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, 2024**
**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** | **75-2212772** |
|---|---|
| (State of Incorporation) | (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:

| Title of Each Class | Trading Symbol(s) | Name of Each Exchange on Which Registered |
|---|---|---|
| Common Stock, $0.001 par value | WWR | NYSE American |

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.

| Title of Each Class of Common Stock | Number of Shares Outstanding |
|---|---|
| Common Stock, $0.001 par value | 57,186,886 as of May 14, 2024 |

**WESTWATER RESOURCES, INC.**
**TABLE OF CONTENTS**

## DEFINITIONS

When used in this Form 10-Q, the following terms have the meaning indicated.

| Term | Meaning |
|---|---|
| AGP | Alabama Graphite Products, LLC, an Alabama limited liability company and wholly owned subsidiary of Westwater Resources. |
| Alabama Graphite | Alabama Graphite Company, Inc., an Alabama corporation and wholly owned subsidiary of Westwater Resources. |
| Annual Report | Westwater Resources, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2023. |
| ASC | FASB Accounting Standards Codification. |
| ASU | FASB Accounting Standards Update. |
| ATM Offering Agreement | Controlled Equity Offering Sale Agreement between Westwater Resources and Cantor Fitzgerald & Co. dated April 14, 2017. |
| Board | The Board of Directors of Westwater Resources, Inc. |
| Cantor | Cantor Fitzgerald & Co. |
| Coosa Graphite Deposit | The Company's graphite mineral deposit located near Rockford, Alabama. |
| CSPG | Coated spherical purified graphite. |
| EU Critical Raw Minerals List | The list of raw materials that are crucial to the economy of the European Union published by the European Commission. |
| FASB | The Financial Accounting Standards Board. |
| FASB Concepts Statements | FASB Concepts Statements are intended to serve the public interest by setting the objectives, qualitative characteristics, and other concepts that guide selection of economic phenomena to be recognized and measured for financial reporting and their display in financial statements or related means of communicating information to those who are interested. Concepts Statements guide the Board in developing sound accounting principles and provide the Board and its constituents with an understanding of the appropriate content and inherent limitations of financial reporting. A Statement of Financial Accounting Concepts does not establish generally accepted accounting standards. |
| graphite | A naturally occurring carbon material with electrical properties that enhance the performance of electrical storage batteries, listed on the U.S. Critical Minerals List and the EU Critical Raw Materials List. |
| gross acres | Total acreage of land under which we have mineral rights. May include unleased fractional ownership. |
| IA | Initial Assessment, with Economic Analysis. A preliminary technical and economic study of the economic potential of all or parts of mineralization to support the disclosure of mineral resources. The initial assessment must be prepared by a qualified person and must include appropriate assessments of reasonably assumed technical and economic factors, together with any other relevant operational factors, that are necessary to demonstrate at the time of reporting that there are reasonable prospects for economic extraction. An initial assessment is required for disclosure of mineral resources but cannot be used as the basis for disclosure of mineral reserves. |

| | |
|---|---|
| Inducement Plan | The Employment Inducement Incentive Award Plan. The Inducement Plan provides for the grant of equity-based awards, including restricted stock units, restricted stock, performance shares and performance units, and its terms are substantially similar to the Company's 2013 Omnibus Incentive Plan. |
| JDA | Joint Development Agreement with SK On. |
| Kellyton Graphite Plant | The Company's planned battery-grade graphite processing facility near Kellyton, Alabama. |
| Procurement Agreement | Products Procurement Agreement with SK On. |
| R&D Lab | Research and development laboratory. |
| RSUs | Restricted stock units. |
| SEC | U.S. Securities and Exchange Commission. |
| SK On | SK On Co., Ltd., a global leading electric vehicle battery developer, manufacturer, and solutions provider, supplying electric vehicle batteries to Ford, Hyundai, Volkswagen and others. |
| spot price | The price at which a mineral commodity may be purchased for delivery within one year. |
| U.S. | The United States of America |
| U.S. Critical Minerals List | The list of critical minerals that are crucial to the economy of the United States of America published by the Department of the Interior. |
| U.S. GAAP | Generally accepted accounting principles in the United States. |
| vanadium | A rare-earth metal used as a strengthening alloy in steelmaking, and in certain types of batteries, listed on the U.S. Critical Minerals List. |
| Westwater Resources | Westwater Resources, Inc. |
| 2013 Plan | Westwater Resources, Inc. 2013 Omnibus Incentive Plan, as amended. |

## USE OF NAMES

In this Quarterly Report on Form 10-Q, unless the context otherwise requires, the terms "we," "us," "our," "WWR," "Westwater," "Westwater Resources," or the "Company" refer to Westwater Resources, Inc. and its subsidiaries.

## CURRENCY

The accounts of the Company are maintained in U.S. dollars. All dollar amounts referenced in this Quarterly Report on Form 10-Q and the consolidated financial statements are stated in U.S. dollars.

## PART I — FINANCIAL INFORMATION

### ITEM 1. FINANCIAL STATEMENTS

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

| | March 31, 2024 | December 31, 2023 |
|---|---|---|
| **ASSETS** | | |
| | | |
| **Current Assets:** | | |
| Cash and cash equivalents | $ 6,129 | $ 10,852 |
| Prepaid and other current assets | 848 | 762 |
| **Total Current Assets** | 6,977 | 11,614 |
| | | |
| Property, plant and equipment, at cost: | | |
| Property, plant and equipment | 134,570 | 132,870 |
| Less: Accumulated depreciation | (530) | (470) |
| Net property, plant and equipment | 134,040 | 132,400 |
| Operating lease right-of-use assets | 307 | 336 |
| Finance lease right-of-use assets | 18 | 20 |
| Other long-term assets | 5,837 | 5,461 |
| **Total Assets** | $ 147,179 | $ 149,831 |
| | | |
| **LIABILITIES AND STOCKHOLDERS' EQUITY** | | |
| | | |
| **Current Liabilities:** | | |
| Accounts payable | $ 5,559 | $ 5,957 |
| Accrued liabilities | 1,613 | 1,696 |
| Operating lease liability, current | 121 | 117 |
| Finance lease liability, current | 6 | 5 |
| **Total Current Liabilities** | 7,299 | 7,775 |
| | | |
| Operating lease liability, net of current | 188 | 220 |
| Finance lease liability, net of current | 13 | 15 |
| Other long-term liabilities | 1,378 | 1,378 |
| **Total Liabilities** | 8,878 | 9,388 |
| | | |
| **Commitments and Contingencies (see note 8)** | | |
| | | |
| **Stockholders' Equity:** | | |
| Common stock, 100,000,000 shares authorized, $0.001 par value | | |
| Issued shares - 57,010,971 and 55,387,794, respectively | | |
| Outstanding shares - 57,010,810 and 55,387,633, respectively | 57 | 55 |
| Paid-in capital | 502,429 | 501,675 |
| Accumulated deficit | (363,927) | (361,029) |
| Less: Treasury stock (161 shares), at cost | (258) | (258) |
| **Total Stockholders' Equity** | 138,301 | 140,443 |
| | | |
| **Total Liabilities and Stockholders' Equity** | $ 147,179 | $ 149,831 |

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)**

| | For the Three Months Ended March 31, 2024 | 2023 |
|---|---|---|
| **Operating Expenses:** | | |
| Product development expenses | $ (315) | $ (490) |
| Exploration expenses | (11) | (66) |
| General and administrative expenses | (2,605) | (2,402) |
| Depreciation and amortization | (62) | (48) |
| **Total operating expenses** | (2,993) | (3,006) |
| | | |
| **Non-Operating Income:** | | |
| Other income, net | 95 | 616 |
| **Total other income** | 95 | 616 |
| | | |
| **Net Loss** | $ (2,898) | $ (2,390) |
| | | |
| **BASIC AND DILUTED LOSS PER SHARE** | $ (0.05) | $ (0.05) |
| | | |
| WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING | 56,086,899 | 49,443,120 |

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

**WESTWATER RESOURCES, INC.**
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**
**(expressed in thousands of dollars)**
**(unaudited)**

| | For the Three Months Ended March 31, 2024 | For the Three Months Ended March 31, 2023 |
|---|---|---|
| **Operating Activities:** | | |
| Net loss | $ (2,898) | $ (2,390) |
| Reconciliation of net loss to cash used in operations: | | |
| Non-cash lease expense | 29 | 43 |
| Depreciation and amortization | 62 | 48 |
| Stock compensation expense (benefit) | 211 | (144) |
| Effect of changes in operating working capital items: | | |
| Increase in other long-term assets | (376) | (1,998) |
| (Increase) decrease in prepaids and other current assets | (86) | 775 |
| Increase in payables and accrued liabilities | 282 | 710 |
| **Net Cash Used In Operating Activities** | (2,776) | (2,956) |
| **Investing Activities:** | | |
| Capital expenditures | (2,491) | (33,960) |
| **Net Cash Used In Investing Activities** | (2,491) | (33,960) |
| **Financing Activities:** | | |
| Issuance of common stock, net | 620 | 1,481 |
| Payment of minimum withholding taxes on net share settlements of equity awards | (75) | (53) |
| Payments on finance lease liabilities | (1) | (4) |
| **Net Cash Provided By Financing Activities** | 544 | 1,424 |
| Net decrease in Cash and Cash Equivalents | (4,723) | (35,492) |
| Cash and Cash Equivalents, Beginning of Period | 10,852 | 75,196 |
| **Cash and Cash Equivalents, End of Period** | $ 6,129 | $ 39,704 |
| **Supplemental Cash Flow Information** | | |
| Non-cash right-of-use asset obtained in exchange for operating lease liability | — | 15 |
| Non-cash right-of-use asset obtained in exchange for finance lease liability | — | 28 |
| Accrued capital expenditures (at end of period) | 4,518 | 13,112 |
| **Total Supplemental Cash Flow Information** | $ 4,518 | $ 13,155 |

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)**

| Three months ended March 31, 2024 | Common Stock | | Paid-In | Accumulated | Treasury | |
|---|---|---|---|---|---|---|
| | Shares | Amount | Capital | Deficit | Stock | Total |
| **Balances, December 31, 2023** | **55,387,794** | **$ 55** | **$ 501,675** | **$ (361,029)** | **$ (258)** | **$ 140,443** |
| Net loss | — | — | — | (2,898) | — | (2,898) |
| Common stock issued, net of issuance costs | 1,223,233 | 2 | 618 | — | — | 620 |
| Stock compensation expense and related share issuances, net of shares withheld for payment of taxes | 399,944 | — | 211 | — | — | 211 |
| Minimum withholding taxes on net share settlements of equity awards | — | — | (75) | — | — | (75) |
| **Balances, March 31, 2024** | **57,010,971** | **$ 57** | **$ 502,429** | **$ (363,927)** | **$ (258)** | **$ 138,301** |

| Three months ended March 31, 2023 | Common Stock | | Paid-In | Accumulated | Treasury | |
|---|---|---|---|---|---|---|
| | Shares | Amount | Capital | Deficit | Stock | Total |
| **Balances, December 31, 2022** | **48,405,543** | **$ 48** | **$ 495,456** | **$ (353,278)** | **$ (258)** | **$ 141,968** |
| Net loss | — | — | — | (2,390) | — | (2,390) |
| Common stock issued, net of issuance costs | 1,454,501 | 2 | 1,479 | — | — | 1,481 |
| Stock compensation benefit and related share issuances, net of shares withheld for payment of taxes | 139,876 | — | (144) | — | — | (144) |
| Minimum withholding taxes on net share settlements of equity awards | — | — | (53) | — | — | (53) |
| **Balances, March 31, 2023** | **49,999,920** | **$ 50** | **$ 496,738** | **$ (355,668)** | **$ (258)** | **$ 140,862** |

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 (the "Interim Financial Statements") for Westwater Resources, Inc. 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 Interim Financial Statements should be read in conjunction with the audited consolidated financial statements included in our Annual Report. The Interim Financial Statements are unaudited. 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, 2024, are not necessarily indicative of the results that may be expected for any other period including the full year ending December 31, 2024.

***Significant Accounting Policies***

Significant accounting policies are detailed in *Note 1, Summary of Significant Accounting Policies* , in the Notes to Consolidated Financial Statements within our Annual Report.

***Recently Adopted Accounting Pronouncements***

In July 2023, the FASB issued ASU 2023-03, " *Presentation of Financial Statements (Topic 205), Income Statement – Reporting Comprehensive Income (Topic 220), Distinguishing Liabilities from Equity (Topic 480), Equity (Topic 505), and Compensation – Stock Compensation (Topic 718): Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 120, SEC Staff Announcement at the March 24, 2022 EITF Meeting, and Staff Accounting Bulletin Topic 6.B, Accounting Series Release 280 – General Revision of Regulation S-X: Income or Loss Applicable to Common Stock,*" ("ASU 2023-03"). These updates were immediately effective and did not have a material impact on our Interim Financial Statements.

***Recently Issued Accounting Pronouncements***

In March 2024, the FASB issued ASU 2024-01, *"Compensation - Stock Compensation (Topic 718) - Scope Application of Profits Interest and Similar Awards"* ("ASU 2024-01"), which intends to improve clarity and operability without changing the existing guidance. ASU 2024-01 provides an illustrative example intended to demonstrate how entities that account for profits interest and similar awards would determine whether a profits interest award should be accounted for in accordance with Topic 718. Entities can apply the guidance either retrospectively to all prior periods presented in the financial statements or prospectively to profits interest and similar awards granted or modified on or after the date of adoption. ASU 2024-01 is effective for annual periods beginning after December 15, 2024, and interim periods within those annual periods. Early adoption is permitted for both interim and annual financial statements that have not yet been issued or made available for issuance. The Company is currently evaluating the potential impact of adopting this guidance on its Interim Financial Statements.

In March 2024, the FASB issued ASU 2024-02, *"Codification Improvements – Amendments to Remove References to the Concept Statements*" ("ASU 2024-02"). ASU 2024-02 contains amendments to the FASB Accounting Standards Codification that remove references to various FASB Concepts Statements. In most instances, the references are extraneous and not required to understand or apply the guidance. In other instances, the references were used in prior Statements to provide guidance in certain topical areas. ASU 2024-02 is effective for fiscal years beginning after December 15, 2024. Early adoption is permitted. The Company is currently evaluating the potential impact of adopting this guidance and expects minimal impact on its Interim Financial Statements.

In December 2023, the FASB issued ASU 2023-09, " *Income Taxes (Topic 740): Improvements to Income Tax Disclosures,*" ("ASU 2023-09") which is intended to enhance transparency about income tax information through improvements to income tax disclosures primarily related to the rate reconciliation and income taxes paid information. The amendments require that on an annual basis, entities disclose specific categories in the rate reconciliation and provide additional information for reconciling items that meet a quantitative threshold. In addition, the amendments require that entities disclose additional information about income taxes paid as well as additional disclosures of pretax income and income tax expense, and remove the requirement to disclose certain items that are no longer considered cost beneficial or relevant. ASU 2023-09 will be effective for annual periods beginning after December 15, 2025. This update will be effective beginning January 1, 2026, with early adoption permitted, and the Company is currently evaluating the potential impact of adopting this guidance on its Interim Financial Statements.

In November 2023, the FASB issued ASU 2023-07, " *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*," ("ASU 2023-07") which is intended to improve reportable segment disclosures, primarily through enhanced disclosures about significant segment expenses. In addition, the amendments enhance interim disclosure requirements, clarify circumstances in which an entity can disclose multiple segment measures of profit or loss, provide new segment disclosure requirements for entities with a single reportable segment and contain other disclosure requirements. ASU 2023-07 will be effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. This update will be effective for the annual period beginning January 1, 2024, and for interim periods beginning January 1, 2025, with early adoption permitted, and the Company is currently evaluating the potential impact of adopting this guidance on its Interim Financial Statements.

In October 2023, the FASB issued ASU 2023-06, " *Disclosure Improvements: Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative*," ("ASU 2023-06"). The new guidance clarifies or improves disclosure and presentation requirements on a variety of topics in the codification. The amendments will align the requirements in the FASB Accounting Standard Codification with the SEC's regulations. The amendments are effective prospectively on the date each individual amendment is effectively removed from Regulation S-X or Regulation S-K. The Company is currently evaluating the potential impact of adopting this guidance on its Interim Financial Statements.

**2. LIQUIDITY AND GOING CONCERN**

The Interim 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 Interim Financial Statements were issued. The Company last recorded revenue from operations in 2009, and as such, Westwater is subject to all the risks associated with a development stage company.

Management considered the following events and conditions in its going concern analysis. The Company last recorded revenues from operations in 2009, and as of March 31, 2024, current liabilities exceeded current assets. The Company expects to continue to incur cash losses as a result of construction activity at the Kellyton Graphite Plant and general and administrative expenses until operations commence at the Kellyton Graphite Plant. If financing is not available to fund the construction of Phase I of the Kellyton Graphite Plant through the equity capital markets or alternative financing sources, the Company may be required to reduce or severely curtail operations, change its planned business development strategies related to the Coosa Graphite Deposit and Phase I of the Kellyton Graphite Plant, alter the construction and commissioning timeline of Phase I of the Kellyton Graphite Plant, or put the construction of Phase I of the Kellyton Graphite Plant on hold until additional funding is obtained. If the Company is required to abandon construction and development or alter its intended long-term plans related to the Kellyton Graphite Plant, the Company could be required to evaluate the recoverability of its long-lived assets.

Since 2009, the Company has relied on equity and debt financings and asset sales to fund its operations. During the quarter ended March 31, 2024, and through the date that these Interim Financial Statements were issued, the Company continued construction activities related to the Kellyton Graphite Plant. However, while the Company has continued certain construction activities related to Phase I of the Kellyton Graphite Plant, those activities have been significantly reduced from anticipated levels until the additional funding needed to complete Phase I of the Kellyton Graphite Plant is in place. The Company's construction-related contracts include termination provisions at the Company's election that do not obligate the Company to make payments beyond what is incurred by the third-party service provider through the date of such termination. In its going concern analysis, the Company considered construction activity and related costs through the date that the Interim Financial Statements were issued. Based on this analysis and excluding potential external funding opportunities and the Company's current equity facility, the Company's planned non-discretionary expenditures for one year past the issue date of these Interim Financial Statements exceed the cash on hand as of the date of these Interim Financial Statements.

On March 31, 2024, the Company's cash balance was approximately $6.1 million. During the three months ended March 31, 2024, the Company sold 1.2 million shares of common stock for net proceeds of $ 0.6 million pursuant to the ATM Offering Agreement. As of March 31, 2024, the Company has $ 6.5 million remaining available for future sales under the ATM Offering Agreement. See *Note 4* for further detail.

While the Company has advanced its business plan and has been successful in the past 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 in amounts sufficient to meet its needs, or on terms acceptable to the Company. Recent volatility in the equity and debt capital markets, rising interest rates, inflation, electric vehicle production and adoption rates, generally uncertain economic conditions and regulatory policy/enforcement, and unstable geopolitical conditions could significantly impact the Company's ability to access the necessary funding to advance its business plan. Further, on March 13, 2023, the Company filed a prospectus supplement to its existing shelf registration statement on Form S-3 (the "Registration Statement") and as a result, the Company's access to the available capacity under the Registration Statement, is subject to General Instruction I.B.6 of Form S-3, which limits the amount that the Company may sell under the Registration Statement. As of March 31, 2024, after giving effect to these limitations and the public float of our common stock as of the date of the Annual Report, and after giving effect to the terms of the ATM Offering Agreement, we currently may offer and sell shares of our common stock having an aggregate offering price of up to approximately $6.5 million under the ATM Offering Agreement, which amount is in addition to the shares of common stock that we have sold to date in accordance with the ATM Offering Agreement under the Registration Statement and prospectus supplements thereto. The Company's ability to raise additional funds under the ATM Offering Agreement may be further limited by the Company's market capitalization, share price and trading volume. In addition, the Company's existing Registration Statement will expire in July of 2024. We will be required to file a new Registration Statement with the SEC, and have that Registration Statement declared effective, in order to continue sales under the ATM Offering Agreement after the expiration of the current Registration Statement.

When considering the above events and conditions in the aggregate, the Company believes such events and conditions raise substantial doubt about its ability to continue as a going concern within one year after the date that these Interim Financial Statements were issued.

## 3. PROPERTY, PLANT AND EQUIPMENT

| (thousands of dollars) | Net Book Value of Property, Plant and Equipment at March 31, 2024 | | |
|---|---|---|---|
| | Alabama | Corporate | Total |
| Mineral rights and properties | $ 8,972 | $ — | $ 8,972 |
| Other property, plant and equipment | 5,786 | 17 | 5,803 |
| Construction in progress | 119,265 | — | 119,265 |
| Total | $ 134,023 | $ 17 | $ 134,040 |

| (thousands of dollars) | Net Book Value of Property, Plant and Equipment at December 31, 2023 | | |
|---|---|---|---|
| | Alabama | Corporate | Total |
| Mineral rights and properties | $ 8,972 | $ — | $ 8,972 |
| Other property, plant and equipment | 5,845 | 18 | 5,863 |
| Construction in progress | 117,565 | — | 117,565 |
| Total | $ 132,382 | $ 18 | $ 132,400 |

***Construction in Progress***

Construction in progress represents assets that are not ready for service or are in the construction stage. Assets are depreciated based on the estimated useful life of the asset once it is placed in service.

***Impairment of Property, Plant and Equipment***

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, 2024, no events or changes in circumstance are believed to have impacted recoverability of the Company's long-lived assets. Accordingly, it was determined that no interim impairment was necessary. As discussed in *Note 2,* if the Company is required to abandon construction and development or alter its intended long-term plans related to the Kellyton Graphite Plant, the Company could be required to evaluate the recoverability of its long-lived assets.

## 4. COMMON STOCK

***Common Stock Issued, Net of Issuance Costs***

*Controlled Equity Offering Sales Agreement with Cantor Fitzgerald & Co.*

On April 14, 2017, the Company entered into the ATM Offering Agreement with Cantor acting as the 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. 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.

During the three months ended March 31, 2024, the Company sold 1.2 million shares of common stock for net proceeds of $0.6 million pursuant to the ATM Offering Agreement. The Company sold 1.5 million shares of common stock for net proceeds of $1.5 million pursuant to the ATM Offering Agreement for the three months ended March 31, 2023.

Sales made under the ATM Offering Agreement are made pursuant to the prospectus supplement filed March 13, 2023 which amends and supplements the prospectus supplement filed pursuant to Rule 424(b)(5), which registered for sale up to a total of $50.0 million of the Company's common stock, which was filed on August 20, 2021 as a takedown off the Company's Registration Statement, which was declared effective by the U.S. Securities and Exchange Commission (the "SEC") on July 8, 2021. The Company is subject to General Instruction I.B.6 of Form S-3, which limits the amount that we may sell under the Registration Statement. As of March 31, 2024, after giving effect to these limitations and the public float of our common stock as of the date of our Annual Report, and after giving effect to the terms of the ATM Offering Agreement, we currently may offer and sell shares of our common stock having an aggregate offering price of up to approximately $6.5 million under the ATM Offering Agreement, which amount is in addition to the shares of common stock that we have sold to date in accordance with the ATM Offering Agreement under the Registration Statement and prospectus supplements thereto. If our public float increases such that we may sell additional amounts under the ATM Offering Agreement and the Registration Statement, we will file another prospectus supplement prior to making additional sales. As noted above, the Company's existing Registration Statement will expire in July of 2024, and we will be required to file a new Registration Statement with the SEC, and have that Registration Statement declared effective, in order to continue sales under the ATM Offering Agreement after the expiration of the current Registration Statement.

**5. 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 Plan and the Inducement Plan.

On May 10, 2023, the Company's stockholders approved an amendment to the 2013 Plan to increase the authorized number of shares of common stock available and reserved for issuance under the 2013 Plan by 1,500,000 shares.

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. 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, 2024, 560,253 shares were available for future issuances under the 2013 Plan.

The Inducement Plan provides for the grant of equity-based awards, including restricted stock units, restricted stock, performance shares and performance units. Under the Inducement Plan, the Company may grant equity awards for the sole purpose of recruiting and hiring new employees. As of March 31, 2024, 114,429 shares were available for future issuances under the Inducement Plan.

The Company has elected to account for forfeitures as they occur rather than estimating forfeitures. Expense associated with an award that is forfeited prior to vesting will be reversed accordingly. For the three months ended March 31, 2024, the Company recorded stock-based compensation expense of $0.2 million. For the three months ended March 31, 2023, the Company recorded stock-based compensation benefit of $0.3 million related to departures of employees, and recorded stock-based expense of $0.2 million resulting in a net benefit of $0.1 million. Stock compensation expense is recorded in general and administrative expenses.

***Stock Options***

Stock options are valued using the Black-Scholes option pricing model on the date of grant. The Company accounts for forfeitures upon occurrence.

The following table summarizes stock options outstanding and changes for the three months ended March 31, 2024:

| | March 31, 2024 | | March 31, 2023 | |
|---|---|---|---|---|
| | Number of Stock Options | Weighted Average Exercise Price | Number of Stock Options | Weighted Average Exercise Price |
| Stock options outstanding at beginning of period | 424,826 | $ 2.66 | 356,296 | $ 5.06 |
| Canceled or forfeited | — | — | (43,868) | 15.69 |
| Stock options outstanding at end of period | 424,826 | 2.66 | 312,428 | 3.56 |
| Stock options exercisable at end of period | 307,189 | $ 3.29 | 233,708 | $ 4.39 |

All options outstanding for the three months ended March 31, 2024, were issued under the 2013 Plan. The weighted average remaining term for stock options outstanding as of March 31, 2024, is approximately 7.5 years.

As of March 31, 2024, the Company had less than $ 0.1 million of unrecognized compensation costs related to non-vested stock options that will be recognized over a period of approximately three months.

***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 Committee at each vesting date, and the valuation of such awards assumes full satisfaction of all performance criteria. The Company accounts for forfeitures upon occurrence.

The following table summarizes RSU activity for the three months ended March 31, 2024 and 2023:

| | March 31, 2024 | | March 31, 2023 | |
|---|---|---|---|---|
| | Number of RSUs | Weighted-Average Grant Date Fair Value | Number of RSUs | Weighted-Average Grant Date Fair Value |
| Unvested RSUs at beginning of period | 1,773,058 | $ 1.03 | 1,207,872 | $ 1.40 |
| Granted | — | — | 189,072 | 0.95 |
| Forfeited/Expired | (6,784) | 3.93 | (399,867) | 1.69 |
| Vested | (548,361) | 1.07 | (198,327) | 1.44 |
| Unvested RSUs at end of period | 1,217,913 | $ 1.00 | 798,750 | $ 1.14 |

As of March 31, 2024, the Company had $0.4 million of unrecognized compensation costs related to non-vested restricted stock units that will be recognized over a period of approximately 1.8 years.

## 6. OTHER INCOME, NET

For the three months ended March 31, 2024 and 2023 the Company had the following components within other income, net.

| | For the Three Months Ended March 31, | |
|---|---|---|
| (thousands of dollars) | 2024 | 2023 |
| **Other income (expense):** | | |
| Interest income | $ 126 | $ 633 |
| Foreign exchange loss | (2) | (17) |
| Other expense | (29) | — |
| **Total other income, net** | $ 95 | $ 616 |

## 7. EARNINGS PER SHARE

Basic and diluted loss per common share have been calculated based on the weighted-average shares outstanding during the period. Additionally, 1,642,739 potentially dilutive shares, comprised of unvested RSUs and outstanding stock options at the end of the period, were excluded from the calculation of earnings per share because the effect on the basic income per share would be anti-dilutive, as the Company had a net loss for the three months ended March 31, 2024.

## 8. COMMITMENTS AND CONTINGENCIES

Future operations on the Company's properties are subject to federal and state regulations for the protection of the environment, including air and water quality. The Company evaluates the status of current environmental laws and their potential impact on current operating costs and accrual for future costs. The Company believes its operations are materially compliant with current, applicable 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.

As of March 31, 2024, the Company has entered into certain leases that have not yet commenced. Each of the leases relate to equipment to be used at the Kellyton Graphite Plant with lease terms of 5 years, which we expect to commence later in 2024 when we take possession of the equipment. The net present value of such leases is approximately $1.1 million.

## 9. INVENTORY

Inventory consisted of raw material of natural flake graphite concentrate provided by a third-party vendor totaling $5.0 million and $2.8 million as of March 31, 2024 and 2023, respectively. The full amount of inventory is within the "*Other long-term assets"* line item on the Condensed Consolidated Balance Sheets. The Company values the natural flake graphite concentrate at the lower of cost or net realizable value. Net realizable value represents the estimated future sales price of the product based on current and long-term graphite prices, less the estimated costs to complete production and bring the product to sale. Write-downs of the natural flake graphite concentrate to net realizable value are reported as a component of costs applicable to sales. The Company reviews and evaluates the net realizable value and obsolescence on an annual basis or more frequently when events or changes in circumstances indicate that the related net realizable amounts may be lower than cost. For the three months ended March 31, 2024 and 2023, there were no write downs of the Company's inventory.

## 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 financial condition of Westwater for the three months ended March 31, 2024 has been prepared based on information available to us as of May 14, 2024. This discussion should be read in conjunction with the unaudited Interim Financial Statements and Notes thereto included herewith and the audited Consolidated Financial Statements of Westwater for the period ended December 31, 2023 and the related notes thereto included in our Annual Report, which were prepared in accordance with U.S. GAAP. This management's discussion and analysis contains forward-looking statements that are subject to 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" herein.

### INTRODUCTION

Westwater Resources, Inc., originally incorporated in 1977, is an energy technology company focused on developing battery-grade natural graphite materials through its two primary projects, the Kellyton Graphite Plant and the Coosa Graphite Deposit, both located in Coosa County, Alabama. Westwater expects the Kellyon Graphite Plant to process natural flake graphite and, based on current studies and estimates, produce 12,500 metric tons ("mt") per year of CSPG in Phase I of the Kellyton Graphite Plant, primarily for use in lithium-ion batteries. Westwater also holds mineral rights to explore and potentially mine the Coosa Graphite Deposit, which Westwater anticipates will eventually provide natural graphite flake concentrate to the Kellyton Graphite Plant.

### RECENT DEVELOPMENTS

***Increase in Phase I Planned Production***

During the first quarter of 2024, Westwater completed a debottlenecking study with its third-party engineering firm resulting in a 67% year-over-year increase in anticipated CSPG production for Phase I of the Kellyton Graphite Plant. As a result of this study, Westwater now expects CSPG production of 12,500 mt per year for Phase I of the Kellyton Graphite Plant. Total estimated construction costs related to Phase I of the Kellyton Graphite Plant remain at approximately $271 million.

***Customer Engagement Update***

As previously announced, during the first quarter of 2024, the Company entered into the Procurement Agreement with SK On. Pursuant to the terms of the Procurement Agreement, Westwater will supply CSPG natural graphite anode products from its Kellyton Graphite Plant to SK On battery plants located within the U.S. Under the terms of the Procurement Agreement, SK On will be obligated to purchase, on an annual basis, a quantity of Product equal to a percentage of the forecasted volume required by SK On (the "Minimum Purchase Amount"), provided that the Minimum Purchase Amount may be increased from time to time by the mutual agreement of the parties. The forecasted volume required by SK On in the final year of the Procurement Agreement is 10,000 mt of CSPG. The Procurement Agreement is the result of Westwater and SK On's collaboration pursuant to the JDA that was executed in the first quarter of 2023.

Additionally, Westwater has signed general terms and conditions for a supply agreement with a North American automobile manufacturing company and is negotiating a possible offtake agreement with this company.

Westwater continues to engage with these and other potential customers by providing samples of CSPG produced by the Company for testing and evaluation, hosting site tours of the Kellyton Graphite Plant, and having technical product development and commercial discussions. Feedback from certain potential customers indicates that Westwater's material meets their initial specifications, and has resulted in the Company providing additional, or in some cases, larger product samples to these potential customers.

***Kellyton Graphite Plant – Construction Update***

During the first quarter of 2024, construction activities consisted of receipt of additional long-lead equipment components and installing equipment and structural steel. Westwater has constructed and is currently operating its R&D Lab. The R&D Lab allows Westwater to continue product development and optimization with potential customers, and to perform additional quality control tests. It also affords greater flexibility to optimize future samples in accordance with customer specifications.

Since inception of the project, and inclusive of liabilities as of March 31, 2024, the Company has incurred costs of approximately $120.6 million related to construction activities for Phase I of the Kellyton Graphite Plant. While the Company has continued construction activities related to Phase I of the Kellyton Graphite Plant during the first quarter of 2024, Westwater has reduced the level of construction activity from anticipated levels, including adjusting the timing of future work, until receipt of the additional funding needed to complete construction of Phase I of the Kellyton Graphite Plant, which is estimated at approximately $150 million. Reducing the level of construction activity until financing is secured is expected to impact the overall schedule to complete Phase I of the Kellyton Graphite Plant. The Company expects to provide an update on construction timing once, and if, the additional funding is secured.

***Construction Financing Update***

Westwater is currently engaged in discussions with several entities related to financing of the Kellyton Graphite Plant. Issues in the market regarding the availability of critical minerals for battery products and the need for domestically sourced critical minerals, particularly in light of current geopolitical conditions, have helped create increased interest in the Kellyton Graphite Plant by potential financing sources. Management believes that the execution of one or more commercial agreements to sell some portion of its anticipated CSPG production, including the Procurement Agreement with SK On, will be a condition precedent to securing the financing needed to complete construction of the Phase I of the Kellyton Graphite Plant. Even with the execution of commercial agreements to sell some portion of the Company's anticipated CSPG production, no assurance can be given that additional financing will be available, or in amounts sufficient to meet its needs, or on terms acceptable to the Company.

***Coosa Graphite Deposit***

Through its wholly owned subsidiary, Alabama Graphite, Westwater holds mineral rights across 41,965 acres of the Alabama graphite belt in Coosa County, Alabama. During the fourth quarter of 2023, Westwater completed an IA, with an economic analysis for the Coosa Graphite Deposit. The IA was completed as a Technical Report Summary ("TRS") disclosing Mineral Resources, including an economic analysis, for the Coosa Graphite Deposit, in accordance with S-K 1300. The TRS was completed on behalf of Westwater by SLR International Corporation ("SLR") with an effective date of December 11, 2023, and filed with the SEC on Form 8-K on December 13, 2023. For further information regarding the IA and the Coosa Graphite Deposit, refer to Item 2, Properties, in the Annual Report.

Westwater commenced a strategic financing review process for the Coosa Graphite Deposit in the first quarter of 2024. This strategic financing review process seeks to identify investment sources and partners for the Coosa Graphite Deposit, and may include review of strategic investment partners or other strategic transactions.

***Graphite and Vanadium as Critical Materials***

Presently, the United States is almost 100% dependent on imports for battery-grade graphite, which is currently the primary anode material in the lithium-ion batteries that power electric vehicles, smartphones, and laptops, and store power generated from intermittent renewable energy sources. Westwater intends to process natural flake graphite into battery-grade graphite, primarily for lithium-ion batteries.

Approximately 78% of natural graphite anode global supply comes from China (Benchmark, 2023). In addition, China is one of the largest global importers of natural graphite flake, relying on less expensive African sources. Both of these factors cause China to pose a geopolitical risk, particularly to the EU and U.S. China and the U.S. have imposed tariffs and export controls on critical minerals, including graphite, indicating the potential for further trade barriers between China and the United States. Effective December 1, 2023, China began requiring government approval for exports of two types of graphite products, including high-purity, high-hardness and high-intensity synthetic graphite material and natural flake graphite and its products. Westwater believes these export restrictions continue to highlight the supply-chain risk for the U.S. and other countries related to natural graphite products and could provide an opportunity for Westwater.

On March 31, 2022, President Biden invoked the Defense Production Act to encourage the domestic production of critical materials, including graphite, for advanced batteries for electric vehicles and clean energy storage. On August 16, 2022, President Biden signed into law the Inflation Reduction Act (“IRA”). The IRA provides a 10% tax credit for the costs of producing certain critical minerals, including graphite and vanadium. This credit is eligible for direct pay and is also transferable to unrelated taxpayers. In addition, a key provision of the IRA that could indirectly benefit the Company is the Clean Vehicle credit. The IRA eliminates the previous limitation on the number of electric vehicles a manufacturer can sell before the Clean Vehicle credit is phased out or eliminated. Further, the IRA sets a minimum domestic content threshold for the percentage of the value of applicable critical minerals contained in the battery of the electric vehicles. Because Westwater intends to produce battery grade graphite for lithium-ion batteries to be used in electric vehicles in the United States, management believes the domestic content requirement could provide indirect future benefit to the Company.

On May 3, 2024, the U.S. Department of the Treasury (the “Treasury Department”) adopted final regulations related to the Clean Vehicle Tax credit of $7,500 under section 30D of the Internal Revenue Code (the “federal electric vehicle tax credit”). The final rules effectuate the guidance previously provided in December 2023 by the Treasury Department related to the key requirements for federal clean vehicle tax credit. The final rules include a process – called the traced qualifying value test – for automakers to trace the battery supply chain to qualify for the federal electric vehicle tax credit's domestic content requirements, which critical minerals rule takes effect in 2025. The final rules also prohibit battery parts and critical minerals from “excluded entities” – defined as foreign entities of concern, or FEOCs – from qualifying for the federal electric vehicle tax credit. Under relevant Treasury Department and U.S. Department of Energy interpretive regulations regarding the scope and application of FEOC-related restrictions, the People’s Republic of China is identified as an FEOC. The final FEOC battery component rules are important to Westwater because beginning in 2027, any vehicle whose batteries contain graphite that was extracted or processed in any way, and to any degree, by an FEOC – including China – will be ruled ineligible for the federal electric vehicle tax credit. As a result, an FEOC must be excluded from a vehicle battery’s supply chain in order for the vehicle to be eligible for the federal electric vehicle tax credit. Because Westwater is not an FEOC and intends to produce battery grade graphite for lithium-ion batteries to be used in electric vehicles in the United States, management believes its future production of battery-graphite products will meet the domestic content requirements of the IRA, which we anticipate will provide indirect future benefit to the Company.

Westwater has developed graphite-purification technology and advanced product-development processes designed to meet the demands of potential customers for battery-grade graphite materials. Westwater is developing methodologies and constructing facilities intended to produce high purity, battery-grade graphite products at its Kellyton Graphite Plant. These products are being designed to serve all major battery sectors. In addition, we believe the processes we intend to use are environmentally sustainable and permittable in the United States, where a robust regulatory environment complements our core values to reliably deliver safe, well-made products to our customers.

Westwater has and will continue to support the efforts by the relevant United States governmental agencies, the State of Alabama and local municipalities to ensure that they remain aware of the importance of natural battery-grade graphite, its importance to the nation’s security, and how the Kellyton Graphite Plant and the Coosa Graphite Deposit fit into the critical minerals-equation.

***Equity Financings***

*Capital Raises during the three months ended March 31, 2024*

During the three months ended March 31, 2024, the Company sold 1.2 million shares of common stock for net proceeds of $0.6 million pursuant to the ATM Offering Agreement.

See *Note 4* to the Interim Financial Statements for additional information.

## RESULTS OF OPERATIONS

***Summary***

Our net loss for the three months ended March 31, 2024, was $2.9 million, or $0.05 per share, as compared with a net loss of $2.4 million, or $0.05 per share for the same period in 2023. The $0.5 million increase in our net loss was due primarily to higher costs related to general and administrative expenses and less interest income; partially offset by less product development expense.

***Product Development Expenses***

Product development expenses for the three months ended March 31, 2024, were $0.3 million, a decrease of $0.2 million compared to the same period in 2023. Product development expenses for the three months ended March 31, 2024 and 2023, related primarily to sample production of battery-grade natural graphite products for evaluation by potential customers. Since the third quarter of 2023, the Company has utilized its in-house R&D Lab for sample processing, resulting in lower costs for each batch of samples produced.

***Exploration Expenses***

Exploration expenses for the three months ended March 31, 2024, decreased slightly compared to the same quarter in 2023, due to lower personnel costs.

***General and Administrative Expenses***

General and administrative expense for the three months ended March 31, 2024, was $2.6 million, an increase of $0.2 million compared to the same period in 2023. The increase was primarily due to $0.4 million higher stock compensation expense resulting primarily from $0.3 million of stock award forfeitures in the first quarter of 2023. The impact of the increase in stock compensation expense was partially offset by an upfront $0.2 million advisory fee, which was incurred in the first quarter of 2023 and related to seeking funding for Phase I of the Kellyton Graphite Plant.

***Other Income, net***

Other income, net for the three months ended March 31, 2024, decreased by $0.5 million compared to the same period in 2023, due to a lower average cash balance during the first quarter of 2024 resulting in less interest income earned.

## FINANCIAL POSITION

***Operating Activities***

Net cash used in operating activities of $2.8 million for the three months ended March 31, 2024, represents a decrease of $0.2 million compared to the same period in 2023. The decrease in cash used in operating activities was primarily due to $0.9 million less purchases of raw material inventory, partially offset by $0.5 million less interest income during the first quarter of 2024 compared to the same period of 2023. The remaining offset was due to other changes in working capital.

***Investing Activities***

Net cash used in investing activities decreased by $31.5 million for the three months ended March 31, 2024, as compared to the same period in 2023. The decrease was a result of lower capital expenditures as the Company reduces construction activity while working to put additional financing in place to fund the construction of Phase I of the Kellyton Graphite Plant.

***Financing Activities***

Net cash provided by financing activities decreased by $0.9 million for the three months ended March 31, 2024, as compared to the same period in 2023. The decrease was primarily due to fewer shares of common stock sold under the

ATM Offering Agreement, lower trading volumes, and lower average stock prices during the three months ended March 31, 2024, compared to the same period in 2023.

**LIQUIDITY AND CAPITAL RESOURCES**

Since 2009, the Company has not recorded revenue from operations and, as of March 31, 2024, current liabilities exceeded current assets. As such, Westwater is subject to all of the risks associated with development stage companies. Management expects to continue to incur cash losses as a result of construction activity at the Kellyton Graphite Plant and general and administrative expenses until operations commence at the Kellyton Graphite Plant. Operations at the Kellyton Graphite Plant are dependent on securing the additional funding needed to complete construction of Phase I of the Kellyton Graphite Plant.

The Company has relied on equity and debt financings and asset sales to fund its operations. During the three months ended March 31, 2024, and through the date that the Interim Financial Statement were issued, the Company continued construction activities related to the Kellyton Graphite Plant. However, while the Company has continued certain construction activities related to Phase I of the Kellyton Graphite Plant, those activities have been significantly reduced from anticipated levels until the additional funding needed to complete Phase I of the Kellyton Graphite Plant is in place. The Company's construction related contracts include termination provisions at the Company's election that do not obligate the Company to make payments beyond what is incurred by the third-party service provider through the date of such termination. In its going concern analysis, the Company considered construction activity and related costs through the date that the Interim Financial Statements were issued. Based on this analysis and excluding potential external funding opportunities and the Company's current equity facility, the Company's planned non-discretionary expenditures for one year past the issue date of these Interim Financial Statements, exceed the cash on hand as of the date of these Interim Financial Statements.

On March 31, 2024, the Company's cash balance was approximately $6.1 million. During the three months ended March 31, 2024, the Company sold 1.2 million shares of common stock for net proceeds of $0.6 million pursuant to the ATM Offering Agreement. As of March 31, 2024, the Company may offer and sell shares of its common stock having an aggregate offering price of up to approximately $6.5 million under the ATM Offering Agreement.

The Company expects to continue to incur losses as a result of costs and expenses related to construction activity and ongoing general and administrative expenses until operations commence at the Kellyton Graphite Plant. The Company has historically relied and expects to continue to rely, on debt and equity financing to fund its operations and business plan. Along with evaluating the continued use of the ATM Offering Agreement, the Company is considering other forms of project financing to fund the construction of the Kellyton Graphite Plant, including both Phase I and Phase II. The alternative sources of project financing could include, but are not limited to, project debt, convertible debt, or pursuing a partnership or joint venture. If funds are not available to fund the construction of Phase I of the Kellyton Graphite Plant through the equity markets or alternative financing sources, the Company may be required to reduce or severely curtail operations, change its planned business development strategies related to the Coosa Graphite Deposit and Phase I of the Kellyton Graphite Plant, alter the construction and commissioning timeline of Phase I of the Kellyton Graphite Plant, or put the construction of Phase I on hold until additional funding is obtained. If the Company is required to abandon construction and development or alter its intended long-term plans related the Kellyton Graphite Plant, the Company could be required to evaluate the recoverability of its long-lived assets.

While the Company has advanced its business plan and has been successful in the past 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 in amounts sufficient to meet its needs, or on terms acceptable to the Company. Recent volatility in the equity and debt capital markets, rising interest rates, inflation, electric vehicle production and adoption rates, generally uncertain economic conditions and regulatory policy/enforcement, and unstable geopolitical conditions could significantly impact the Company's ability to access the necessary funding to advance its business plan. Further, on March 13, 2023, the Company filed a prospectus supplement to the Registration Statement and as a result, the Company's access to the available capacity under the Registration Statement is subject to General Instructions I.B.6 of Form S-3, which limits the amounts that the Company may sell under the Registration Statement. As of March 31, 2024, after giving effect to these limitations and the public float of our common stock as of the date of the Annual Report, and after giving effect to the terms of the ATM Offering Agreement, we currently may offer and sell shares of our common stock having an aggregate offering price of up to approximately $6.5 million under the ATM Offering Agreement, which amount is in addition to the shares of common stock that we have sold to date in accordance with the ATM Offering Agreement under the Registration Statement and prospectus supplements thereto. If our public float increases such that we may sell additional amounts under the ATM Offering Agreement and the Registration Statement, we will file another prospectus supplement prior to making additional sales. In addition, the Company's existing Registration Statement will expire in July of 2024. We will be required to file a new Registration Statement with the SEC, and have that Registration Statement declared effective, in order to continue ATM sales after the expiration of the current Registration Statement.

**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, access to capital, financing activities, the timing or occurrence of any future drilling or production from the Company's properties, economic conditions, the strategic goals of the business, costs of any phase of development or operational line at the Kellyton Graphite Plant and estimated construction and commissioning timelines and completion dates, the start date for the mining of the Coosa Graphite Deposit, 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," "target" 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 (both flake graphite feedstock and purified graphite products) and vanadium, and the world-wide supply and demand of graphite and vanadium;
- the effects, extent and timing of the entry of additional competition in the markets in which we operate;
- our ability to obtain contracts or other agreements with customers;
- available sources and transportation of graphite feedstock;
- the ability to control costs and avoid cost and schedule overruns during the development, construction and operation of the Kellyton Graphite Plant;
- 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;
- the effects of inflation, including labor shortages and supply chain disruptions;
- rising interest rates and the associated impact on the availability and cost of financing sources;
- the availability and supply of equipment and materials needed to construct the Kellyton Graphite Plant;
- stock price volatility;
- government regulation of the mining and manufacturing industries in the United States;

- unanticipated geopolitical, 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 or vanadium discoveries not being in high enough concentration to make it economic to extract the minerals;
- our ability to finance growth plans;
- our ability to obtain and maintain rights of ownership or access to our mining properties;
- currently pending or new litigation or arbitration; and
- our ability to maintain and timely receive mining, manufacturing, and other permits from regulatory agencies.

In addition, other factors are described in our Annual Report, 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 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 at a reasonable assurance level as of March 31, 2024.

***Changes in Internal Controls***

There were no changes in our internal control over financial reporting during the three months ended March 31, 2024, 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. There have been no material changes to the legal proceedings previously disclosed in the Annual Report.

### ITEM 1A. RISK FACTORS.

An investment in our common stock involves various risks. When considering an investment in us, careful consideration should be given to the risk factors discussed in *Risk Factors in Item 1A* in our Annual Report. There are no material changes to the risk factors described in our Annual Report.

### ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES, USE OF PROCEEDS AND ISSUER PURCHASES OF EQUITY SECURITIES.

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 |
|---|---|
| 3.1 | Restated Certificate of Incorporation of the Company, as amended through April 22, 2019 (incorporated by reference to Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2019). |
| 3.2 | Amended and Restated Bylaws of the Company, as amended March 18, 2024 (incorporated by reference to Exhibit 3.2 to the Company's Annual Report on Form 10-K for the year ended December 31, 2023). |
| 10.1 | Products Procurement Agreement between the Company and SK On Co., Ltd. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on February 5, 2024). |
| 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 | Inline XBRL Instance Document |
| 101.SCH | Inline XBRL Taxonomy Extension Schema Document |
| 101.CAL | Inline XBRL Taxonomy Extension Calculation Linkbase Document |
| 101.DEF | Inline XBRL Taxonomy Extension Definition Linkbase Document |
| 101.LAB | Inline XBRL Taxonomy Extension Label Linkbase Document |
| 101.PRE | XBRL Taxonomy Extension Presentation Linkbase Document |
| 104 | Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101) |

## 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 14, 2024 | By: | /s/ Frank Bakker<br>Frank Bakker<br>President and Chief Executive Officer<br>(Principal Executive Officer) |
| Dated: May 14, 2024 | By: | /s/ Steven M. Cates<br>Steven M. Cates<br>Chief Financial Officer and Senior Vice President - Finance<br>(Principal Financial Officer and Principal Accounting Officer) |

**Exhibit 31.1**

**Certification of Chief Executive Officer**
**Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Frank Bakker, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Westwater Resources, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 14, 2024

/s/ Frank Bakker
Title: President and Chief Executive Officer

**Exhibit 31.2**

**Certification of Chief Financial Officer**
**Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Steven M Cates, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Westwater Resources, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report.

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 14, 2024

/s/ Steven M. Cates
Title: Chief Financial Officer and Senior Vice President - Finance

**Exhibit 32.1**

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Frank Bakker, President and Chief Executive Officer of Westwater Resources, Inc. (the “Company”), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) The Quarterly Report on Form 10-Q of the Company for the period ended March 31, 2024 (the “Report”), which this certification accompanies, fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

*/s/* Frank Bakker
Frank Bakker
President and Chief Executive Officer
May 14, 2024

**Exhibit 32.2**

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Steven M. Cates, Vice President - Finance and Chief Financial Officer of Westwater Resources, Inc. (the “Company”), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) The Quarterly Report on Form 10-Q of the Company for the period ended March 31, 2024 (the “Report”), which this certification accompanies, fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

*/s/* Steven M. Cates
Steven M. Cates
Chief Financial Officer and Senior Vice President - Finance
May 14, 2024