WESTERN URANIUM CORPORATION

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2018 AND 2017
(Stated in $USD)

(Unaudited – Prepared by Management)

WESTERN URANIUM CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(Stated in $USD)

	June 30, 2018 (Unaudited)	December 31, 2017
Assets		
Current assets:		
Cash	$ 280,563	$ 427,020
Prepaid expenses	99,997	190,435
Marketable securities	4,960	3,123
Other current assets	78,888	64,763
Total current assets	464,408	685,341
Restricted cash	820,474	820,434
Mineral properties	11,645,218	11,645,218
Ablation intellectual property	9,488,051	9,488,051
Total assets	$ 22,418,151	$ 22,639,044
Liabilities and Shareholders' Equity		
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	$ 586,320	$ 602,016
Subscription payable	78,367	-
Current portion of notes payable	497,200	487,450
Deferred revenue, current portion	44,620	40,000
Total current liabilities	1,206,507	1,129,466
Reclamation liability	202,034	196,821
Deferred tax liability	2,708,887	2,708,887
Deferred contingent consideration	370,151	390,350
Deferred revenue, net of current portion	70,030	60,000
Total liabilities	4,557,609	4,485,524
Commitments		
Shareholders' Equity		
Common stock, no par value, unlimited authorized shares, 21,481,260 and 20,510,806 shares issued as of June 30, 2018 and December 31, 2017, respectively and 21,480,954 and 20,510,500 shares outstanding as of June 30, 2018 and December 31, 2017, respectively	23,202,228	22,657,529
Treasury shares, 306 and 306 shares held in treasury as of June 30, 2018 and December 31, 2017, respectively	-	-
Accumulated deficit	(5,394,996)	(4,540,143)
Accumulated other comprehensive income	53,310	36,134
Total shareholders' equity	17,860,542	18,153,520
Total liabilities and shareholders' equity	$ 22,418,151	$ 22,639,044

Approval on behalf of the Board:

/s/ George Glasier
Director

/s/ Andrew Wilder
Director

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

WESTERN URANIUM CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND OTHER COMPREHENSIVE LOSS
(Stated in $USD)
(Unaudited)

	Three months ended June 30,		For the Six Months Ended June 30,	
	2018	2017	2018	2017
Revenues				
Lease revenue	$ 11,155	$ -	$ 22,310	$ -
Expenses				
Mining expenditures	44,474	38,636	93,529	79,254
Professional fees	88,291	149,889	267,517	375,383
General and administrative	155,378	157,326	380,297	383,513
Consulting fees	68,736	117,368	109,950	202,131
Total operating expenses	356,879	463,219	851,293	1,040,281
Operating loss	(345,724)	(463,219)	(828,983)	(1,040,281)
Interest expense, net	11,265	10,580	25,870	38,744
Net loss	(356,989)	(473,799)	(854,853)	(1,079,025)
Other comprehensive income				
Foreign exchange gain	19,725	2,857	17,176	10,421
Comprehensive loss	$ (337,264)	$ (470,942)	$ (837,677)	$ (1,068,604)
Loss per share - basic and diluted	$ (0.02)	$ (0.02)	$ (0.04)	$ (0.06)
Weighted average shares outstanding, basic and diluted	21,129,031	19,574,709	20,821,474	19,253,245

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

WESTERN URANIUM CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Stated in $USD)
(Unaudited)

	Common Stock		Treasury Shares			Accumulated Other	
	Shares	Amount	Shares	Amount	Accumulated Deficit	Comprehensive Income	Total
Balance as of January 1, 2018	20,510,500	$22,657,529	306	$ -	$ (4,540,143)	$ 36,134	$18,153,520
Sale of 909,622 units on May 4, 2018 in private placement	909,622	457,608	-	-	-	-	457,608
Issuance of 60,832 shares of common stock in exchange of accounts payable	60,832	32,251	-	-	-	-	32,251
Stock based compensation - stock options	-	54,840	-	-	-	-	54,840
Foreign exchange gain	-	-	-	-	-	17,176	17,176
Net loss	-	-	-	-	(854,853)	-	(854,853)
Balance as of June 30, 2018	21,480,954	$23,202,228	306	$ -	$ (5,394,996)	$ 53,310	$17,860,542

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

WESTERN URANIUM CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Stated in $USD)
(Unaudited)

	For the Six Months Ended June 30,	
	2018	2017
Cash Flows From Operating Activities:		
Net loss	$ (854,853)	$ (1,079,025)
Reconciliation of net loss to cash used in operating activities:		
Accretion of reclamation liability	5,213	4,027
Amortization of debt discount on notes payable	9,750	11,806
Stock based compensation	54,840	133,282
Change in foreign exchange on marketable securities	(1,837)	(103)
Change in operating assets and liabilities:		
Prepaid expenses and other current assets	76,273	(91,279)
Accounts payable and accrued liabilities, net of shares issued for accounts payable	16,555	-
Deferred revenue	14,650	(34,498)
Net cash used in operating activities	(679,409)	(1,055,790)
Cash Flows From Financing Activities:		
Payment of Nueco Note	-	(185,564)
Issuance of Common shares, net of offering costs	457,608	814,078
Receipt of subscription receivable	-	28,429
Receipt of subscription payable	78,367	-
Net cash provided by financing activities	535,975	656,943
Effect of foreign exchange rate on cash	(3,023)	22,321
Net decrease in cash	(146,457)	(376,526)
Cash - beginning	427,020	791,814
Cash - ending	$ 280,563	$ 415,288
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Interest	$ -	$ -
Income taxes	$ -	$ -
Non-cash financing activities:		
Shares issued for accounts payable and accrued expenses	$ 32,251	$ 83,338

There were no cash flows from investing activities during the six months ended June 30, 2018 and 2017

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

NOTE 1 - BUSINESS

Nature of operations

Western Uranium Corporation ("Western" or the "Company") was incorporated in December 2006 under the Ontario Business Corporations Act. On November 20, 2014, the Company completed a listing process on the Canadian Securities Exchange ("CSE"). As part of that process, the Company acquired 100% of the members' interests of Pinon Ridge Mining LLC ("PRM"), a Delaware limited liability company. The transaction constituted a reverse takeover ("RTO") of Western by PRM. Subsequent to obtaining appropriate shareholder approvals, the Company reconstituted its Board of Directors and senior management team. Effective September 16, 2015, Western completed its acquisition of Black Range Minerals Limited ("Black Range").

The Company has registered offices at 330 Bay Street, Suite 1400, Toronto, Ontario, Canada, M5H 2S8 and its common shares are listed on the CSE under the symbol "WUC." On April 22, 2016, the Company's shares of common stock began trading on the OTC Pink Open Market, and on May 23, 2016, the Company's common stock was approved for the commencement of trading on the OTCQX Best Market. Its principal business activity is the acquisition and development of uranium and vanadium resource properties in the states of Utah and Colorado in the United States of America ("United States").

On June 28, 2016, the Company's registration statement became effective and Western became a United States reporting issuer. Thereafter, the Company was approved for Depository Trust Company eligibility through the Depository Trust and Clearing Corporation, which facilitates electronic book-entry delivery, settlement and depository services for shares in the United States.

On June 29, 2018, the shareholders of the Company approved the name change of the Company from "Western Uranium Corporation" to "Western Uranium and Vanadium Corp." The Company has not yet effected this approved change.

NOTE 2 – LIQUIDITY AND GOING CONCERN

The Company has incurred continuing losses from its operations and as of June 30, 2018, the Company had an accumulated deficit of $5,394,996 and a working capital deficiency of $742,099.

Since inception, the Company has met its liquidity requirements principally through the issuance of notes and the sale of its shares of common stock.

On May 4, 2018, the Company completed a private placement of 909,622 units at a price of CAD $0.68 (USD $0.53) per unit for gross proceeds of CAD $618,543 (USD $481,560). Each unit consisted of one share of common stock and a warrant to purchase one-half of one share of common stock. Each warrant is immediately exercisable at a price of CAD $1.15 and expires two years from the date of issuance.

On July 30, 2018, the Company completed a private placement of 2,525,526 units at a price of CAD $0.68 (USD $0.52) per unit for gross proceeds of CAD $1,717,358 (USD $1,319,096). Each unit consisted of one share of common stock and a warrant to purchase one-half of one share of common stock. Each warrant is immediately exercisable at a price of CAD $1.15 and expires two years from the date of issuance.

On August 9, 2018, the Company completed a private placement of 1,907,088 units at a price of CAD $0.68 (USD $0.52) per unit for gross proceeds of CAD $1,296,820 (USD $1,000,000). Each unit consisted of one share of common stock and a warrant to purchase one-half of one share of common stock. Each warrant is immediately exercisable at a price of CAD $1.15 and expires two years from the date of issuance.

NOTE 2 – LIQUIDITY AND GOING CONCERN, CONTINUED

The Company's ability to continue its operations and to pay its obligations when they become due is contingent upon the Company obtaining additional financing. Management's plans include seeking to procure additional funds through debt and equity financings, to secure regulatory approval to fully utilize its ablation technology and to initiate the processing of ore to generate operating cash flows.

There are no assurances that the Company will be able to raise capital on terms acceptable to the Company or at all, or that cash flows generated from its operations will be sufficient to meet its current operating costs and required debt service. If the Company is unable to obtain sufficient amounts of additional capital, it may be required to reduce the scope of its planned product development, which could harm its financial condition and operating results, or it may not be able to continue to fund its ongoing operations. These conditions raise substantial doubt about the Company's ability to continue as a going concern to sustain operations for at least one year from the issuance of these financial statements. The accompanying condensed consolidated financial statements do not include any adjustments that might result from the outcome of these uncertainties.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Principles of Consolidation

The accompanying condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10–Q and Rule 10 of Regulation S–X. Accordingly, they do not include all of the information and notes required by accounting principles generally accepted in the United States of America. However, in the opinion of the management of the Company, all adjustments necessary for a fair presentation of the financial position and operating results have been included in these statements. These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10–K for the fiscal year ended December 31, 2017, as filed with the SEC on April 2, 2018. Operating results for the three and six months ended June 30, 2018 are not necessarily indicative of the results that may be expected for any subsequent quarters or for the year ending December 31, 2018.

The accompanying condensed consolidated financial statements include the accounts of Western and its wholly-owned subsidiaries, Western Uranium Corporation (Utah), PRM, Black Range, Black Range Copper Inc., Ranger Resources Inc., Black Range Minerals Inc., Black Range Minerals Colorado LLC, Black Range Minerals Wyoming LLC, Haggerty Resources LLC, Ranger Alaska LLC, Black Range Minerals Utah LLC, Black Range Minerals Ablation Holdings Inc. and Black Range Development Utah LLC. All significant inter-company transactions and balances have been eliminated upon consolidation.

The Company has established the existence of mineralized materials for certain uranium projects. The Company has not established proven or probable reserves, as defined by the United States Securities and Exchange Commission (the "SEC") under Industry Guide 7, through the completion of a "final" or "bankable" feasibility study for any of its uranium projects.

Use of Estimates

The preparation of these condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and revenues and expenses during the periods reported. By their nature, these estimates are subject to measurement uncertainty and the effects on the financial statements of changes in such estimates in future periods could be significant. Significant areas requiring management's estimates and assumptions include determining the fair value of transactions involving common stock, assessment of the useful life and evaluation for impairment of intangible assets, valuation and impairment assessments on mineral properties, deferred contingent consideration, and the reclamation liability, valuation of stock-based compensation, valuation of available-for-sale securities and valuation of long-term debt. Other areas requiring estimates include allocations of expenditures, depletion and amortization of mineral rights and properties. Actual results could differ from those estimates.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Foreign Currency Translation

The reporting currency of the Company, including its subsidiaries, is the United States dollar. The financial statements of subsidiaries located outside of the U.S. are measured in their functional currency, which is the local currency. The functional currency of the parent (Western Uranium Corporation (Ontario)) is the Canadian dollar. Monetary assets and liabilities of these subsidiaries are translated at the exchange rates at the balance sheet date. Income and expense items are translated using average monthly exchange rates. Non-monetary assets are translated at their historical exchange rates. Translation adjustments are included in accumulated other comprehensive loss in the consolidated balance sheets.

Revenue Recognition

The Company leases certain of its mineral properties for the exploration and production of oil and gas reserves. The Company accounts for lease revenue in accordance with ASC 840 "Leases". Lease payments received in advance are deferred and recognized on a straight – line basis over the related lease term associated with the prepayment. Royalty payments are recognized as revenues when received.

Fair Values of Financial Instruments

The carrying amounts of cash and cash equivalents, restricted cash, accounts payable, accrued liabilities, notes payable, and subscriptions payable approximate their fair value due to the short-term nature of these instruments. Marketable securities are adjusted to fair value at each balance sheet date based on quoted prices which are considered level 1 inputs. The reclamation deposits, which are reflected in restricted cash on the consolidated balance sheets, are deposits mainly invested in certificates of deposit at major financial institutions and their fair values were estimated to approximate their carrying values. The Company's operations and financing activities are conducted primarily in United States dollars and as a result, the Company is not subject to significant exposure to market risks from changes in foreign currency rates. The Company is exposed to credit risk through its cash and restricted cash, but mitigates this risk by keeping these deposits at major financial institutions.

ASC 820 "Fair Value Measurements and Disclosures" provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

Fair value is defined as an exit price, representing the amount that would be received upon the sale of an asset or payment to transfer a liability in an orderly transaction between market participants. Fair value is a market-based measurement that is determined based on assumptions that market participants would use in pricing an asset or liability. A three-tier fair value hierarchy is used to prioritize the inputs in measuring fair value as follows:

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Fair Values of Financial Instruments

Level 1 Quoted prices in active markets for identical assets or liabilities.

Level 2 Quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable, either directly or indirectly.

Level 3 Significant unobservable inputs that cannot be corroborated by market data.

The fair value of the Company's financial instruments are as follows:

	Quoted Prices in Active Markets for Identical Assets or Liabilities (Level 1)	Quoted Prices for Similar Assets or Liabilities in Active Markets (Level 2)	Significant Unobservable Inputs (Level 3)
Marketable securities as of June 30, 2018	$ 4,960	$ -	$ -
Marketable securities as of December 31, 2017	$ 3,123	$ -	$ -

Income Taxes

The Company utilizes an asset and liability approach for financial accounting and reporting for income taxes. The provision for income taxes is based upon income or loss after adjustment for those permanent items that are not considered in the determination of taxable income. Deferred income taxes represent the tax effects of differences between the financial reporting and tax basis of the Company's assets and liabilities at the enacted tax rates in effect for the years in which the differences are expected to reverse.

The Company evaluates the recoverability of deferred tax assets and establishes a valuation allowance when it is more likely than not that some portion or all the deferred tax assets will not be realized. Management makes judgments as to the interpretation of the tax laws that might be challenged upon an audit and cause changes to previous estimates of tax liability. In management's opinion, adequate provisions for income taxes have been made. If actual taxable income by tax jurisdiction varies from estimates, additional allowances or reversals of reserves may be necessary.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Income Taxes, continued

Tax benefits are recognized only for tax positions that are more likely than not to be sustained upon examination by tax authorities. The amount recognized is measured as the largest amount of benefit that is greater than 50 percent likely to be realized upon settlement. A liability for "unrecognized tax benefits" is recorded for any tax benefits claimed in the Company's tax returns that do not meet these recognition and measurement standards. As of June 30, 2018 and December 31, 2017, no liability for unrecognized tax benefits was required to be reported.

The Company's policy for recording interest and penalties associated with tax audits is to record such items as a component of general and administrative expense. There were no amounts accrued for penalties and interest for the three and six months ended June 30, 2018 and December 31, 2017. The Company does not expect its uncertain tax position to change during the next twelve months. Management is currently unaware of any issues under review that could result in significant payments, accruals or material deviations from its position.

The Company has identified its federal tax return and its state tax returns in Colorado and Utah as its "major" tax jurisdictions, and such returns for the years 2014 through 2017 remain subject to examination.

The Tax Cuts and Jobs Act (the "Tax Act") was enacted on December 22, 2017. The Tax Act reduced the U.S. federal corporate tax rate from 35% to 21%. As December 31, 2017, the Company had made a reasonable estimate of the effects of the Tax Act. This estimate incorporates assumptions made based upon the Company's current interpretation of the Tax Act, and may change as the Company may receive additional clarification and implementation guidance and as the interpretation of the Tax Act evolves. In accordance with SEC Staff Accounting Bulletin No. 118, the Company will finalize the accounting for the effects of the Tax Act no later than the fourth quarter of 2018. Future adjustments made to the provisional effects will be reported as a component of income tax expense in the reporting period in which any such adjustments are determined. Based on the new tax law that lowers corporate tax rates, on December 31, 2017, the Company revalued its deferred tax assets.

Stock-Based Compensation

The Company follows ASC 718, Compensation - Stock Compensation, which addresses the accounting for stock-based payment transactions, requiring such transactions to be accounted for using the fair value method. Awards of shares for property or services are recorded at the more readily measurable of the fair value of the stock and the fair value of the service. The Company uses the Black-Scholes option-pricing model to determine the grant date fair value of stock-based awards under ASC 718. The fair value is charged to earnings depending on the terms and conditions of the award, and the nature of the relationship of the recipient of the award to the Company. The Company records the grant date fair value in line with the period over which it was earned. For employees and management, this is typically considered to be the vesting period of the award. For consultants the fair value of the award is recorded over the term of the service period, and unvested amounts are revalued at each reporting period over the service period. The Company estimates the expected forfeitures and updates the valuation accordingly.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Loss per Share

Basic net loss per share is computed by dividing net loss by the weighted average number of shares of common stock outstanding during the period. Diluted earnings per share is computed using the weighted average number of common shares and, if dilutive, potential common shares outstanding during the period. Potential common shares consist of the incremental common shares issuable upon the exercise of stock options and warrants (using the treasury stock method). The computation of basic net loss per share for the three and six months ended June 30, 2018 and 2017 excludes potentially dilutive securities. The computations of net loss per share for each period presented is the same for both basic and fully diluted.

Potentially dilutive securities outlined in the table below have been excluded from the computation of diluted net loss per share because the effect of their inclusion would have been anti-dilutive.

	For the Six Months Ended June 30,	
	2018	2017
Warrants to purchase shares of common stock	4,587,124	3,341,572
Options to purchase shares of common stock	1,783,664	1,346,996
Total potentially dilutive securities	6,370,788	4,688,568

Recent Accounting Pronouncements

Management does not believe that any recently issued, but not yet effective accounting pronouncements, when adopted, will have a material effect on the accompanying condensed consolidated financial statements, other than those disclosed below or in the Company's Annual Report on Form 10-K filed with the SEC on April 2, 2018.

In August 2016 the FASB issued Topic ASU No. 2016-15 "Statement of Cash Flows (Topic 230) – Classification of Certain Cash Receipts and Cash Payments" ("ASU 2016-15"). ASU 2016-15 clarifies diversity in practice in how certain cash receipts and cash payments are presented and classified in the statement of cash flows. The Company adopted ASU 2016-15 on January 1, 2018 and it has not had a material impact on its condensed consolidated statement of cash flows.

In November 2016, the FASB issued ASU No. 2016-18, "Statement of Cash Flows (Topic 230): Restricted Cash" ("ASU 2016-18"). ASU 2016-18 amends the classification and presentation of changes in restricted cash or restricted cash equivalents in the statement of cash flows. The Company adopted ASU 2016-18 on January 1, 2018 and it has not had a material impact on its condensed consolidated statement of cash flows.

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update "ASU" No. 2014-09, Revenue from Contracts with Customers (Topic 606) which was subsequently amended by ASU 2015-14, ASU 2016-08, ASU 2016-10, ASU 2016-12, ASU 2016-20, and ASU 2017-13. These ASUs outline a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance. The guidance includes a five-step framework that requires an entity to: (i) identify the contract(s) with a customer, (ii) identify the performance obligations in the contract, (iii) determine the transaction price, (iv) allocate the transaction price to the performance obligations in the contract, and (v) recognize revenue when the entity satisfies a performance obligation. In July 2015, the FASB deferred the effective date of ASU 2014-09 to annual reporting periods beginning after December 15, 2017. A full retrospective or modified retrospective approach is required. The Company has adopted ASU No. 2014-09 effective January 1, 2018.

The Company has elected to apply the modified retrospective method and there was no impact on the condensed consolidated financial statements. Accordingly, the new revenue standard has been applied prospectively in the Company's condensed consolidated financial statements from January 1, 2018 forward and reported financial information for historical comparable periods will not be revised and will continue to be reported under the accounting standards in effect during those historical periods.

The Company performed an analysis and determined that its revenues are not within the scope of ASC 606, and as such, the Company determined that its methods of recognizing revenues have not been impacted by the new guidance.

NOTE 4 - MINERAL ASSETS, ABLATION INTELLECTUAL PROPERTY AND OTHER PROPERTY

The Company's mining properties acquired on August 18, 2014 that the Company retains as of June 30, 2018, include: San Rafael Uranium Project located in Emery County, Utah; The Sunday Mine Complex located in western San Miguel County, Colorado; The Van 4 Mine located in western Montrose County, Colorado; The Sage Mine project located in San Juan County, Utah, and San Miguel County, Colorado. These mining properties include leased land in the states of Colorado and Utah. None of these mining properties were operational at the date of acquisition.

The Company's mining properties acquired on September 16, 2015 that the Company retains as of June 30, 2018, include Hansen, North Hansen, High Park, Hansen Picnic Tree, and Taylor Ranch, located in Fremont and Teller Counties, Colorado. The Company also acquired the Keota project located in Weld County, Wyoming and the Ferris Haggerty project located in Carbon County Wyoming. These mining assets include both owned and leased land in the states of Utah, Colorado and Wyoming. All of the mining assets represent properties which have previously been mined to different degrees for uranium.

As the Company has not formally established proven or probable reserves on any of its properties, there is inherent uncertainty as to whether or not any mineralized material can be economically extracted as originally planned and anticipated.

On September 16, 2015, in connection with the Company's acquisition of Black Range, the Company assumed an option and exploration agreement (the "Option and Exploration Agreement") with STB Minerals, LLC, a Colorado limited liability company ("STB"). The Option and Exploration Agreement gives the Company the right to purchase 51% of the mineral rights of specific areas of the Hansen and Picnic Tree deposits (for which the Company already holds 49% of the rights). If the Company were to exercise its option under the Option and Exploration Agreement, it would require the Company to (a) make a cash payment of $2,500,000 immediately upon exercise; (b) issue shares of common stock to STB amounting to a value of $3,750,000 immediately upon exercise; and (c) issue shares of common stock to STB amounting to a value of $3,750,000 on the date that is 180 days following exercise. The Option and Exploration Agreement was scheduled to expire by its terms on July 28, 2017 if not exercised.

The Option and Exploration Agreement provided an extension for an "event of force majeure". Under this clause, the Company would receive an extension of the period during which it could exercise its option if it experiences an unreasonable delay outside its control that prevents it from exercising the option. On May 10, 2017, the Company provided to STB a notice that it was exercising the force majeure clause due to the delay by government regulators in licensing the Company's ablation technology and permitting mining at the Hansen property. STB has contested the Company's finding that an event of force majeure has occurred. Ongoing negotiations continued until September 21, 2017 when the Company and STB agreed to settle the matter through the pre-established arbitration mechanism. Prior to the commencement of arbitration, a settlement was agreed to on February 28, 2018 through the execution of an Amendment of Option and Exploration Agreement. As consideration, the Company paid STB a $20,000 extension payment and granted STB the right to seek a bona fide written offer over the remaining term, and agreed to the removal of the force majeure clause from the agreement. The Company received an extension until July 28, 2019 and a right of first refusal to match any bona fide written offer. Hence the Company already controls 49% of the resource property and retains an option to purchase the 51% of the resource property that the Company does not already control for the duration of the agreement. Further the Company believes the execution of this agreement is without financial implications, and as such, the Company has not made any adjustment to these condensed consolidated financials related to this matter.

NOTE 4 - MINERAL ASSETS, ABLATION INTELLECTUAL PROPERTY AND OTHER PROPERTY, CONTINUED

A prior owner of the Van 4 Mine had been granted a first Temporary Cessation from reclamation of the mine by the Colorado Mined Land Reclamation Board ("MLRB") which was set to expire June 23, 2017. Prior to its expiration, PRM formally requested an extension through a second Temporary Cessation. PRM subsequently participated in a public process which culminated in a hearing on July 26, 2017. Prior to the hearing, three non-profit organizations who pursue environmental and conservation objectives filed a brief objecting to the extension. The MLRB board members voted to grant a second five-year Temporary Cessation for the Van 4 Mine. Thereafter the three objecting parties filed a lawsuit on September 18, 2017. The MLRB was named as the defendant and PRM was named as a party to the case due to the Colorado law requirement that any lawsuit filed after a hearing include all of the parties to the proceeding. The plaintiff organizations were seeking for the court to set aside the board order granting a second five-year temporary cessation period to PRM for the Van 4 Mine. The Colorado state Attorney General was defending this action in the Denver Colorado District Court. On May 8, 2018, the Denver Colorado District Court ruled in favor of PRM, whereby the additional five-year temporary cessation period was granted.

The Company's mineral properties and ablation intellectual property are:

	As of	
	June 30, 2018	December 31, 2017
Mineral properties	$ 11,645,218	$ 11,645,218
Ablation intellectual property	$ 9,488,051	$ 9,488,051

Oil and Gas Lease and Easement

On July 18, 2017, an oil and gas lease became effective with respect to minerals and mineral rights owned by the Company of approximately 160 surface acres of the Company's property in Colorado. As consideration for entering into the lease, the Company received $120,000 during the third quarter of 2017. The lease will be in force for an initial term of three years and may be extended by the lessee at 150% of the initial rate. The lessee has also agreed to pay the Company a royalty of 18.75% of the lessee's revenue attributed to oil and gas produced, saved, and sold attributable to the net mineral interest. The Company is recognizing the initial payment incrementally over the term of the lease.

On February 26, 2018, the Company entered into a further agreement with the same entity as the oil and gas lease to provide them with an easement to an additional part of the Company's property solely for the purposes of transporting the oil and gas extracted via a pipeline. As consideration for the easement, the Company received $36,960 during the first quarter of 2018. The Company is recognizing this payment incrementally over the eight year term of the easement.

During the three months ended June 30, 2018 and 2017, the Company recognized aggregate revenue of $11,155 and $0, and for the six months ended June 30, 2018 and 2017 the Company recognized aggregate revenue of $22,310 and $0, respectively, under these oil and gas lease arrangements.

NOTE 4 - MINERAL ASSETS, ABLATION INTELLECTUAL PROPERTY AND OTHER PROPERTY, CONTINUED

Reclamation Liabilities

The Company's mines are subject to certain asset retirement obligations, which the Company has recorded as reclamation liabilities. The reclamation liabilities of the United States mines are subject to legal and regulatory requirements, and estimates of the costs of reclamation are reviewed periodically by the applicable regulatory authorities. The reclamation liability represents the Company's best estimate of the present value of future reclamation costs in connection with the mineral properties. The Company determined the gross reclamation liabilities of the mineral properties as of June 30, 2018 and December 31, 2017, to be approximately $820,434 and $820,434, respectively. During the three months ended June 30, 2018 and 2017, the accretion of the reclamation liabilities was $2,638 and $2,499, and for the six months ended June 30, 2018 and 2017 was $5,213 and $4,027, respectively. The Company expects to begin incurring the reclamation liability after 2054 and accordingly, has discounted the gross liabilities over their remaining lives using a discount rate of 5.4% to net discounted aggregated values as of June 30, 2018 and December 31, 2018 of $202,034 and $196,821, respectively. The gross reclamation liabilities as of June 30, 2018 are secured by certificates of deposit in the amount of $820,474.

On April 11, 2018, the Company received notice from the Colorado Division of Reclamation, Mining and Safety ("CDRMS") in regard to its reclamation liability. CDRMS has recalculated the Company's estimated future reclamation liability, which would require the Company to increase its certificates of deposit that secure its reclamation liability by $68,517. The Company has until June 8, 2018 to comply with or appeal the determination. The Company is currently evaluating the notice and determining its position. On June 8, 2018, CDPHE extended the deadline for which the Company had to fund the additional reclamation bonds to August 7, 2018. On August 7, 2018, the Company paid CDPHE $68,517 in additional reclamation bonds to satisfy their requirement.

Reclamation liability activity for the six months ended June 30, 2018 and 2017 consists of:

	For the six months ended June 30,	
	2018	2017
Beginning balance	$ 196,821	$ 403,639
Accretion	5,213	4,027
Ending Balance	$ 202,034	$ 407,666

NOTE 5 - ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consisted of:

	As of	
	June 30, 2018	December 31, 2017
Trade accounts payable	$ 430,975	$ 453,618
Accrued liabilities	155,345	148,398
	$ 586,320	$ 602,016

NOTE 6 - NOTES PAYABLE

EFHC Note

On August 18, 2014, in connection with the purchase of certain of the mineral properties, the Company entered into a note payable with Energy Fuels Holding Corporation ("EFHC") (the "EFHC Note") for $500,000. The EFHC Note bears interest at a rate of 3.0% per annum and is secured by a first priority interest in certain of the Company's mineral properties. On the date of the purchase, the Company recorded the EFHC Note net of a discount for interest of $73,971 at a rate of 4% per annum, resulting in a total effective interest rate of 7% per annum. The discount is being amortized using the effective interest method over the life of the loan. All principal on the EFHC Note is due and payable on August 18, 2018 and interest on the EFHC Note is due and payable annually beginning August 18, 2015. See Note 11 for a disclosure related to subsequent extension of the EFHC Note.

Notes Payable Summary

Notes payable consisted of:

	Principal	Discount	Balance, Net of Discount	Current	Non-Current
June 30, 2018	$ 500,000	$ 2,800	$ 497,200	$ 497,200	$ -
December 31, 2017	$ 500,000	$ 12,550	$ 487,450	$ 487,450	$ -

The Company's total interest expense, net, consisted of:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2018	2017	2018	2017
Interest expense, notes payable	$ 3,742	$ 3,740	$ 11,221	$ 9,601
Amortization of discount on notes payable	4,925	4,733	9,749	25,056
Accretion of reclamation liabilities	2,638	2,499	5,213	4,027
Other interest expense	-	261	-	988
Interest income	(40)	(653)	(313)	(928)
Interest expense, net	$ 11,265	$ 10,580	$ 25,870	$ 38,744

NOTE 7 - COMMITMENTS

Russell Fryer

On July 28, 2017, Russell Fryer was appointed the Company's Executive Chairman. On November 13, 2017, the Company entered into a consulting agreement with an affiliate of Mr. Fryer. The agreement became effective on July 28, 2017 and, pursuant to its terms, expires on December 31, 2018. The agreement may be terminated by either party with 90 days' notice. The agreement provides for compensation of $15,000 per month and an annual bonus at the discretion of the Board of Directors. Pursuant to the agreement, if a change of control occurs wherein the consideration in such change of control is more than USD $2.00 per share, the Company is required to pay a lump sum in the amount of two and one-half times the entity's annual fee to this entity. On January 29, 2018, the Company provided the requisite 90-day notification to terminate the consulting agreement, effective April 30, 2018. On May 1, 2018, following the termination of this consulting contract, Mr. Fryer resigned as director and executive chairman of the Board of Directors.

Vanadium Joint Venture

On June 1, 2018, the Company signed a letter agreement with Battery Mineral Resource Nevada, Inc. ("BMR") to form a joint venture for vanadium development at the Sage Mine.

Pursuant to the agreement, BMR will underwrite the cost of scoping, engineering and technical studies during the due diligence period to prepare for commencing pre-production work for resumption of production. Subsequent to the due diligence work program, BMR has the option to enter into a definitive joint venture agreement which will trigger an additional buy-in payment to the Company. Thereafter BMR and the Company will divide joint venture expenditures 50/50 and divide vanadium offtake 65/35 and uranium offtake 10/90. The higher percentage of vanadium offtake for BMR aligns with its rechargeable battery and energy storage mandate. The agreed deal structure compensates the Company for the differential in the offtake percentage. The agreement provides BMR an additional period to exercise a short-term option to purchase the entire Sage Mine Project. BMR also retains the right to not proceed beyond due diligence.

Since the agreement was signed during the first week of June, vanadium prices have risen from over $14 per pound to over $18 per pound. Consequently, rather than pursuing a joint venture, BMR has provided notification of their desire to exercise the purchase option. Both parties are working toward the completion of a definitive agreement for the Sage Mine Project.

Supply Contract

In December 2015, the Company signed a uranium concentrates supply agreement with a major U.S. utility for delivery commencing in 2018 and continuing for a five year period through 2022. As the Company is not currently in production, a partial assignment agreement was put in place whereby the assignee accepted the Company's right to the Year 1 delivery of 125,000 pounds of natural uranium concentrates. The delivery was made on May 1, 2018 and the assignee was paid the full consideration under the agreement. The Company did not recognize any gain or loss on this transaction.

NOTE 8 - SHARE CAPITAL AND OTHER EQUITY INSTRUMENTS

Authorized Capital

The holders of the Company's common stock are entitled to one vote per share. Holders of common stock are entitled to receive ratably such dividends, if any, as may be declared by the Board of Directors out of legally available funds. Upon the liquidation, dissolution, or winding up of the Company, holders of common stock are entitled to share rateably in all assets of the Company that are legally available for distribution. As of June 30, 2018 and December 31, 2017, an unlimited number of common shares were authorized for issuance.

Shares issued for Accounts Payable

On May 4, 2018, the Company issued 60,832 shares of its common stock in exchange for approximately $32,251 of its accounts payable outstanding with certain creditors.

Private Placement

On May 4, 2018, the Company completed a private placement of 909,622 units at a price of CAD $0.68 (USD $0.51) per unit for gross proceeds of CAD $618,543 (USD $466,402). The Company paid USD $8,794 in offering costs and received net proceeds of USD $457,608. Each unit consisted of one share of common stock and a warrant to purchase one-half of one share of common stock. Each warrant is immediately exercisable at a price of CAD $1.15 and expires two years from the date of issuance.

Incentive Stock Option Plan

The Company maintains an Incentive Stock Option Plan (the "Plan") that permits the granting of stock options as incentive compensation. Shareholders of the Company approved the Plan on June 30, 2008 and amendments to the Plan on June 20, 2013, and the Board of Directors approved additional changes to the Plan on September 12, 2015.

The purpose of the Plan is to attract, retain and motivate directors, management, staff and consultants by providing them with the opportunity, through stock options, to acquire a proprietary interest in the Company and benefit from its growth.

The Plan provides that the aggregate number of common shares for which stock options may be granted will not exceed 10% of the issued and outstanding common shares at the time stock options are granted. As of June 30, 2018, a total of 21,480,954 common shares were outstanding, and at that date the maximum number of stock options eligible for issue under the Plan was 2,148,095.

On February 8, 2018, the Company granted options under the plan for the purchase of an aggregate of 100,000 shares of common stock to a director. The options have an exercise price of CAD $1.00 (US $0.76 as of June 30, 2018) and vest one half on the date of grant and one half on December 31, 2018. One half of the options expire on January 31, 2023 and the remaining options expire on December 31, 2023.

NOTE 8 - SHARE CAPITAL AND OTHER EQUITY INSTRUMENTS, CONTINUED

Stock Options

	Number of Shares	Weighted Average Exercise Price	Weighted Average Contractual Life (years)	Weighted Average Grant Date Fair Value	Intrinsic Value
Outstanding - January 1, 2018	1,846,996	$1.92			
Granted	100,000	$0.76			
Expired, forfeited, or cancelled	(163,332)	$4.47			
Exercised	-	-			
Outstanding - June 30, 2018	1,783,664	$1.74	3.60	$0.40	$ -
Exercisable - June 30, 2018	1,733,664	$1.76	3.55	$0.41	$ -

The Company's stock based compensation expense related to stock options for the three months ended June 30, 2018 and 2017 was $652 and $0 and for the six months ended June 30, 2018 and 2017 was $54,840 and $133,282, respectively. As of June 30, 2018, the Company had $1,715 in unamortized stock option expense, which will be amortized over a period of 0.50 years.

The Company utilized the Black-Scholes option pricing model to determine the fair value of these stock options, using the assumptions as outlined below.

	February 8, 2018
Stock Price	CAD $0.52
Exercise Price	CAD $1.00
Number of Options Granted	100,000
Dividend Yield	0%
Expected Volatility	49%
Weighted Average Risk-Free Interest Rate	1.64%
Expected life (in years)	2.50 - 3.00

Warrants

	Number of Shares	Weighted Average Exercise Price	Weighted Average Contractual Life (years)	Intrinsic Value
Outstanding, January 1, 2018	4,095,563	$2.27		
Granted	491,561	$0.87		
Outstanding - June 30, 2018	4,587,124	$1.87	3.15	$ -
Exercisable - June 30, 2018	4,587,124	$1.87	3.15	$ -

NOTE 9 - MINING EXPENDITURES

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2018	2017	2018	2017
Permits	$ 33,124	$ 1,889	$ 78,579	$ 5,303
Maintenance	300	32,222	3,900	69,426
Contract Labor	11,050	4,525	11,050	4,525
	$ 44,474	$ 38,636	$ 93,529	$ 79,254

NOTE 10 - RELATED PARTY TRANSACTIONS (INCLUDING KEY MANAGEMENT COMPENSATION)

The Company has transacted with related parties pursuant to service arrangements in the ordinary course of business, as follows:

Pursuant to a consulting agreement, a United States limited liability company owned by a person who was a director, and on July 28, 2017, became the Company's executive chairman, entered into a consulting agreement with the Company effective April 1, 2016 to provide financial, advisory, and consulting services, including representing the Company to a variety of stakeholders for a six month term ending on September 30, 2016. On October 1, 2016 the Company extended this agreement through January 31, 2017. Professional fees for the three months ended June 30, 2018 and 2017 were $28,680 and $45,000, respectively, and $73,680 and $60,000 for the six months ended June 30, 2018 and 2017, respectively, related to this agreement. As of June 30, 2018 and December 31, 2017, the Company had $0 and $0, respectively, included in accounts payable and accrued liabilities payable to this entity.

On April 1, 2017, the Company entered into a new consulting agreement with a United States limited liability company owned by a person who was a director. The consulting agreement is to provide assistance with capital raising activities and other financial, advisory, and consulting services for the period April 1, 2017 through June 30, 2017. At June 30, 2017 and the last day of each month thereafter, the agreement may be extended by the Company on a month-to-month basis with seven days' notice. The agreement has a monthly fee of $15,000. Pursuant to the consulting agreement, if the Company completes a merger with a third party introduced by this director whereby more than 50% of the Company's then outstanding shares are transferred to that third party, the Company is required to pay a lump sum in an amount of $350,000 to this entity. On January 29, 2018, the Company provided the requisite 90-day notification to terminate the consulting agreement, effective April 30, 2018, upon which date the agreement was terminated. On May 1, 2018, upon termination of the agreement, this director resigned his positions as director and as executive chairman.

Prior to the acquisition of Black Range, Mr. George Glasier, the Company's CEO, who is also a director, transferred his interest in a former joint venture with Ablation Technologies, LLC to Black Range. In connection with the transfer, Black Range issued 25 million shares of Black Range common stock to Seller and committed to pay AUD $500,000 (USD $384,290) to Seller within 60 days of the first commercial application of the ablation technology. Western assumed this contingent payment obligation in connection with the acquisition of Black Range. At the date of the acquisition of Black Range, this contingent obligation was determined to be probable. Since the deferred contingent consideration obligation is probable and the amount estimable, the Company recorded the deferred contingent consideration as an assumed liability in the amount of $370,151 and $390,350 as of June 30, 2018 and December 31, 2017, respectively.

NOTE 11 – SUBSEQUENT EVENTS

Right-of-way grant agreement

On July 1, 2018, the Company entered into a right of way agreement with a third party, whereby, the Company has granted "right of way" access to a portion of its mineral properties in exchange for an up front payment of $3,624.

Private placements

On July 30, 2018, the Company completed a private placement of 2,525,526 units at a price of CAD $0.68 (USD $0.52) per unit for gross proceeds of CAD $1,717,358 (USD $1,319,096). Each unit consisted of one share of common stock and a warrant to purchase one-half of one share of common stock. Each warrant is immediately exercisable at a price of CAD $1.15 and expires two years from the date of issuance.

On August 9, 2018, the Company completed a private placement of 1,907,088 units at a price of CAD $0.68 (USD $0.52) per unit for gross proceeds of CAD $1,296,820 (USD $1,000,000). Each unit consisted of one share of common stock and a warrant to purchase one-half of one share of common stock. Each warrant is immediately exercisable at a price of CAD $1.15 and expires two years from the date of issuance.

Modification of EFHC Note

Prior to the August 18, 2018 maturity, the Company and EFHC modified the EFHC Note to extend the maturity date to September 4, 2018.