

Westwater Resources Announces Second Quarter 2024 Updates

15.08.2024 | [Business Wire](#)

Off-Take Sales Agreements in Place for 100% of Initial Planned Annual Production of 12,500 MT

Construction and Customer Sample Preparation Continues at the Kellyton Natural Graphite Anode Materials Plant with Over \$120 Million Invested to Date

[Westwater Resources Inc.](#) (NYSE American: WWR), an energy technology and battery-grade natural graphite development company ("Westwater" or the "Company"), is pleased to announce its updates for the second quarter ended June 30, 2024.

2024 Second Quarter Highlights

During the second quarter, Westwater achieved critical milestones related to its natural graphite business, notably:

- In July, Westwater announced a binding Off-Take Agreement with Fiat Chrysler Automobiles ("FCA"), part of the Stellantis group of companies.
- 100% of planned Phase I battery anode material production now under off-take agreements.
- Continued Phase I construction at the Kellyton Graphite Plant deploying approximately \$120 million since inception of the project.
- During the second quarter, Westwater began installing its qualification line at the Kellyton Graphite Plant. The qualification line will be utilized to prepare larger bulk samples of CSPG for customer qualification. The qualification line is expected to produce battery anode material in 5 to 10 mt (or larger) batches.

"Westwater's continued progress is significant and our recently announced second off-take sales contract with a major global automotive OEM, positions us to complete the Kellyton debt financing. We are in active discussions with multiple lenders and expect to be able to update investors shortly on our continued progress," said Terence J. Cryan, Westwater's Executive Chairman. "We are particularly proud of the strong performance from our Team at Westwater which this year has also achieved a 25% increase in anticipated Phase I production volumes while staying on budget which improved already attractive project economics."

"Westwater is the only U.S. based natural graphite company that has a processing facility under construction, that has multi-year off-take agreements for CSPG, and that has a graphite deposit in the same state as its future processing plant," said Frank Bakker, Westwater's President, and CEO. "The accomplishments of the Westwater team positions us well for success."

Recent Government Regulation of Graphite Products

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. The final rules put into effect the guidance previously provided in December 2023. The final rules prohibit battery parts and critical minerals from "excluded entities" - defined as foreign entities of concern, or FEOCs - from qualifying for the Federal Clean Vehicle Tax credit. Under the regulations, 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 electric 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. Westwater is not an FEOC and intends to produce battery grade graphite in the United States 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.

Qualification Line at Kellyton Graphite Plant

During the second quarter, Westwater began installing its qualification line at the Kellyton Graphite Plant. The qualification line will be utilized to prepare larger bulk samples of CSPG for customer qualification. The qualification line is expected to produce CSPG in 5 to 10 mt (or larger) batches. To speed the qualification process, Westwater has taken a dual approach to qualification of the CSPG. During Westwater's pilot program, smaller sample sizes were prepared utilizing the Company's equipment suppliers, which suppliers utilized the same technology and scale equipment as Westwater had purchased for use in the Kellyton Graphite Plant. Westwater is now installing such equipment at the Kellyton site. The qualification line is expected to be operational in the fourth quarter of 2024 and is expected to produce approximately 1 mt per day of CSPG.

Westwater anticipates utilizing the qualification line to supply future bulk samples, which will be representative of mass production materials because the equipment, and underlying technologies used to produce the samples, are representative of the full-scale production processes.

Financial Update

Westwater continues its efforts to secure debt financing to fund the approximately \$150 million balance of the \$271 million estimated capital costs to complete construction of Phase I of the Kellyton Graphite Plant. We are currently in process of negotiating with lenders a binding term sheet for that debt financing, supported by the two off-take agreements previously announced. Westwater has invested approximately \$120.4 million since beginning construction of Phase I of the Kellyton Graphite Plant.

"Following the second off-take agreement, we are making significant progress with lenders on a debt financing," said Steve Cates, Westwater's Chief Financial Officer and SVP - Finance. "As the domestic EV battery anode market develops within the U.S., having our two off-take agreements in place is a critical step in the process for securing debt financing. Westwater remains focused on securing the project debt financing to complete construction of Phase I at the Kellyton Graphite Plant."

As of June 30, 2024, Westwater had a cash balance of \$3.2 million. Subsequent to the end of the second quarter, Westwater took advantage of two opportunities to raise non-dilutive capital totaling \$1.5 million resulting in a cash balance of approximately \$3.2 million on August 12, 2024.

In advance of completing the debt financing to complete Phase I at Kellyton, we are managing our liquidity carefully to avoid unnecessary dilution and have an At The Market (ATM) equity facility, as well as a fully negotiated Equity Line of Credit (ELOC) facility available to ensure we maintain sufficient liquidity going forward.

Further discussion of our financial results for the second quarter can be found in Westwater's Form 10-Q filed on August 14, 2024.

Conference Call

Management will host a conference call to provide a business update to investors the week of September 2, 2024. Conference call date, time, and other details will be provided in advance of the call.

About Westwater Resources, Inc.

Westwater Resources, Inc. (NYSE American: WWR), an energy technology company, is focused on developing battery-grade natural graphite. The Company's primary project is the Kellyton Graphite Plant that is under construction in east-central Alabama. In addition, the Company's Coosa Graphite Deposit is the

most advanced natural flake graphite deposit in the contiguous United States and located across 41,965 acres (~17,000 hectares) in Coosa County, Alabama. For more information, visit www.westwaterresources.net.

Cautionary Statement Regarding Forward-Looking Statements

This news release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are subject to risks, uncertainties and assumptions and are identified by words such as "expects," "estimates," "future," "planned," "intends," "projects," "anticipates," "believes," "could," "scheduled," "targets" and other similar words. Forward looking statements include, among other things, statements concerning: off-take agreements with customers; Westwater's future sales of CSPG products to customers, including the amounts, timing, and types of products included within those sales; possible off-take agreements with other customers; potential debt financing arrangements; the anticipated annual production from Phase I of Kellyton Graphite Plant; the construction and operation of the Kellyton Graphite Plant and its qualification line, the Company's Coosa Graphite Deposit; 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. 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, could cause actual results to differ materially from management expectations as suggested by such forward-looking information: (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 and to manage our 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) the availability and supply of equipment and materials needed to construct the Kellyton Graphite Plant; (j) stock price volatility; (k) government regulation of the mining and manufacturing industries in the United States; (l) unanticipated geological, processing, regulatory and legal or other problems we may encounter; (m) the results of our exploration activities at the Coosa Graphite Deposit, and the possibility that future exploration results may be materially less promising than initial exploration results; (n) any graphite or vanadium discoveries at the Coosa Graphite Deposit not being in high enough concentration to make it economic to extract the minerals; (o) our ability to finance growth plans; (p) our ability to obtain and maintain rights of ownership or access to our mining properties; (q) currently pending or new litigation or arbitration; (r) our ability to maintain and timely receive mining, manufacturing, and other permits from regulatory agencies; and (s) 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.

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Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/478099--Westwater-Resources-Announces-Second-Quarter-2024-Updates.html>

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