

# The new magic market words: vanadium and uranium.

Uranium occurs in most rocks in concentrations of 2 to 4 parts per million and is as common in the earth's crust as tin, tungsten and molybdenum. About 11% of the world's electricity is generated from uranium in nuclear reactors. Vanadium is currently one of the hottest of all elements having tripled in price the past year. The most important use of vanadium is as an additive for steel, with approximately 80% of vanadium going into ferrovanadium, a steel additive.

Western Uranium Corporation (CSE: WUC | OTCQX: WSTRF) is a near term producer that has acquired uranium and vanadium mineral assets in western Colorado and eastern Utah, USA. Western Uranium has increasingly focused on monetizing its vanadium rich resources as vanadium prices are now near US\$20/lb. To reflect this focus Western Uranium has received shareholder approval to change the name to Western Uranium & Vanadium Corp.

The Company has four main properties, which are estimated to contain a total resource of 70 million pounds of uranium. In addition, three of the four properties contain 35 million aggregate pounds of vanadium, grading between 1.4-2%. In December 2015, the Company entered into a uranium concentrates supply agreement with a top 3 U.S. energy utility for uranium delivery commencing in 2018 (terms are confidential).

The Company also controls a new technology called Ablation Mining Technology. It has been developed to reduce the cost of recovering uranium from the mine. This also gives the Company further opportunities for the technology to be used as a cleanup technology on other legacy uranium mining sites.

## **Sunday Mine Complex**

Western Uranium is expecting the Sunday Mine Complex to derive its first production output soon. The Sunday Mine Complex property consists of 221 unpatented claims on public lands covering approximately 3,800 acres, 20 of these claims are subject to a 12.5% royalty on all ore produced. Already permitted, the Sunday Mine is a complex of 5 interconnected underground mines with historic uranium and vanadium production (most recently mined in 2009). The existing permits will need to be updated to include ablation onsite, and a mine water treatment plant will need to be installed (and the appropriate permits obtained) for treating mine water. The mine has strong U308 grades present (~0.25% to 0.36%) and a large surface stockpile of approx 100,000 tons ready for immediate production, with other uranium stockpiles identified. It is anticipated that a radiometric survey will commence in early October 2018.

An underground area of the West Sunday Mine has been labeled the "Candy Store". The Candy Store has seam thicknesses of about 35 feet with average grades of 4,000 ppm (0.4% uranium). Other places in the Sunday Complex have similar characteristics including an area of 65 feet of uranium ore mineralization.

George Glasier, President and CEO of Western Uranium, commented: "We are very pleased that the Company was able to close over C\$3.6 million in new equity capital since May. This funding allows Western to increasingly focus on operations and provides the necessary working capital to advance compelling strategic initiatives in vanadium, uranium, and ablation. Further, the recent progress of the Section 232 petition with the U.S. Department of Commerce has substantially increased market interest in Western's near-term uranium properties."

## Near-Term Production Strategy

- Focus on previously producing mines for low CAPEX, existing infrastructure & permitting
- Pursue uranium/vanadium development at the Sunday Mine Complex
- Pursue vanadium development joint venture at Sage Mine Project
- Base load production with economic uranium/vanadium supply contracts

Western Uranium looks well positioned with their Sunday Mine set to start up again soon. They already have a uranium supply contract in place with a U.S. utility company. All that is now needed is some final mine improvements, additional economic supply contracts, and project funding. The rising vanadium price due to the steel (new rebar standards in China) and energy storage demand adds plenty of value to the Company. One could say that Western Uranium is like a kid in a candy store, super keen to start producing soon.

