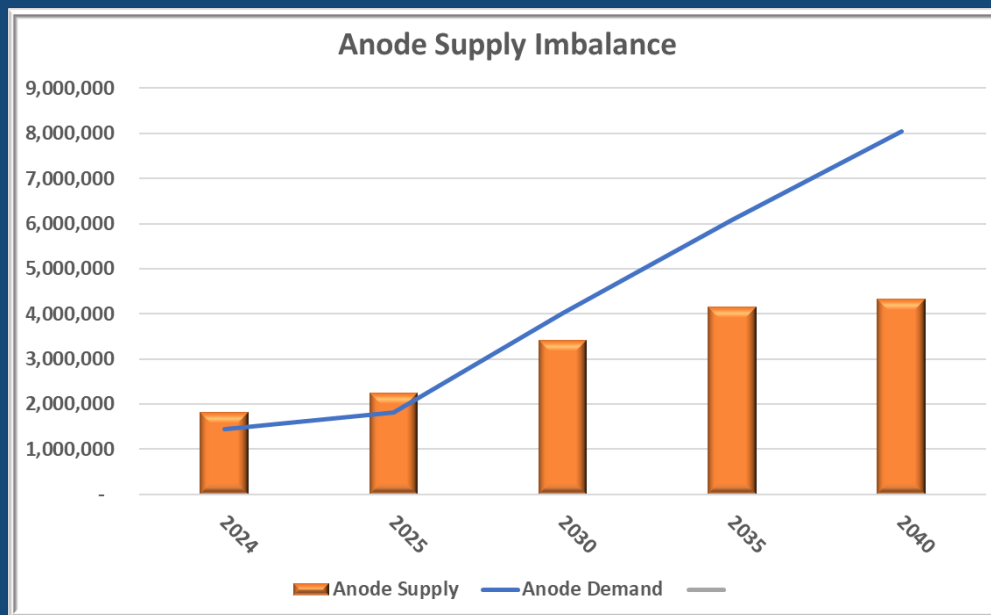
*Westwater is positioned to be the first vertically-integrated natural graphite anode material supplier in the USA*

# Recent Highlights and Milestones Reached

- Off-take sales agreements in place with Stellantis and SK ON resulting in 100% of our planned initial capacity under contract to 2031
- Term sheet for \$150 million debt facility with global financial institution in place, which is expected to complete the funding for Kellyton phase one construction
- Diligence and loan documentation process is underway, with anticipated closing in Q4
- Our Kellyton graphite processing plant is currently under construction in Alabama. Initial nameplate capacity increased 25% to 12,500 mtpa of natural graphite anode material with no increase in project budget, which improved already attractive estimated project returns
- Our Kellyton site has scope for significant future expansion. Nameplate CSPG capacity anticipated to increase to 50,000 mt per year post expansion. Phase two DFS expected to be released before year-end with further enhanced project economics due to economies of scale



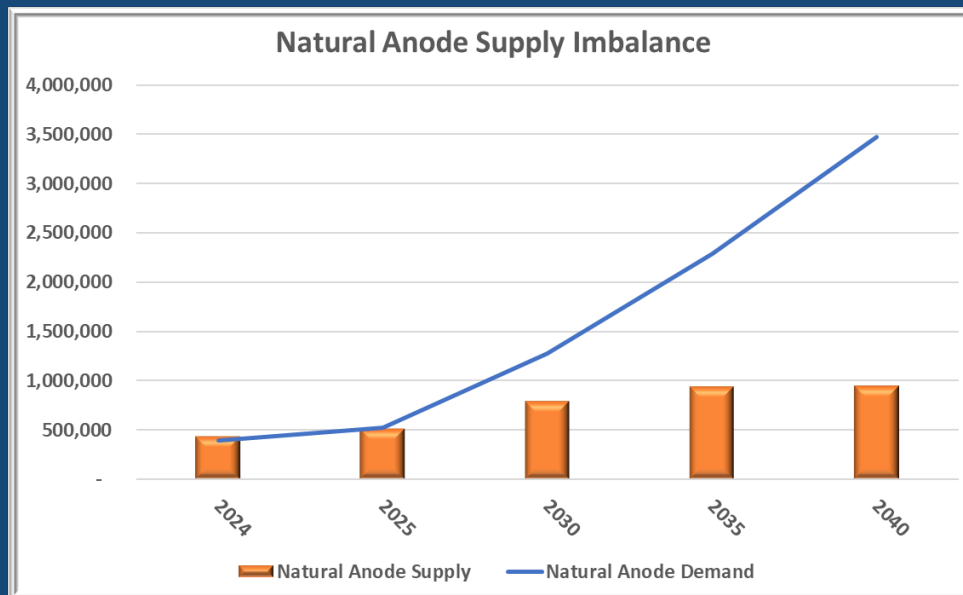
# Forecasted Global Graphite Anode Supply Imbalance



- Global graphite anode demand expected to outpace supply resulting in growing imbalance
- Poses major supply security concerns particularly for the U.S.
- Electric vehicles driving increased demand for graphite anode material

Source: Benchmark Minerals Q4 2023

# Forecasted Global Natural Anode Supply Imbalance



- Global natural graphite anode demand expected to outpace supply at higher rates than other graphite anode materials resulting in supply imbalance beginning in 2025
- Global demand for natural graphite anode expected to grow to more than 2 million ton per year by 2035
- Supply/demand imbalance of graphite is the most significant of any critical material

Source: Benchmark Minerals Q4 2023



# Graphite Designated a Critical Mineral by U.S. Govt.

- Each of the past two White House administrations has defined graphite as critical to the nation's security and prosperity and the White House has invoked the Defense Production Act
- In August 2022, the U.S. Government passed the Inflation Reduction Act
  - Provides a 10% tax credit for producing critical minerals including graphite
  - \$7500 Clean vehicle tax credit – removes the limitation on the number of electric vehicles a manufacture can sell before the credit is phased out or eliminated
  - Sets a minimum threshold for domestic critical minerals contained in batteries to claim the full \$7500 Clean Vehicle Credit
- In December 2023, Chinese export controls and restrictions on natural graphite products went into affect
- In May 2024, U.S. Department of Energy finalized guidance on Foreign Entities of Concern (“FEOC”), which identifies China as an FEOC



# Inflation Reduction Act

- As defined in IRA Section 45c(6): critical materials include aluminum, cobalt, graphite, lithium, manganese and nickel
- Starting in 2027, any vehicle with batteries containing graphite extracted or processed in China will be ineligible for the entire \$7500 EV tax credit – regardless of other content

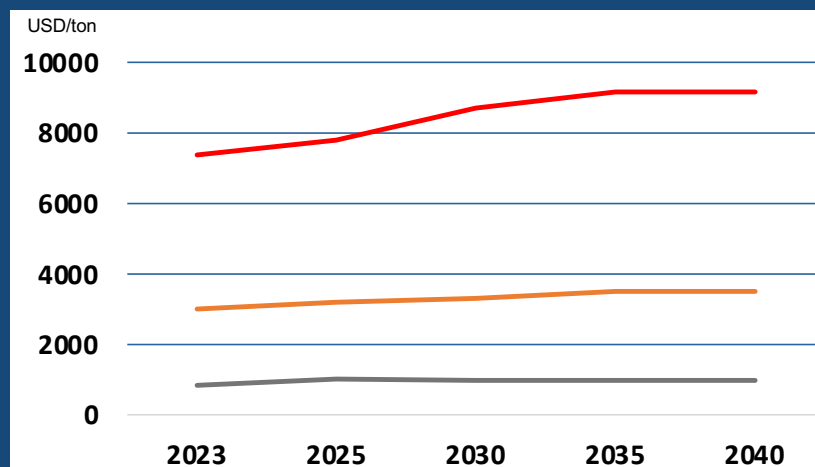
## CRITICAL MINERAL REQUIREMENT

To meet the critical mineral requirement and be eligible for a \$3,750 credit, the applicable percentage of the value of the critical minerals contained in the battery must be extracted or processed in the United States or a country with which the United States has a free trade agreement, or be recycled in North America—as mandated by the Inflation Reduction Act.

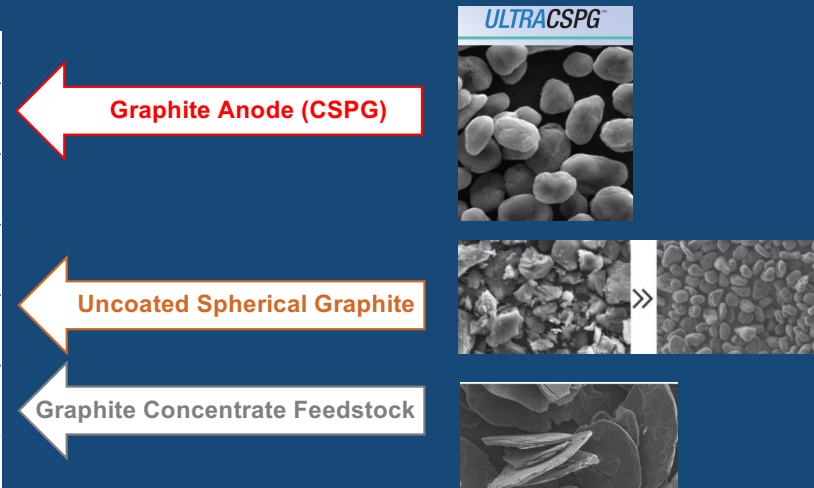
- For 2023, the applicable percentage is 40 percent.
- For 2024, the applicable percentage is 50 percent.
- For 2025, the applicable percentage is 60 percent.
- For 2026, the applicable percentage is 70 percent.
- Beginning in 2027, the applicable percentage is 80 percent.

*The IRA provides strong financial incentives for EV producers in the US to establish a domestic supply chain*

# Significant value is created from processing natural flake graphite into battery grade anode material



- Flake (94-95%), -100 Mesh
- Uncoated Spherical Graphite
- Coated Spherical Graphite (Graphite Anode)



▪ From graphite concentrate to Graphite Anode, the value multiplier is ≥ 9.0 times

Source: Benchmark Minerals Graphite Price Assessment Q4 2023

# KELLYTON PLANT CONSTRUCTION CONTINUES



# Westwater Has Been Constructing the Kellyton Graphite Processing Plant for the Past 2 Years



Located within a one-day delivery of ~15 planned or existing battery manufacturing facilities

- Initial nameplate CSPG capacity planned at 12,500 mtpa
- Total estimated costs for initial phase at Kellyton remain at ~\$271 million
- Already deployed over ~\$120M of capital into construction of the Kellyton processing plant
- R&D Lab up and running at site
- Installation of shaping mills and micronizers is nearing completion

# 85% of Processing equipment onsite





# Milling and shaping installation nearing completion



# The Coosa Graphite Deposit Provides Key Advantages

The Coosa graphite deposit is the largest source of domestic U.S. natural flake graphite in the contiguous U.S.

Consists of ~ 42,000 acres of mineral rights held under long-term lease

- Exploration to date has been on less than 10% of total acres
- 46,000 feet drilled over 236 drill holes
- 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.



Sources/Usage: Public Domain.

# Initial Assessment, with Economic Analysis (“IA”) for Coosa

- Initial Assessment (“IA”) for Coosa Graphite Deposit

Coosa 2023 IA	
Indicated & Inferred Resources	~ 3 million short tons (mst) of Cg
Development Costs (est.)	\$152 million
Pre-tax cash flow (est.)	\$714 million
Pre-tax NPV-8% (est.)	\$229 million
Pre-tax IRR (est.)	26.7%

- IA filed as an SK-1300 Technical Report Summary on December 13, 2023
  - IA was prepared by SLR International Corp.



# Anticipated Development of Coosa Deposit

- **Conventional small-scale open pit mining methods**
  - Employing small conventional loading and haulage equipment
  - Several shallow pits, each less than 100 ft deep
- **Mining rate ~ 3.33 mst/yr with an average grade of 3.21% Cg**
  - Mine life of 22 years with cut-off grade of 2.14% Cg
- **Graphite concentrator facilities would process ~ 3.2 mst/yr (8,770 st/day)**
  - Produce 99,000 st/yr of flotation concentrate product grading 95% Cg

# Summary of Westwater's Value Proposition

- The Company is the first natural graphite anode producer, domiciled in the US, to have executed off-take agreements for 100% of its initial capacity
- Phase I of the Project requires initial capital of \$271M to complete construction, with ~\$120 million spent to date
- Westwater has a negotiated term sheet and is in due diligence and documentation with a global financial institution for \$150M secured debt facility to complete construction of Kellyton Plant
- Company has \$30M of committed capital through an equity line of credit with Lincoln Park Capital Fund, and currently has an \$8M ATM program with H.C. Wainwright as sales agent to ensure adequate liquidity
- Westwater, as the only vertically integrated domestic natural graphite anode producer, is well positioned to capitalized on the benefits of the IRA and Foreign Entity of Concern legislation

# Enterprise Value Disconnect Presents a Compelling Opportunity for Investors

Kellyton Plant Phase I pre-tax NPV <sup>(i)</sup>	\$417M
Coosa Graphite Deposit pre-tax NPV	\$229M
Total Estimated pre-tax NPV	<b>\$646M</b>
Market Capitalization <sup>(ii)</sup>	\$31.5M
Discount to total NPV	<b>~95%</b>

(i) Estimated 2023 pre-tax NPV @ 8% discount announced March 7, 2023. Does not include planned CSPG capacity increase to 12,500 mtpa.

(ii) Calculated using outstanding shares as of August 29, 2024, of 58,370,133 and WWR's share price on August 29, 2024 of \$0.54.



# Questions?



## Contact Us

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