WESTERN URANIUM & VANADIUM CORP. AND SUBSIDIARIES

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2021 AND 2020

(Stated in USD)

(Unaudited)

WESTERN URANIUM & VANADIUM CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Stated in USD)
(Unaudited)

	March 31, 2021	December 31, 2020
Assets		
Current assets:		
Cash	$ 4,119,776	$ 565,250
Restricted cash, current portion	75,057	75,057
Prepaid expenses	109,046	136,883
Marketable securities	2,489	2,405
Other current assets	22,364	11,251
Total current assets	4,328,732	790,846
Restricted cash, net of current portion	831,775	831,754
Mineral properties and equipment	11,797,865	11,735,522
Kinetic separation intellectual property	9,488,051	9,488,051
Total assets	$ 26,446,423	$ 22,846,173
Liabilities and Shareholders' Equity		
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	$ 493,695	$ 488,794
Reclamation liability, current portion	75,057	75,057
Deferred revenue, current portion	64,620	64,620
Total current liabilities	633,372	628,471
Reclamation liability, net of current portion	234,972	234,883
Deferred tax liability	2,708,887	2,708,887
Deferred contingent consideration	380,845	392,086
Deferred revenue, net of current portion	92,325	108,480
Total liabilities	4,050,401	4,072,807
Commitments		
Shareholders' Equity		
Common shares, no par value, unlimited authorized shares, 36,459,053 and 30,084,053 shares issued as of March 31, 2021 and December 31, 2020, respectively and 36,458,747 and 30,083,747 shares outstanding as of March 31, 2021 and December 31, 2020, respectively	33,755,673	29,886,367
Treasury shares, 306 and 306 shares held in treasury as of March 31, 2021 and December 31, 2020, respectively	-	-
Accumulated deficit	(11,379,073)	(11,087,459)
Accumulated other comprehensive income (loss)	19,422	(25,542)
Total shareholders' equity	22,396,022	18,773,366
Total liabilities and shareholders' equity	$ 26,446,423	$ 22,846,173

Approval on behalf of the Board:

/s/ George E. Glasier
Director

/s/ Andrew Wilder
Director

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

WESTERN URANIUM & VANADIUM CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND OTHER COMPREHENSIVE LOSS
(Stated in USD)
(Unaudited)

	For the Three Months Ended March 31, 2021	For the Three Months Ended March 31, 2020
Revenues		
Lease revenue	$ 16,155	$ 11,155
Expenses		
Mining expenditures	47,859	234,716
Professional fees	46,387	73,756
General and administrative	211,181	389,397
Consulting fees	-	27,940
Total operating expenses	305,427	725,809
Operating loss	(289,272)	(714,654)
Accretion and interest	2,342	3,816
Net loss	(291,614)	(718,470)
Other comprehensive income (expense)		
Foreign exchange gain (loss)	44,964	(78,443)
Comprehensive loss	$ (246,650)	$ (796,913)
Net loss per share - basic and diluted	$ (0.01)	$ (0.03)
Weighted average shares outstanding, basic and diluted	32,707,343	30,083,747

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

WESTERN URANIUM & VANADIUM CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Stated in USD)
(Unaudited)

	Common Shares		Treasury Shares				
	Shares	Amount	Shares	Amount	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total
Balance as of January 1, 2021	30,083,747	$ 29,886,367	306	$ -	$ (11,087,459)	$ (25,542)	$ 18,773,366
Private placement - February 16, 2021	3,250,000	1,950,509	-	-	-	-	1,950,509
Private placement - March 1, 2021	3,125,000	1,918,797	-	-	-	-	1,918,797
Foreign exchange gain	-	-	-	-	-	44,964	44,964
Net loss	-	-	-	-	(291,614)	-	(291,614)
Balance as of March 31, 2021	36,458,747	$ 33,755,673	306	$ -	$ (11,379,073)	$ 19,422	$ 22,396,022
Balance as of January 1, 2020	30,083,747	$ 29,042,547	306	$ -	$ (8,694,569)	$ 85,318	$ 20,433,296
Stock based compensation - stock options	-	154,042	-	-	-	-	154,042
Foreign exchange gain	-	-	-	-	-	(78,443)	(78,443)
Net loss	-	-	-	-	(718,470)	-	(718,470)
Balance as of March 31, 2020	30,083,747	$ 29,196,589	306	$ -	$ (9,413,039)	$ 6,875	$ 19,790,425

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

WESTERN URANIUM & VANADIUM CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Stated in USD)
(Unaudited)

	For the Three Months Ended March 31, 2021	2020
Cash Flows From Operating Activities:		
Net loss	$ (291,614)	$ (718,470)
Reconciliation of net loss to cash used in operating activities:		
Depreciation	2,657	2,657
Accretion of and additions to reclamation liability	2,758	4,176
Discontinuation of reclamation liability	(2,669)	
Stock based compensation	-	154,042
Change in marketable securities	(84)	1,139
Change in operating assets and liabilities:		
Prepaid expenses and other current assets	16,724	65,166
Accounts payable and accrued liabilities	4,901	(45,589)
Deferred revenue	(16,155)	(11,155)
Net cash used in operating activities	(283,482)	(548,034)
Cash Flows From Investing Activities		
Purchase of property and equipment	(65,000)	-
Net cash used in investing activities	(65,000)	-
Cash Flows From Financing Activities		
Issuances of Common shares, net of offering costs	3,869,306	-
Net cash provided by financing activities	3,869,306	-
Effect of foreign exchange rate on cash	33,723	(124,442)
Net decrease in cash and restricted cash	3,554,547	(672,476)
Cash and restricted cash - beginning	1,472,061	2,982,444
Cash and restricted cash - ending	$ 5,026,608	$ 2,309,968
Cash	$ 4,119,776	$ 1,412,306
Restricted cash	906,832	897,662
Total	$ 5,026,608	$ 2,309,968
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Interest	$ -	$ -
Income taxes	$ -	$ -

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

NOTE 1 – BUSINESS

Nature of operations

Western Uranium & Vanadium Corp. ("Western" or the "Company", formerly Western Uranium Corporation) 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's registered office is located 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 common shares began trading on the OTC Pink Open Market, and on May 23, 2016, the Company's common shares were approved for 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 & Vanadium Corp." The name change became effective in Ontario, Canada on October 1, 2018; thereafter on October 4, 2018 Western's shares started trading under the new name on the CSE and OTCQX and the Company announced the name change by news release.

NOTE 2 – LIQUIDITY AND GOING CONCERN

The Company has incurred continuing losses from its operations and negative operating cash flows from operations and as of March 31, 2021, the Company had an accumulated deficit of $11,379,073 and working capital of $3,695,360.

Since inception, the Company has met its liquidity requirements principally through the issuance of notes and the sale of its common shares. On February 16, 2021, the Company closed on a non-brokered private placement of 3,250,000 units at a price of CAD $0.80 per unit. The aggregate gross proceeds raised in the private placement amounted to CAD $2,600,000 (USD $1,950,509 in net proceeds). On March 1, 2021, the Company closed on a non-brokered private placement of 3,125,000 units at a price of CAD $0.80 per unit. The aggregate gross proceeds raised in the private placement amounted to CAD $2,500,000 (USD $1,918,797 in net proceeds).

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 kinetic separation 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. 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 condensed consolidated 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 management of the Company, all adjustments necessary for a fair presentation of the financial position and operating results have been included in these condensed consolidated financial 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, 2020, as filed with the SEC on April 15, 2021. Operating results for the three months ended March 31, 2021 are not necessarily indicative of the results that may be expected for any subsequent quarters or for the year ending December 31, 2021.

The accompanying condensed consolidated financial statements include the accounts of Western and its wholly-owned subsidiaries, Western Uranium Corp. (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 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.

Exploration Stage

In accordance with U.S. GAAP, expenditures relating to the acquisition of mineral rights are initially capitalized as incurred while exploration and pre-extraction expenditures are expensed as incurred until such time the Company exits the Exploration Stage by establishing proven or probable reserves. Expenditures relating to exploration activities such as drill programs to search for additional mineralized materials are expensed as incurred. Expenditures relating to pre-extraction activities such as the construction of mine wellfields, ion exchange facilities and disposal wells are expensed as incurred until such time proven or probable reserves are established for that uranium project, after which subsequent expenditures relating to mine development activities for that particular project are capitalized as incurred.

Companies in the Production Stage as defined under Industry Guide 7, having established proven and probable reserves and exited the Exploration Stage, typically capitalize expenditures relating to ongoing development activities, with corresponding depletion calculated over proven and probable reserves using the units-of-production method and allocated to future reporting periods to inventory and, as that inventory is sold, to cost of goods sold. The Company is in the Exploration Stage which has resulted in the Company reporting larger losses than if it had been in the Production Stage due to the expensing, instead of capitalizing, of expenditures relating to ongoing mine development and extraction activities. Additionally, there would be no corresponding amortization allocated to future reporting periods of the Company since those costs would have been expensed previously, resulting in both lower inventory costs and cost of goods sold and results of operations with higher gross profits and lower losses than if the Company had been in the Production Stage. Any capitalized costs, such as expenditures relating to the acquisition of mineral rights, are depleted over the estimated extraction life using the straight-line method. As a result, the Company's condensed consolidated financial statements may not be directly comparable to the financial statements of companies in the Production Stage.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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 condensed consolidated 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 shares, assessment of the useful life and evaluation for impairment of Kinetic Separation intellectual property, valuation and impairment assessments on mineral properties and equipment, deferred contingent consideration, the reclamation liability, valuation of stock-based compensation, and valuation of available-for-sale securities. Other areas requiring estimates include allocations of expenditures, depletion and amortization of mineral rights and properties. Actual results could differ from those estimates.

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 & Vanadium Corp. (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 condensed 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 842 "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, restricted cash, accounts payable, accrued liabilities, and loan 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 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:

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.

(Stated in USD)

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Fair Values of Financial Instruments (continued)

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 March 31, 2021	$ 2,489	$ -	$ -
Marketable securities as of December 31, 2020	$ 2,405	$ -	$ -

Loss per Share

Basic net loss per share is computed by dividing net loss by the weighted average number of common shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common shares and, if dilutive, potential common shares outstanding during the year. 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 diluted net loss per share for the three months ended March 31, 2021 and 2020 excludes potentially dilutive securities. The computations of net loss per share for each of the three months 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 Three Months Ended March 31,	
	2021	2020
Warrants to purchase common shares	14,526,119	8,602,913
Options to purchase common shares	2,808,000	2,808,000
Total potentially dilutive securities	17,334,119	11,410,913

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Recent Accounting Standards

Management does not believe that any recently issued, but not yet effective accounting standards, when adopted, will have a material effect on the accompanying condensed consolidated financial statements. The Company has adopted the recent accounting standards that are disclosed below.

In June 2016, the FASB issued ASU No. 2016-13, "Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments" ("ASU 2016-13"). ASU 2016-13 replaces the incurred loss model with an expected loss model, which is referred to as the current expected credit loss (CECL) model. The CECL model is applicable to the measurement of credit losses on financial assets measured at amortized cost, including loan receivables, held-to-maturity debt securities, and reinsurance receivables. It also applies to off-balance sheet credit exposures not accounted for as insurance (such as loan commitments, standby letters of credit, financial guarantees, and other similar instruments) and net investments in leases recognized by a lessor. For public business entities that meet the definition of an SEC filer, the standard will be effective for fiscal years beginning after December 15, 2019, including interim periods in those fiscal years. For debt securities with other-than-temporary impairment, the guidance will be applied prospectively. Existing purchased credit impaired (PCI) assets will be grandfathered and classified as purchased credit deteriorated (PCD) assets at the date of adoption. The asset will be grossed up for the allowance for expected credit losses for all PCD assets at the date of adoption and will continue to recognize the non-credit discount in interest income based on the yield of such assets as of the adoption date. Subsequent changes in expected credit losses will be recorded through the allowance. For all other assets within the scope of CECL, a cumulative-effect adjustment will be recognized in retained earnings as of the beginning of the first reporting period in which the guidance is effective. The standard became effective for the Company beginning January 1, 2021. The adoption of this standard did not have a material impact on the Company's results of operations, financial condition, cash flows, and financial statement disclosure.

In December 2019, FASB issued ASU No. 2019-12, Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes. ASU 2019-12 eliminated certain exceptions and changed guidance on other matters. The exceptions relate to the allocation of income taxes in separate company financial statements, tax accounting for equity method investments and accounting for income taxes when the interim period year-to-date loss exceeds the anticipated full year loss. Changes relate to the accounting for franchise taxes that are income-based and non-income-based, determining if a step up in tax basis is part of a business combination or if it is a separate transaction, when enacted tax law changes should be included in the annual effective tax rate computation, and the allocation of taxes in separate company financial statements to a legal entity that is not subject to income tax. The new standard is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020, with early adoption permitted. The Company adopted this standard and did not result in a material impact on its results of operations, financial position and cash flows and related disclosures.

(Stated in USD)

NOTE 4 - MINERAL ASSETS EQUIPMENT, AND KINETIC SEPARATION INTELLECTUAL PROPERTY AND OTHER PROPERTY

The Company's mining properties acquired on August 18, 2014 that the Company retains as of March 31, 2021 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 March 31, 2021 include Hansen, North Hansen, and Hansen Picnic Tree located in Fremont and Teller Counties, Colorado. The Company also acquired the Keota project located in Weld County, Colorado 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.

The Company's mineral properties and equipment and kinetic separation intellectual property are:

	As of March 31, 2021	As of December 31, 2020
Mineral properties and equipment	$ 11,797,865	$ 11,735,522
Kinetic separation intellectual property	$ 9,488,051	$ 9,488,051

Oil and Gas Lease and Easement

The Company entered into an oil and gas lease that 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 lessee has agreed to pay the Company a royalty from the lessee's revenue attributed to oil and gas produced, saved, and sold attributable to the net mineral interest. The Company has also received cash payments from the lessee related to the easement that the Company is recognizing incrementally over the eight year term of the easement.

On June 23, 2020, the same entity as discussed above elected to extend the oil and gas lease easement for three additional years commencing on the date the lease would have previously expired.

During the three months ended March 31, 2021 and 2020 the Company recognized aggregate revenue of $16,155 and $11,155, respectively, under these oil and gas lease arrangements.

(Stated in USD)

NOTE 4 - MINERAL ASSETS EQUIPMENT, AND KINETIC SEPARATION 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 March 31, 2021 and December 31, 2020, to be approximately $906,832 and $906,811, respectively. On March 2, 2020, the Colorado Mined Land Reclamation Board ("MLRB") issued an order vacating the Van 4 Temporary Cessation, terminating mining operations and ordering commencement of final reclamation. The Company has begun the reclamation of the Van 4 Mine. The reclamation cost is fully covered by the reclamation bonds posted upon acquisition of the property. The Company adjusted the fair value of its reclamation obligation for the Van 4 Mine. The portion of the reclamation liability related to the Van 4 Mine, and its related restricted cash are included in current liabilities, and current assets, respectively, at a value of $75,057. The Company expects to begin incurring the reclamation liability after 2054 for all mines that are not in reclamation 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 March 31, 2021 and December 31, 2020 of $310,029 and $309,940, respectively. The gross reclamation liabilities as of March 31, 2021 and December 31, 2020 are secured by financial warranties in the amount of $906,832 and $906,811, respectively.

Reclamation liability activity for the three months ended March 31, 2021 and 2020 consists of:

	For the Three Months Ended March 31,	
	2021	2020
Beginning Balance	$ 309,940	$ 294,228
Accretion	2,758	4,176
Discontinuation of Reclamation Liability	(2,669)	-
Ending Balance	$ 310,029	$ 298,404

During the first quarter 2021, the Company received notice that its Ferris Haggerty property was no longer considered to be subject to reclamation treatment. The Company recorded a discontinuation of the Ferris Haggerty property's present value of $2,669 during the three months ended March 31, 2021.

Van 4 Mine Permitting Status

A prior owner of the Company's 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 must include all of the parties in the proceeding. The plaintiff organizations are 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, whereby the additional five-year temporary cessation period was granted. The Plaintiffs appealed this ruling to the Colorado Court of Appeals and on July 25, 2019 the ruling was reversed, ruling that the additional five-year temporary cessation period should not have been granted.

The MLRB and the Colorado Attorney General advised Western that it will not make an additional appeal of the ruling. Further, the time period for an appeal has passed. The Judge has subsequently issued an instruction for the MLRB to issue an order revoking the permit and putting the Van 4 Mine into reclamation. On January 22, 2020, the MLRB held a hearing and on March 2, 2020, the MLRB issued an order vacating the Van 4 Temporary Cessation, revoking the permit and ordered commencement of final reclamation, which must completed within five (5) years. The Company commenced reclamation of the Van 4 Mine but progress has been delayed both by COVID-19 restrictions and countrywide fire and open flame restrictions. The reclamation cost is fully covered by the reclamation bonds posted upon acquisition of the property.

(Stated in USD)

NOTE 4 - MINERAL ASSETS EQUIPMENT, AND KINETIC SEPARATION INTELLECTUAL PROPERTY AND OTHER PROPERTY, CONTINUED

Sunday Mine Complex Permitting Status

On February 4, 2020, the Colorado DRMS sent a Notice of Hearing to Declare Termination of Mining Operations related to the status of the mining permits issued by the state of Colorado for the Sunday Mine Complex. At issue was the application of an unchallenged Colorado Court of Appeals Opinion for a separate mine (Van 4) with very different facts that are retroactively modifying DRMS rules and regulations. The Company maintains that it was timely in meeting existing rules and regulations. The hearing was scheduled to be held during several monthly MLRB Board meetings, but this matter was delayed several times. The permit hearing was held during the MLRB Board monthly meeting on July 22, 2020. At issue was the status of the five existing permits which comprise the Sunday Mine Complex. Due to COVID restrictions, the hearing took place utilizing a virtual-only format. The Company prevailed in a 3 to 1 decision which acknowledged that the work completed at the Sunday Mines under DRMS oversight was timely and sufficient for Western to maintain these permits. In a subsequent July 30, 2020 letter, the DRMS notified the Company that the status of the five permits (Sunday, West Sunday, St. Jude, Carnation, and Topaz) had been changed to Active status effective June 10, 2019, the original date on which the change of the status was approved. On August 23, 2020, the Company initiated a request for temporary cessation status for the Sunday Mine Complex as the mines had not been restarted within a 180-day window due to the direct and indirect impacts of the COVID-19 pandemic. Accordingly, a permit hearing was scheduled for October 21, 2020 to determine temporary cessation status. In a unanimous vote, the MLRB approved temporary cessation status for each of the five Sunday Mine Complex permits (Sunday, West Sunday, St. Jude, Carnation, and Topaz). On October 9, 2020, the MLRB issued a board order which finalized the findings of the July 22, 2020 permit hearing. On November 10, 2020, the MLRB issued a board order which finalized the findings of the October 21, 2020 permit hearing. On November 6, 2020, the MLRB signed an order placing the five Sunday Mine Complex mine permits into Temporary Cessation. On November 12, 2020, a coalition of environmental groups (the "Plaintiffs") filed a complaint against the MLRB seeking a partial appeal of the July 22, 2020 decision by requesting termination of the Topaz Mine permit. On December 15, 2020, the same coalition of environmental groups amended their complaint against the MLRB seeking a partial appeal of the October 21, 2020 decision requesting termination of the Topaz Mine permit. The Company has joined with the MLRB in defense of their July 22, 2020 and October 21, 2020 decisions. On May 5, 2021, the Plaintiff in the Topaz Appeal filed an opening brief with the Denver District Court seeking to overturn the July 22, 2020 and October 21, 2020 MLRB permit hearing decisions on the Topaz Mine permit. The MLRB and the Company will respond with an answer brief within 35 days on or before June 9, 2021. The Plaintiff may file a reply brief 21 days thereafter.

NOTE 5 - ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consisted of:

	As of	
	March 31, 2021	December 31, 2020
Trade accounts payable	$ 348,090	$ 347,017
Accrued liabilities	145,605	141,777
Total accounts payable and accrued liabilities	$ 493,695	$ 488,794

NOTE 6 – COMMITMENTS AND CONTINGENCIES

Supply Contract

In December 2015, the Company signed a uranium concentrates supply agreement with a major U.S. utility company for delivery commencing in 2018 and continuing for a five year period through 2022. As the Company does not possess saleable uranium, 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 Year 1 delivery was made during 2018 and the assignee was paid the full consideration under the agreement. The Company did not recognize any gain or loss on this transaction. In Year 2, a partial assignment agreement was put in place whereby the assignee accepted the Company's right to the Year 2 delivery of 125,000 pounds of natural uranium concentrates. The Year 2 delivery was made during 2019 and the assignee was paid the full consideration under the agreement. The Company did not recognize any gain or loss on this transaction. The Company and the U.S. utility customer mutually agreed to cancel the Year 3 delivery, rather than pursue a partial assignment; there was no delivery during 2020. On March 8, 2021, the Company entered into an agreement with a third party to complete the 2021 (Year 4) uranium concentrate delivery. The Company agreed to pay $78,000 in April 2021 to the assignee for the assignee making the delivery in May 2021.

NOTE 7 - SHARE CAPITAL AND OTHER EQUITY INSTRUMENTS

Authorized Capital

The holders of the Company's common shares are entitled to one vote per share. Holders of common shares are entitled to receive rateably 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 shares are entitled to share rateably in all assets of the Company that are legally available for distribution. As of March 31, 2021 and December 31, 2020, an unlimited number of common shares were authorized for issuance.

Private Placement

On February 16, 2021, the Company closed on a non-brokered private placement of 3,250,000 units at a price of CAD $0.80 per unit. The aggregate gross proceeds raised in the private placement amounted to CAD $2,600,000 (USD $1,950,509 in net proceeds). Each unit consisted of one common share of Western (a "Share") plus one common share purchase warrant of Western (a "Warrant"). Each warrant entitled the holder to purchase one Share at a price of CAD $1.20 per Share for a period of three years following the closing date of the private placement. A total of 3,250,000 Shares and 3,250,000 Warrants were issued in the private placement.

On March 1, 2021, the Company closed on a non-brokered private placement of 3,125,000 units at a price of CAD $0.80 per unit. The aggregate gross proceeds raised in the private placement amounted to CAD $2,500,000 (USD $1,918,757 in net proceeds). Each unit consisted of one common share of Western (a "Share") plus one common share purchase warrant of Western (a "Warrant"). Each warrant entitled the holder to purchase one Share at a price of CAD $1.20 per Share for a period of three years following the closing date of the private placement. A total of 3,125,000 Shares and 3,125,000 Warrants were issued in the private placement.

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 March 31, 2021, a total of 36,458,747 common shares were outstanding, and at that date the maximum number of stock options eligible for issue under the Plan was 3,645,875.

(Stated in USD)

NOTE 7 - SHARE CAPITAL AND OTHER EQUITY INSTRUMENTS, CONTINUED

Stock Options

	Number of Shares	Weighted Average Exercise Price (USD)	Weighted Average Contractual Life (years)	Weighted Average Grant Date Fair Value (USD)	Intrinsic Value (USD)
Outstanding - January 1, 2021	2,808,000	$ 1.42	2.43	$ 0.37	$ 33,782
Outstanding – March 31, 2021	2,808,000	$ 1.44	2.19	$ 0.37	$ 783,285
Exercisable – March 31, 2021	2,808,000	$ 1.44	2.19	$ 0.37	$ 783,285

The Company's stock based compensation expense related to stock options for the three months ended March 31, 2021 and 2020 was $0 and $154,042, respectively. As of March 31, 2021, the Company had $0 in unamortized stock option expense.

Warrants

	Number of Shares	Weighted Average Exercise Price (USD)	Weighted Average Contractual Life (years)	Intrinsic Value (USD)
Outstanding - January 1, 2021	8,533,582	$ 1.54	0.82	
Issued	6,539,940	0.95		
Expired	(547,403)	1.60		
Outstanding – March 31, 2021	14,526,119	$ 1.30	1.65	$ 6,773,563
Exercisable – March 31, 2021	14,526,119	$ 1.30	1.65	$ 6,773,563

NOTE 8 - MINING EXPENDITURES

	For the Three Months Ended March 31, 2021	2020
Permits	$ 40,724	$ 35,212
Mining Costs	5,976	198,054
Royalties	1,159	1,450
	$ 47,859	$ 234,716

NOTE 9 - RELATED PARTY TRANSACTIONS AND BALANCES

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

Prior to the acquisition of Black Range, Mr. George Glasier, the Company's CEO, who is also a director ("Seller"), 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 $380,845 as of March 31, 2021) to Seller within 60 days of the first commercial application of the kinetic separation 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 is estimable, the Company recorded the deferred contingent consideration as an assumed liability in the amount of $380,845 and $392,086 as of March 31, 2021 and December 31, 2020, respectively.

NOTE 10 – COVID-19

During 2020 and continuing into 2021, the world has been, and continues to be, impacted by the novel coronavirus ("COVID-19") pandemic. COVID-19 and measures to prevent its spread impacted our business in a number of ways. The impact of these disruptions and the extent of their adverse impact on the Company's financial and operating results will be dictated by the length of time that such disruptions continue, which will, in turn, depend on the currently unknowable duration and severity of the impacts of COVID-19, and among other things, the impact of governmental actions imposed in response to COVID-19 and individuals' and companies' risk tolerance regarding health matters going forward and developing strain mutations. To date, COVID-19 has primarily caused Western delays in reporting, regulatory, and operations. Most notably, the Company initiated a request for temporary cessation status for the Sunday Mine Complex as the mines had not been restarted within the 180-day window due to the direct and indirect impacts of the COVID-19 pandemic. The Van 4 Mine reclamation process was also delayed because of the COVID-19 pandemic. The Company is monitoring COVID-19's potential impact on the Company's operations.

NOTE 11 – SUBSEQUENT EVENTS

Subsequent to March 31, 2021, an aggregate of 1,706,570 warrants were exercised for total gross proceeds of CAD $1,966,059 (USD $1,533,526 in gross proceeds). The warrants exercised predominantly included warrants whose expiration was previously extended until April 30, 2021 and May 9, 2021. Eighty percent of the warrant holders elected to exercise and the residual warrants have expired.