

Surprising Vanadium Potential at Western Uranium Corp.

We have remarked previously on the impressive resource measurements taken at sites belonging to Western Uranium Corporation (CSE: WUC | OTCQX: WSTRF) (“Western Uranium”), with almost 3-million-pounds of uranium and a staggering 17.5-million-pounds of vanadium waiting in-ground at their “Sunday Mine Complex” project alone, yet it’s beginning to look as if the company’s US vanadium stash may be of one of the highest grades ever seen, and just in time for the metal’s projected heyday.

CEO George Glasier boasts both of the highest grade uranium deposits in the United States, but technical reports on the Sunday Mine reveal that the resource features measured and indicated vanadium mineralisation of 1.49%. For perspective, the current record holder for vanadium grading reports 1.24% down in Brazil, and the majority of producers rarely manage to scrape past 1%.

On that note, almost all of the world’s vanadium is currently mined in China, South Africa, Russia and Brazil, but Western Uranium owns projects located exclusively in the US of A, meaning that we might just have a new key player on the horizon. The current US administration have consistently promised to focus on regulation that could resuscitate the American mining industry, and I’m expecting that Western Uranium’s management are rubbing their hands together in anticipation.

Past operators have generated abundant geologic and mining data for the Sunday Mine Complex over a significant drilling and production history; from the 1800’s, the mine has historically been active when uranium and vanadium prices reached highs, and recent trends suggest we are entering one

such period that may be significantly longer in duration than those in the past.

Vanadium is currently experiencing two-year-highs, since, over the last few years, many major operations have faced closure as a result of the dip in iron-ore prices, and the uptake of the metal has increased substantively as countries such as China make better use of steel rebar (which features vanadium due to its excellent alloying properties). Although currently there is a slight surplus in the supply of vanadium relative to market demand, this is being rapidly eroded, and some even report that a deficit has already materialised; either way, a 3-percent CAGR increase in demand for the period 2015-2025 is confidently expected.

Previously, vanadium has always been co-produced alongside other materials, but the projected shortfall has paved the way for pure-play producers of vanadium to enter into the market ahead of rising value. Furthermore, the black swan of the vanadium space is looking ever-more certain as vanadium redox flow batteries gain further coverage and popularity due to their increased suitability to industrial applications over their lithium ion counterparts. Once this technology is perfected, Western Uranium should have no problem sourcing vanadium-hungry energy-storage companies as long-term, high-volume customers.

Perhaps most importantly, the company's ablation technology takes the financial sting out of hard rock mining; traditionally the most expensive extraction method, Western Uranium have shown that they are able to effectively blast the rocky material away from both uranium and vanadium particles at a considerably lower cost than other conventional milling methods.

Interested readers can refer to our previous pieces on Western Uranium for further details on uranium potential and technological advantages, but here we have a surprising

emergence into the vanadium space that could very well give the company the advantage it needs to become an all-round major player since both resources on which the company is focused are entering long-term recovery periods. I have been reporting on vanadium as the next big thing for the past year or so, and we are beginning to see the market trends to back me up. However, until now, I never expected a uranium company to take the space by storm.