WESTERN URANIUM & VANADIUM CORP.

FORM 10-Q
(Quarterly Report)

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)
☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2024

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ______________to ______________

Commission File Number **000-55626**

WESTERN URANIUM & VANADIUM CORP.
(Exact Name of Registrant as Specified in Its Charter)

Ontario, Canada	**98-1271843**
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification Number)
330 Bay Street, Suite 1400 Toronto, Ontario, Canada	**M5H 2S8**
(Address of Principal Executive Offices)	(Zip Code)

(970) 864-2125
(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of exchange on which registered
N/A		

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☐
Non-accelerated filer ☒	Smaller reporting company ☒
	Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of November 14, 2024, 55,223,113 of the registrant's no par value common shares were outstanding.

WESTERN URANIUM & VANADIUM CORP.
FORM 10-Q
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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

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

	As of	
	September 30, 2024	December 31, 2023
Assets		
Current assets:		
Cash and cash equivalents	$ 6,646,402	$ 9,217,585
Restricted cash, current portion	75,075	75,075
Prepaid expenses	205,644	382,314
Marketable securities	-	385
Other current assets	86,183	131,255
Total current assets	7,013,304	9,806,614
Restricted cash, net of current portion	737,918	676,369
Property, plant & equipment and mineral properties, net	15,670,078	14,926,289
Kinetic separation intellectual property	9,488,051	9,488,051
Total assets	$ 32,909,351	$ 34,897,323
Liabilities and Shareholders' Equity		
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	$ 763,442	$ 761,123
Reclamation liability, current portion	75,057	75,057
Total current liabilities	838,499	836,180
Reclamation liability, net of current portion	262,880	241,562
Deferred tax liability	2,708,887	2,708,887
Deferred contingent consideration	346,820	340,650
Total liabilities	4,157,086	4,127,279
Shareholders' Equity		
Common shares, no par value, unlimited authorized shares, 55,223,419 and 50,002,395 shares issued as of September 30, 2024 and December 31, 2023, respectively, and 55,223,113 and 50,002,089 shares outstanding as of September 30, 2024 and December 31, 2023, respectively	55,178,572	49,661,910
Treasury shares, 306 shares held in treasury as of September 30, 2024 and December 31, 2023	-	-
Accumulated deficit	(26,161,437)	(18,817,857)
Accumulated other comprehensive loss	(264,870)	(74,009)
Total shareholders' equity	28,752,265	30,770,044
Total liabilities and shareholders' equity	$ 32,909,351	$ 34,897,323

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

	For the Three Months Ended September 30, 2024	For the Three Months Ended September 30, 2023	For the Nine Months Ended September 30, 2024	For the Nine Months Ended September 30, 2023
Revenues	$ 52,981	$ 89,144	$ 147,035	$ 357,908
Expenses				
Mining expenditures	1,166,343	730,854	3,860,173	1,992,503
Professional fees	127,049	44,382	484,926	303,312
General and administrative	813,403	365,197	2,604,516	1,384,316
Consulting fees	247,850	48,251	738,204	48,988
Total operating expenses	2,354,645	1,188,684	7,687,819	3,729,119
Operating loss	(2,301,664)	(1,099,540)	(7,540,784)	(3,371,211)
Accretion and interest income, net	(62,492)	(39,498)	(199,202)	(126,979)
Other income, net	1,998	-	1,998	(4,000)
Net loss	(2,241,170)	(1,060,042)	(7,343,580)	(3,240,232)
Other comprehensive (loss) income				
Foreign currency translation adjustment	14,018	(43,474)	(190,861)	14,716
Comprehensive loss	$ (2,227,152)	$ (1,103,516)	$ (7,534,441)	$ (3,225,516)
Net loss per share - basic and diluted	$ (0.04)	$ (0.02)	$ (0.14)	$ (0.07)
Weighted average shares outstanding - basic and diluted	55,223,113	43,609,774	54,338,493	43,604,977

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

	Common Shares		Treasury Shares		Accumulated	Accumulated Other Comprehensive	
	Shares	Amount	Shares	Amount	Deficit	Loss	Total
Balance as of January 1, 2024	50,002,089	$ 49,661,910	306	$ -	$ (18,817,857)	$ (74,009)	$ 30,770,044
Foreign currency translation adjustment	-	-	-	-	-	(142,359)	(142,359)
Proceeds from the exercise of warrants	5,198,540	4,605,458	-	-	-	-	4,605,458
Stock-based compensation - stock options	-	522,862	-	-	-	-	522,862
Cashless exercise of stock options	22,484	-	-	-	-	-	-
Net loss	-	-	-	-	(2,476,888)	-	(2,476,888)
Balance as of March 31, 2024	55,223,113	$ 54,790,230	306	$ -	$ (21,294,745)	$ (216,368)	$ 33,279,117
Foreign currency translation adjustment	-	-	-	-	-	(62,520)	(62,520)
Stock-based compensation - stock options	-	236,442	-	-	-	-	236,442
Net loss	-	-	-	-	(2,625,522)	-	(2,625,522)
Balance as of June 30, 2024	55,223,113	$ 55,026,672	306	$ -	$ (23,920,267)	$ (278,888)	$ 30,827,517
Foreign currency translation adjustment	-	-	-	-	-	14,018	14,018
Stock-based compensation - stock options	-	151,900	-	-	-	-	151,900
Net loss	-	-	-	-	(2,241,170)	-	(2,241,170)
Balance as of September 30, 2024	55,223,113	$ 55,178,572	306	$ -	$ (26,161,437)	$ (264,870)	$ 28,752,265
Balance as of January 1, 2023	43,602,565	$ 43,394,303	306	$ -	$ (13,875,263)	$ (261,132)	29,257,908
Foreign currency translation adjustment	-	-	-	-	-	6,314	6,314
Stock-based compensation - stock options	-	252,742	-	-	-	-	252,742
Net loss	-	-	-	-	(1,103,531)	-	(1,103,531)
Balance as of March 31, 2023	43,602,565	$ 43,647,045	306	$ -	$ (14,978,794)	$ (254,818)	$ 28,413,433
Foreign currency translation adjustment	-	-	-	-	-	51,876	51,876
Stock based compensation - stock options	-	98,158	-	-	-	-	98,158
Net loss	-	-	-	-	(1,076,659)	-	(1,076,659)
Balance as of June 30, 2023	43,602,565	$ 43,745,203	306	$ -	$ (16,055,453)	$ (202,942)	$ 27,486,808
Foreign currency translation adjustment	-	-	-	-	-	(43,474)	(43,474)
Proceeds from the exercise of warrants	656,000	551,629	-	-	-	-	551,629
Net loss	-	-	-	-	(1,060,042)	-	(1,060,042)
Balance as of September 30, 2023	44,258,565	$ 44,296,832	306	$ -	$ (17,115,495)	$ (246,416)	$ 26,934,921

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

	For the Nine Months Ended September 30,	
	2024	2023
Cash Flows Used In Operating Activities:		
Net loss	$ (7,343,580)	$ (3,240,232)
Reconciliation of net loss to cash used in operating activities:		
Depreciation	433,148	163,223
Loss on the sale of equipment	1,998	-
Accretion of reclamation liability	9,164	9,321
Stock-based compensation	893,688	350,900
Change in marketable securities	385	189
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	221,742	185,657
Accounts payable and accrued liabilities	2,319	26,333
Reclamation Liability	12,154	4,035
Deferred revenue	-	(43,860)
Contingent consideration	6,170	(18,853)
Net cash used in operating activities	(5,762,812)	(2,563,287)
Cash Flows Used In Investing Activities		
Purchase of property, plant & equipment and mineral properties	(1,182,935)	(1,874,183)
Proceeds from sale of equipment	4,000	-
Net cash used in investing activities	(1,178,935)	(1,874,183)
Cash Flows Provided By Financing Activities		
Proceeds from warrant exercises	4,605,458	551,629
Net cash provided by financing activities	4,605,458	551,629
Effect of foreign exchange rate on cash	(173,345)	14,716
Net increase (decrease) in cash and cash equivalents and restricted cash	(2,509,634)	(3,871,125)
Cash and cash equivalents and restricted cash - beginning	9,969,029	10,433,538
Cash and cash equivalents and restricted cash - ending	$ 7,459,395	$ 6,562,413
Cash and cash equivalents	$ 6,646,402	$ 5,810,969
Restricted cash, current portion	75,075	75,075
Restricted cash, noncurrent	737,918	676,369
Total cash and cash equivalents and restricted cash	$ 7,459,395	$ 6,562,413
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Interest	$ -	$ -
Income taxes	$ -	$ -

NOTE 1 – BUSINESS

Nature of operations

Western Uranium & Vanadium Corp. (“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. Western is a Canadian domestic issuer and Canadian reporting issuer.

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 under the symbol “WSTRF”. The Company’s 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 September 16, 2015, Western completed its acquisition of Black Range Minerals Limited (“Black Range”). Under United States Securities and Exchange Commission (“Commission”) rules, this transaction triggered the Company being deemed a United States domestic issuer and losing its foreign private issuer exemption. On April 29, 2016, the Company filed a Form 10 registration statement with the Commission after converting its basis of accounting from International Financial Reporting Standards (“IFRS”) to generally accepted accounting principles in the United States (“U.S. GAAP”). On June 28, 2016, the Company’s registration statement became effective and Western became a United States reporting issuer.

On June 30, 2023, Western re-qualified as a foreign private issuer as that term is defined in Rule 3b-4(c) promulgated under the Securities Exchange Act of 1934 (the “Exchange Act”). As a result, the Company may now utilize certain accommodations made to foreign private issuers, including (1) an exemption from complying with the Commission’s proxy rules, (2) an exemption from the Company’s insiders having to comply with the reporting and short-swing trading liability provisions of Section 16 under the Exchange Act, (3) the ability to make periodic filings with the Commission on the Form 20-F and Form 6-K foreign issuer forms, and (4) the ability to offer and sell unrestricted securities outside of the United States pursuant to Rule 903 of Regulation S. The Company intends to take advantage of these accommodations. However, the Company currently has decided to voluntarily continue to file periodic reports with the Commission using domestic issuer forms including filing annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K. On the subsequent measurement date June 30, 2024, Western reconfirmed its qualification as a foreign private issuer.

NOTE 2 – LIQUIDITY AND GOING CONCERN

With the exception of the quarter ended June 30, 2022, the Company has incurred losses from its operations. During the three and nine months ended September 30, 2024, the Company generated a net loss of $2,241,170 and $7,343,580, respectively. The Company expects to generate operating losses for the foreseeable future as it incurs expenses to bring its mineral processing facilities online and further expand mining operations. As of September 30, 2024, the Company had an accumulated deficit of $26,161,437 and working capital of $6,174,805.

Since inception, the Company has met its liquidity requirements principally through the issuance of notes and the sale of its common shares. During the nine months ended September 30, 2024, the Company received $4,605,458 in proceeds from the exercise of its common share warrants. On December 12, 2023, the Company closed a non-brokered private placement of 5,215,828 units at a price of $1.02 (CAD $1.39) per unit. The aggregate gross proceeds raised in the private placement amounted to $5,324,988 (CAD $7,250,000) and net proceeds amounted to $4,836,867 (CAD $6,588,089). During the year ended December 31, 2023, the Company received $1,004,044 in proceeds from the exercise of its common share warrants.

The Company’s ability to continue its planned 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 financing, to secure regulatory approval to fully utilize its kinetic separation (“Kinetic Separation”) technology, and to initiate the processing of ore to generate operating cash flows.

NOTE 2 – LIQUIDITY AND GOING CONCERN, CONTINUED

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 interim consolidated financial statements. The accompanying condensed interim 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 interim consolidated financial statements have been prepared in accordance with U.S. GAAP 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 U.S. GAAP for complete financial statements. 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 interim consolidated financial statements. These condensed interim 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, 2023, as filed with the SEC on April 16, 2024. The Company has voluntarily elected to file this Quarterly Report on Form 10-Q for the quarter ended September 30, 2024 notwithstanding its foreign private issuer status. Operating results for the three and nine months ended September 30, 2024 are not necessarily indicative of the results that may be expected for any subsequent quarters or for the year ending December 31, 2024.

The accompanying condensed interim 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., Black Range Development Utah LLC and Maverick Strategic Minerals Corp. All inter-company transactions and balances have been eliminated upon consolidation.

The Company reports operating and financial results in a single segment based on the consolidated information used by the chief operating decision maker ("CODM") in evaluating the financial performance of its business and allocating resources. This single segment reflects the Company's core business: produce critical minerals. As the Company has one reportable segment, net loss, total assets and working capital are equal to consolidated results.

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"), through the completion of a "final" or "bankable" feasibility study for any of its uranium projects.

Exploration Stage and Mineral Properties

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, disposal wells, and mine development, are expensed as incurred until such time proven or probable reserves are established for that uranium project, after which subsequent expenditures relating to development activities for that particular project are capitalized as incurred. Expenditures relating to mining and production while the Company is in the exploration stage and while the mined material is stockpiled underground are expensed as incurred.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Exploration Stage and Mineral Properties, continued

Production stage issuers, as defined in subpart 1300 of Regulation S-K, having engaged in material extraction of established mineral reserves on at least one material property, 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 an exploration stage issuer, 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 interim consolidated financial statements may not be directly comparable to the financial statements of companies in the production stage. Western will not be eligible to become a production stage issuer, and will remain an exploration stage issuer, until such time as mineral reserves are established on at least one material property.

Use of Estimates

The preparation of these condensed interim 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 interim consolidated financial statements of changes in such estimates in future periods could be significant. Significant areas requiring management's estimates and assumptions include the determination of 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 of mineral properties and equipment, valuation of deferred contingent consideration, valuation of the reclamation liability and valuation of stock-based compensation. 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. The functional currencies of the subsidiaries is the United States dollar. Monetary assets and liabilities of these subsidiaries are translated at the exchange rates at the balance sheet date. Transactions denominated in currencies other than the functional currency are recorded based on the exchange rates at the time of the transaction. 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 interim consolidated balance sheets.

Segment Information

The Company identifies its operating segments in accordance with Accounting Standards Codification 280, Segment Reporting, or ASC 280. Operating segments are defined as components of an enterprise about which separate discrete financial information is available for evaluation by the chief operating decision maker, or decision-making group, in deciding how to allocate resources and in assessing performance. The Company's chief operating decision maker, its Chief Executive Officer, manages the Company's operations on a consolidated basis for the purposes of allocating resources. Accordingly, the Company has determined it operates and manages its business in a single reportable operating segment.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Cash and Cash Equivalents

The Company considers all highly-liquid instruments with an original maturity of three months or less at the time of issuance to be cash equivalents. There were no cash equivalents at September 30, 2024 and December 31, 2023.

Marketable Securities

The Company classifies its marketable securities as available-for-sale securities, which are carried at their fair value based on the quoted market prices of the securities with unrealized gains and losses reported as accumulated other comprehensive (loss) income, a separate component of shareholders' equity. Realized gains and losses on available-for-sale securities are included in net earnings in the period earned or incurred. Effective September 30, 2024 the Company's sole marketable security was fully impaired and written off.

Restricted Cash

Certain cash balances are restricted as they relate to deposits with banks that have been assigned to state reclamation authorities in the United States to secure various reclamation guarantees with respect to mineral properties in Utah and Colorado. As these funds are not available for general corporate purposes and secure the long term reclamation liability (see Note 4), they have been separately disclosed and classified as long-term for the majority of the Company's mines. As of September 30, 2024 and December 31, 2023, the Company has determined that the Van 4 Mine is considered to be in reclamation. The Company recognized the Van 4 Mine's reclamation liability and its restricted cash in full on the Company's condensed interim consolidated balance sheets as current.

Property, Plant & Equipment and Mineral Properties, Net

Property, plant and equipment is stated at cost less accumulated depreciation. Depreciation is calculated using the straight-line method.

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 the Financial Accounting Standards Board ("FASB") 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 based upon production.

Fair Values of Financial Instruments

The carrying amounts of cash and cash equivalents, restricted cash – current portion, accounts payable and accrued liabilities 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 operating and financing activities are conducted primarily in Canadian dollars, and as a result, the Company is subject to exposure to market risks from changes in foreign currency rates. The carrying amount of restricted cash – net of current portion, approximates fair value as the accounts earn interest at market 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.

The FASB 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).

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Fair Values of Financial Instruments, continued

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 and inputs that are derived principally from or corroborated by observable market data or correlation by other means.

The fair value of the Company's financial instruments are as follows (the Company had no marketable securities as of September 30, 2024):

	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 December 31, 2023	$ 385	$ -	$ -

Stock-Based Compensation

The Company follows the FASB 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 fair value of the stock or the fair value of the service, whichever is more readily measurable. 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 consultants, this is typically considered to be the vesting period of the award.

(Stated in USD)

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Net 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 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 net loss per share for each of the three and nine months ended September 30, 2024 and 2023 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 September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
Warrants to purchase common shares	5,578,739	8,706,076	5,578,739	8,706,076
Options to purchase common shares	4,473,334	3,770,334	4,473,334	3,770,334
Total potentially dilutive securities	10,052,073	12,476,410	10,052,073	12,476,410

Recent Accounting Standards

In November 2023, the FASB issued Accounting Standard Update ("ASU") 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures." This ASU requires annual and interim disclosures about significant segment expenses that are regularly provided to the CODM and included within each reported measure of segment profit or loss as well as the amount and composition of other segment items. The standard is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. The Company is still evaluating the full extent of the potential impact of the adoption of ASU 2023-09, but believes it will not have a material impact on its condensed interim consolidated financial statements and disclosures.

In December 2023, the FASB issued ASU 2023-09 – Improvements to Income Tax Disclosures, which enhances the transparency and decision usefulness of income tax disclosures. The standard is effective for public companies for annual periods beginning after December 15, 2024. Early adoption is available. The Company is still evaluating the full extent of the potential impact of the adoption of ASU 2023-09, but believes it will not have a material impact on its condensed interim consolidated financial statements and disclosures.

(Stated in USD)

NOTE 4 - PROPERTY, PLANT & EQUIPMENT AND MINERAL PROPERTIES, NET AND KINETIC SEPARATION INTELLECTUAL PROPERTY

The Company's mining properties acquired on August 18, 2014 that the Company retains as of September 30, 2024 include: The 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 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 September 30, 2024 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 property, plant & equipment and mineral properties, net and kinetic separation intellectual property are:

	Estimated Useful Lives	As of September 30, 2024	As of December 31, 2023
Mineral properties	N/A	$ 11,688,841	$ 11,688,841
Mining equipment	5 years	3,144,398	2,345,055
Vehicles	5 years	1,048,246	549,703
Software	5 years	9,120	-
Construction in progress	N/A	177,658	312,384
Land	N/A	351,957	351,957
Total property, plant & equipment and mineral properties		$ 16,420,220	$ 15,247,940
Less: accumulated depreciation		750,142	321,651
Property, plant & equipment and mineral properties, net		$ 15,670,078	$ 14,926,289
Kinetic separation intellectual property		$ 9,488,051	$ 9,488,051

NOTE 4 - PROPERTY, PLANT & EQUIPMENT AND MINERAL PROPERTIES, NET AND KINETIC SEPARATION INTELLECTUAL PROPERTY, CONTINUED

Property, plant & equipment and mineral properties, net

During the nine months ended September 30, 2024 and 2023, Western made purchases of $1,182,935 and $1,874,183, which principally consisted of mining equipment and vehicles to increase mining capacity. For the three months ended September 30, 2024 and 2023, depreciation expense was $168,782 and $65,886, and for the nine months ended September 30, 2024 and 2023, depreciation expense was $433,148 and $163,223, respectively, which was included in mining expenditures on the Company's condensed interim consolidated statements of operations and other comprehensive loss.

Oil and Gas Lease and Easement

In 2017, the Company entered into an oil and gas lease that became effective with respect to minerals and mineral rights owned by the Company on 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 operator elected to extend the oil and gas lease easement for three additional years through July 2023. This was done to provide additional time in order to complete well construction and commence oil and gas production. During 2021, the operator completed a first set of eight (8) wells which commenced oil and gas production by August 2021. During 2022, the operator completed a second set of eight (8) wells which commenced oil and gas production by August 2022. All sixteen (16) wells remain in production and monthly royalty payments will be ongoing in perpetuity as long as oil and/or gas are produced from the pooled unit containing these sixteen (16) wells.

For the three months ended September 30, 2024 and 2023, the Company recognized aggregate revenue of $52,981 and $89,144, respectively, and for the nine months ended September 30, 2024 and 2023, the Company recognized aggregate revenue of $147,035 and $357,908, respectively, under these oil and gas lease arrangements.

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. In connection with the Company's San Rafael Mine, during the three months ended September 30, 2024, the Company incurred an additional gross and discounted reclamation liability of $61,403 and $12,154, respectively. The Company determined the gross reclamation liabilities of the mineral properties to be $812,027 and $751,444 as of September 30, 2024 and December 31, 2023, respectively. The portion of the reclamation liability related to the Van 4 Mine, which is in reclamation as of September 30, 2024, and its related restricted cash are included in current liabilities and current assets, respectively, at a value of $75,057. During the nine months ended September 30, 2024, the Company's internal mining operations team has been performing the Van 4 Mine reclamation work, and the State of Colorado has not yet reduced the associated reclamation liability amount. 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%. The net discounted aggregated values as of September 30, 2024 and December 31, 2023 were $262,880 and $241,562, respectively. The gross reclamation liabilities as of September 30, 2024 and December 31, 2023 are secured by financial warranties in the amount of $812,027 and $751,444, respectively.

(Stated in USD)

NOTE 4 - PROPERTY, PLANT & EQUIPMENT AND MINERAL PROPERTIES, NET AND KINETIC SEPARATION INTELLECTUAL PROPERTY, CONTINUED

Reclamation Liabilities, continued

Reclamation liability activity consists of:

	For the Nine Months Ended September 30, 2024	2023
Beginning balance at January 1	$ 316,619	$ 300,276
Adjustment to reclamation liability	12,154	4,035
Accretion	9,164	9,321
Ending Balance at September 30	$ 337,937	$ 313,632
Less: Reclamation liability, current portion	75,057	75,057
Reclamation liability, net of current portion	$ 262,880	$ 238,575

Topaz Mine Permitting Status

In November 2020 and December 2020, a coalition of environmental groups (the "Plaintiffs") filed a complaint against the Mined Land Reclamation Board ("MLRB") seeking partial appeals of prior MLRB decisions, requesting the termination of the Topaz Mine permit. The Company joined with the MLRB in defense of those decisions. On May 5, 2021, the Plaintiffs 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 sought a settlement with the Plaintiffs. A settlement was not reached, and the MLRB and the Company submitted answer briefs on August 20, 2021. The Plaintiffs submitted a reply brief on September 10, 2021. On March 1, 2022, the Denver District Court reversed the MLRB's orders regarding the Topaz Mine and remanded the case back to the MLRB for further proceedings consistent with its order. Subsequently on March 20, 2023, the MLRB issued a board order for the Company to commence final reclamation, which upon completion will terminate mining operations at the Topaz Mine. Reclamation commenced immediately at the Topaz Mine and is to be completed within five years by March 2028.

The Company has been working toward the completion of an updated Topaz Mine Plan of Operations ("Topaz Mine Plan"), which is a separate federal requirement of the U.S. Bureau of Land Management ("BLM") for the conduct of mining activities on the federal land at the Topaz Mine. This is a prerequisite to re-permit the Topaz Mine with Colorado's DRMS. In connection with the Topaz Mine Plan, an environmental assessment was prepared by an outside consultant and submitted to the BLM on June 24, 2024. The BLM issued a letter to the Company on August 2, 2024 advising that the application for the Topaz Mine Plan had run past the allowed evaluation period and was cancelled. A new federal law called the Fiscal Responsibility Act of 2023 was enacted that creates a one year time limit for BLM reviews. Under the transitional rules, the Topaz project was not eligible for an extension due to its duration. However, the project can be resubmitted and be picked-up where it was left off. The re-scoping process will need to be repeated to start the one year time clock. The Company is making a determination as to the best means and timing to resubmit its application.

San Rafael Permitting Status

The San Rafael Uranium Project, located in Emery County, Utah, is being developed as the Company's second production facility. During the second quarter 2024, Western submitted a Notice of Intent to the BLM that was approved for a mineral and groundwater exploration project. During the third quarter of 2024, Utah's Division of Oil, Gas & Mining gave its approval of the exploration permit application and the Company posted a $60,300 Financial Guarantee of reclamation costs with the BLM. Following the completion of repairs to access roads, the phase 1 drilling program is set to begin in 2024. Initially, groundwater monitoring wells will be installed at five drilling locations, reaching depths of approximately 1,000 feet. During the borehole completion process, mineralization will also be assessed and confirmed against historical drill data. This project will provide the baseline data needed for permitting application submission.

(Stated in USD)

NOTE 4 - PROPERTY, PLANT & EQUIPMENT AND MINERAL PROPERTIES, NET AND KINETIC SEPARATION INTELLECTUAL PROPERTY, CONTINUED

Kinetic Separation Intellectual Property

The Kinetic Separation intellectual property was acquired in Western's acquisition of Black Range on September 16, 2015. Previously Black Range acquired its Kinetic Separation assets in the dissolution of a joint venture on March 17, 2015, through the acquisition of all the assets of the joint venture and received a 25-year license to utilize all of the patented and unpatented technology owned by the joint venture. The technology license agreement for patents and unpatented technology became effective as of March 17, 2015, for a period of 25 years, until March 16, 2040. There are no remaining license fee obligations, and there are no future royalties due under the agreement. The Company has the right to sub-license the technology to third parties. The Company may not sell or assign the Kinetic Separation license; however, the license could be transferred in the case of a sale of the Company. The Company has developed improvements to Kinetic Separation during the term of the license agreement and retains ownership of, and may obtain patent protection on, any such improvements developed by the Company.

The Kinetic Separation patent was filed on September 13, 2012 and granted on February 14, 2014 by the United States Patent Office. The patent is effective for a period of 20 years until September 13, 2032. This patent is supported by two provisional patent applications. The provisional patent applications expired after one year but were incorporated in the U.S. Patent by reference and claimed benefit prior to their expirations. The status of the patent and two provisional patent applications has not changed subsequent to the 2014 patent grant. The Company has the continued right to use any patented portion of the Kinetic Separation technology that enters the public domain subsequent to the patent expiration.

The Company anticipates Kinetic Separation will improve the efficiency of the mining and processing of the sandstone-hosted mined material from Western's conventional mines through the separation of waste from mineral bearing-ore, potentially reducing transportation, mill processing, and mill tailings costs. Kinetic Separation is not currently in use or being applied at any Company mines. The Company views Kinetic Separation as a cost saving technology, which it will seek to incorporate subsequent to commencing scaled production levels. There are also alternative applications, which the Company has explored.

NOTE 5 - ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consist of:

	As of	
	September 30, 2024	December 31, 2023
Trade accounts payable	$ 499,710	$ 562,831
Accrued liabilities	263,732	198,292
Total accounts payable and accrued liabilities	$ 763,442	$ 761,123

NOTE 6 - 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 ratably receive such dividends, if any, as may be declared by the board of directors, out of legally available funds. Upon the liquidation, dissolution, or winding down of the Company, holders of common shares are entitled to share ratably in all assets of the Company that are legally available for distribution. As of September 30, 2024 and December 31, 2023, an unlimited number of common shares were authorized for issuance.

Warrant Exercises

During the three and nine months ended September 30, 2024, an aggregate of 0 and 5,198,540 warrants were exercised for total proceeds of $0 and $4,605,458 (CAD $6,238,248), respectively.

During the three and nine months ended September 30, 2023, an aggregate of 656,000 warrants were exercised for total gross proceeds of $551,629.

Incentive Stock Option Plan

The Company maintains an Incentive Stock Option Plan (the "Plan") that permits the granting of stock options as incentive compensation.

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 September 30, 2024, a total of 55,223,113 common shares were outstanding. As of September 30, 2024, the maximum number of stock options eligible to be issued under the Plan would be 5,522,311 and net of 4,473,334 options outstanding as of September 30, 2024, there remain 1,048,977 stock options available to be issued under the Plan.

Shareholder Rights Plan

On May 24, 2023, the Company adopted and on June 29, 2023, the shareholders approved a shareholder rights plan, which is designed to ensure the fair treatment of shareholders in connection with any take-over bid for the Company and to provide the Board of Directors and shareholders with sufficient time to fully consider any unsolicited takeover bid (the "Shareholder Rights Plan"). The Shareholder Rights Plan also provides the Board of Directors with time to pursue, if appropriate, other alternatives to maximize shareholder value in the event of a takeover bid.

Pursuant to the terms of the Shareholder Rights Plan subject to a triggering event as defined in the Shareholder Rights Plan and as determined by the Board of Directors, rights (the "Rights") will be issued to holders of Common Shares at a rate of one Right for each Share outstanding.

(Stated in USD)

NOTE 6 - SHARE CAPITAL AND OTHER EQUITY INSTRUMENTS, CONTINUED

Stock Options

During the nine months ended September 30, 2024, the Company issued 22,484 shares of common stock pursuant to the cashless exercise of 41,666 stock options with an exercise price of $0.79 (CAD $1.03).

During the nine months ended September 30, 2024, the Company granted a stock option to a director for the purchase of 100,000 shares of common stock with a weighted average grant date fair value of $0.80 per share.

The Company utilized the Black-Scholes option pricing model to determine the fair value of this grant, using the assumptions as outlined below:

	For the Nine Months Ended September 30, 2024
Stock price	CAD $2.00
Exercise price	CAD $2.00
Dividend yield	0%
Expected volatility	79.1% - 88.0%
Weighted average risk-free interest rate	4.22%
Expected life (in years)	2.55 - 3.05

There were no stock options granted during the nine months ended September 30, 2023.

	Number of Shares	Weighted Average Exercise Price	Weighted Average Contractual Life (Years)	Intrinsic Value
Outstanding – January 1, 2024	4,917,666	$ 1.22	3.85	$ 214,875
Granted	100,000	1.47		
Forfeited and expired	(502,666)	1.50		
Exercised	(41,666)	0.79		
Outstanding – September 30, 2024	4,473,334	$ 1.19	3.40	$ 1,057,764
Exercisable – September 30, 2024	3,948,326	$ 1.19	3.14	$ 952,300

The Company's stock-based compensation expense (net of effect of forfeitures) related to stock options for the three months ended September 30, 2024 was $149,038 of which ($3,918) and $152,956 was included in mining expenditures and general and administrative expenses, respectively, on the Company's condensed interim consolidated statements of operations and other comprehensive loss. The Company's stock-based compensation expense related to stock options for the three months ended September 30, 2023 was $0. The Company's stock-based compensation expense related to stock options for the nine months ended September 30, 2024 was $893,688, of which $203,607 and $690,081 was included in mining expenditures and general and administrative expenses, respectively, on the Company's condensed interim consolidated statements of operations and other comprehensive loss. The Company's stock-based compensation expense related to stock options for the nine months ended September 30, 2023 was $350,900, of which $57,417 and $293,483 was included in mining expenditures and general and administrative expenses, respectively, on the Company's condensed interim consolidated statements of operations and other comprehensive loss. As of September 30, 2024, there was approximately $130,928 of unrecognized share-based compensation for unvested stock option grants, which is expected to be recognized over a weighted average period of 0.34 years.

Warrants

	Number of Shares	Weighted Average Exercise Price	Weighted Average Contractual Life (Years)	Intrinsic Value
Outstanding – January 1, 2024	10,804,539	$ 1.30	1.31	$ 1,576,511
Issued	-	-		
Exercised	(5,198,540)	0.88		
Expired/Forfeited	(27,260)	0.88		
Outstanding – September 30, 2024	5,578,739	$ 1.61	1.65	$ 38,090
Exercisable – September 30, 2024	5,578,739	$ 1.61	1.65	$ 38,090

(Stated in USD)

NOTE 7- MINING EXPENDITURES

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
Mining costs	$ 614,454	$ 421,064	$ 1,967,452	$ 1,042,186
Permits	28,267	26,662	91,904	81,340
Labor and related benefits	523,622	280,704	1,795,517	863,958
Royalties	-	2,424	5,300	5,019
Total mining expenses	$ 1,166,343	$ 730,854	$ 3,860,173	$ 1,992,503

Joint Venture

During February 2024, PRM entered into a joint venture agreement with Rimrock Exploration and Development Inc. ("Rimrock") to explore, develop and mine (the "Mining Operations") certain uranium and vanadium permitted mines and mining claims located in Colorado and owned by Rimrock (the "JV"). Pursuant to the terms of the JV, Rimrock will contribute certain assets into the JV and PRM will contribute $200,000 (the "Initial Contribution") to be used to fund the Mining Operations. Thereafter, each party will own a 50% interest in the assets of the JV. During the initial phase of the JV, Rimrock will be the operator and the permits and licenses for the operator will remain in the name of Rimrock. The JV intends to sell the mined material to the Company under terms to be determined. During the term of the JV, PRM will pay the costs of the Mining Operations and will be entitled to recover 50% of such costs subsequent to the contribution of the full amount of the Initial Contribution. The JV will fund the recovery payments to be made to PRM from the proceeds of the sale of mined material. During the three and nine months ended September 30, 2024, PRM funded $55,643 and $234,192 to the JV, respectively, which was expensed to mining expenditures within the condensed interim consolidated statements of operations and other comprehensive loss and reflected within mining cost in the table above. The Company has completed its earn-in through the Initial Contribution and now owns a 50% interest in the assets of the JV.

NOTE 8 - 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 of the Company ("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 $346,820 (AUD $500,000) to Seller within 60 days of the first commercial application of the Kinetic Separation technology. The Company 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 $346,820 and $340,650 as of September 30, 2024 and December 31, 2023, respectively.

The Company has multiple lease arrangements with Silver Hawk Ltd., an entity which is owned by George Glasier and his wife Kathleen Glasier. These leases, which are all on a month-to-month basis, are for the rental of office, workshop, warehouse and employee housing facilities. The Company incurred rent expense of $26,325 and $17,925 in connection with these arrangements for the three months ended September 30, 2024 and 2023, respectively. The Company incurred rent expense of $76,175 and $53,775 in connection with these arrangements for the nine months ended September 30, 2024 and 2023, respectively.

The Company is obligated to pay Mr. Glasier for reimbursable expenses in the amount of $23,832 and $50,010, included within accounts payable and accrued liabilities, as of September 30, 2024 and December 31, 2023, respectively.

During the nine months ended September 30, 2024 and 2023, the Company purchased approximately $9,000 and $25,800 of mining related equipment from Silver Hawk Ltd, respectively.

See Note 9 - Subsequent Events.

NOTE 9 – SUBSEQUENT EVENTS

Purchase of Colorado Mill Site

On October 1, 2024, Western, through its wholly owned subsidiary, Western Uranium Corporation, executed a binding Stock Purchase Agreement (the "PRC Agreement") to purchase 100% of the shares of Pinon Ridge Corporation, a Colorado corporation ("PRC"), from a private investor group and thereby acquire Pinion Ridge Resources Corporation ("PRRC"), which is a wholly owned subsidiary of PRC. PRRC owns an approximately 900-acre property located in Montrose County, Colorado, where a uranium processing mill was previously licensed but never constructed. While the mill was never constructed, it was fully licensed and thus provides leverage from past expenditures unique to this specific site supporting the permitting process. The acquisition becomes the second property package that Western has acquired, in addition to the Maverick Minerals Processing Plant site in Utah, and is part of Western's plans for developing and licensing one or more uranium and vanadium processing facilities to process production from its resource properties in Colorado and Utah.

Pursuant to the PRC Agreement, the former PRC shareholders were paid $829,167 for their PRC equity and shareholder loan repayments. As of October 3, 2024, Western has completed all such payments and the transaction has closed. After closing, a creditor holding a security interest against PRRC was paid a total of $1,148,125 to pay off an outstanding promissory note. Western also assumed certain PRC liabilities and obligations in the transaction, including royalty obligations payable to an unrelated third party based upon the mineral volume processed through any mineral processing plant that is located on the property.

The transaction will be accounted for as a purchase of an asset.

George Glasier, the President, CEO and a director of Western, and his wife Kathleen owned 50% of the shares of PRC, and Andrew Wilder, a director of Western, indirectly owned 3% of the shares of PRC, and so the transaction was considered a related party transaction. The Company's Board of Directors established an independent committee of the Board comprised of directors who were not considered to have an interest in the transaction, and the independent committee oversaw the negotiation and approved the entering into the Agreement on behalf of the Company. Of the total cash paid to the sellers, approximately $414,000 was paid to George Glasier and approximately $24,000 was paid to an affiliate of Andrew Wilder.

November 2024 Private Placement

On November 8, 2024, the Company announced a private placement of up to 4,166,666 units at a price of CAD $1.32 per unit, which if fully subscribed would result in aggregate gross proceeds of up to approximately CAD $5,500,000, subject to a 15% discretionary overallotment increase. Each unit is comprised of one common share of Western and one common share purchase warrant. Each warrant is exercisable into one common share at a price of CAD $1.78 per share for a period of four years following the closing date of the private placement. This private placement is expected to close on November 15, 2024.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Forward-Looking Statements

The information disclosed in this quarterly report, and the information incorporated by reference herein, include "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements include, but are not limited to, statements regarding our or our management's expectations, hopes, beliefs, intentions or strategies regarding the future. In addition, any statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. The words "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "might," "plan," "possible," "potential," "predict," "project," "should," "would" and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking.

The forward-looking statements contained or incorporated by reference in this quarterly report are based on our current expectations and beliefs concerning future developments and their potential effects on us and speak only as of the date of each such statement. There can be no assurance that future developments affecting us will be those that we have anticipated. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond our control) or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to, those factors described in this Item 2 of Part I and Item 1A of Part II of this quarterly report. Should one or more of these risks or uncertainties materialize, or should any of our assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

The following discussion should be read in conjunction with our condensed interim consolidated financial statements and footnotes thereto contained in this quarterly report.

Overview

General

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. Western is a Canadian domestic issuer and Canadian reporting issuer.

On August 18, 2014, the Company closed on the purchase of certain mining properties in Colorado and Utah from Energy Fuels Holding Corp. Assets purchased included both owned and leased lands in Utah and Colorado, and all represent properties that have been previously mined for uranium to varying degrees in the past. The acquisition included the purchase of the Sunday Mine Complex. The Sunday Mine Complex is located in western San Miguel County, Colorado. The complex consists of the following five individual mines: the Sunday mine, the Carnation mine, the Saint Jude mine, the West Sunday mine and the Topaz Mine. The operation of each of these mines requires a separate permit, and all such permits have been obtained by Western and are currently valid. In addition, each of the mines has good access to a paved highway, electric power to existing declines, office/storage/shop and change buildings, and an extensive underground haulage development with several vent shafts complete with exhaust fans. The Sunday Mine Complex is the Company's core resource property and in July 2021 was assigned "Active" status when mining operations were restarted.

On September 16, 2015, Western completed its acquisition of Black Range, an Australian company that was listed on the Australian Securities Exchange until the acquisition was completed. The acquisition terms were pursuant to a definitive Merger Implementation Agreement entered into between Western and Black Range. Pursuant to the agreement, Western acquired all of the issued shares of Black Range by way of Scheme of Arrangement ("the Scheme") under the Australian Corporation Act 2001 (Cth) (the "Black Range Transaction"), with Black Range shareholders being issued common shares of Western on a 1 for 750 basis. On August 25, 2015, the Scheme was approved by the shareholders of Black Range, and on September 4, 2015, Black Range received approval by the Federal Court of Australia. In addition, Western issued options to purchase Western common shares to certain employees, directors, and consultants. Such stock options were intended to replace Black Range stock options outstanding prior to the Black Range Transaction on the same 1 for 750 basis.

Under United States Securities and Exchange Commission ("Commission") rules, the Black Range transaction triggered the Company being deemed a United States domestic issuer and losing its foreign private issuer exemption. On April 29, 2016, the Company filed a Form 10 registration statement with the Commission after shifting its basis of accounting from IFRS to U.S. GAAP. On June 28, 2016, the Company's registration statement became effective and Western became a United States reporting issuer.

On June 30, 2023, Western re-qualified as a foreign private issuer as that term is defined in Rule 3b-4(c) promulgated under the Exchange Act. As a result, the Company may now utilize certain accommodations made to foreign private issuers, including (1) an exemption from complying with the Commission's proxy rules, (2) an exemption from the Company's insiders having to comply with the reporting and short-swing trading liability provisions of Section 16 under the Exchange Act, (3) the ability to make periodic filings with the Commission on the Form 20-F and Form 6-K foreign issuer forms, and (4) the ability to offer and sell unrestricted securities outside of the United States pursuant to Rule 903 of Regulation S. The Company plans to take advantage of these accommodations. However, the Company currently has decided to voluntarily continue to file periodic reports with the Commission using domestic issuer forms including filing annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K. On the subsequent measurement date June 30, 2024, Western reconfirmed its qualification as a foreign private issuer.

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" and are traded on the OTCQX Best Market under the symbol "WSTRF". 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").

Recent Developments

Bullen Property (Weld County)

In 2017, 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 operator elected to extend the oil and gas lease easement for three additional years through July 2023. This was done to provide additional time in order to complete well construction and commence oil and gas production. During 2021, the operator completed a first set of eight (8) wells which commenced oil and gas production by August 2021. During 2022, the operator completed a second set of eight (8) wells which commenced oil and gas production by August 2022. All sixteen (16) wells remain in production and monthly royalty payments will be ongoing in perpetuity as long as oil and/or gas are produced from the pooled unit containing these sixteen (16) wells.

During the three months ended September 30, 2024 and 2023, we recognized aggregate revenue of $52,981 and $89,144, respectively, and for the nine months ended September 30, 2024 and 2023, we recognized aggregate revenue of $147,035 and $357,908, respectively, under these oil and gas lease arrangements. For the three months ended September 30, 2024, oil and gas royalties declined due to lower volumes attributable to production decline curves. For the nine months ended September 30, 2024, the decline in oil and gas royalties was principally attributable to short-term well-pad maintenance shutdowns of eight (8) wells during the second quarter and lower production volumes attributable to production decline curves.

Sunday Mine Complex Project Update

Western continues to ramp up operations to achieve its annualized production target of 1 million pounds of uranium and 6 million pounds of vanadium. Following the expansion of infrastructure deeper into the West Sunday Mine, the mining teams commenced driving a drift which is approximately 2,700 feet in distance to the Leonard & Clark deposit. To date, a total of 573 feet has been developed, including 466 feet of ramp footage. A jumbo drill was deployed to increase progress.

The drilling teams continue to define additional mining areas utilizing underground horizontal drilling. Between January 25th and March 31st, the team drilled a total of 13,153 linear feet. During the second quarter, the underground horizontal drilling program achieved 12,339 additional linear feet, and in the third quarter an additional 4,983 linear feet were achieved.

Also, during the third quarter, the operations team moved to an area of the Sunday Mine where the last operator ceased production. Existing underground workings were rehabilitated and utilities were installed in a large stope area close to the former production face.

At the beginning of 2024, Western expanded the Sunday Mine Complex mining operations by deploying two alternating mining crews and two alternating drilling teams who operated seven days a week. In early January, a schedule of alternating weeks with seven workdays per week was implemented for the mining and drilling teams at the Sunday Mine Complex. By early July, mining operations transitioned back to a four workdays per week schedule to enhance coordination and efficiency during the summer months. For the next phase of the work program, the mining team is transitioning back to the seven day work schedule in November 2024.

The mining team encountered a previously unknown uranium mineral deposit while drifting to the Leonard & Clark deposit. Consequently, the Company has paused the drifting project and the mining team and the drilling team switched the locations from which they were working. The drilling station was relocated to this newly discovered uranium deposit in order to facilitate an assessment of its size. As this is a previously unexplored area, this discovery was not unexpected as our expectation is that we will encounter additional significant mineral deposits. Significant drilling, probing and data collection was done in this area, and reporting will be completed under the supervision of Western's new geologist, to be hired in the fourth quarter of 2024.

San Rafael

The San Rafael Uranium Project, located in Emery County, Utah, is being developed as the Company's second production facility. During the second quarter 2024, Western submitted a Notice of Intent to the U.S. Bureau of Land Management ("BLM") that was approved for a mineral and groundwater exploration project. During the third quarter of 2024, Utah's Division of Oil, Gas & Mining gave its approval of the exploration permit application and the Company posted a $60,300 Financial Guarantee of reclamation costs with the BLM. Following the completion of repairs to access roads, the phase 1 drilling program is set to begin in 2024. Initially, groundwater monitoring wells will be installed at five drilling locations, reaching depths of approximately 1,000 feet. During the borehole completion process, mineralization will also be assessed and confirmed against historical drill data. This project will provide the baseline data needed for permitting application submission.

Joint Venture with Rimrock Exploration and Development Inc.

Western has entered into a joint venture with Rimrock Exploration and Development Inc. ("Rimrock"), a private company which owns two fully permitted, developed, and past producing uranium mines in Colorado. Western will fund mining operations and initially Rimrock will be the operator. Upon the payment of the initial contribution, each party will own a 50% interest in the assets of the joint venture. During the three and nine months ended September 30, 2024, $55,643 and $234,192, respectively, in funding was provided to the JV, and this amount has been fully expensed to mining expenditures. The Company completed its earn-in during the third quarter of 2024, through payment of the initial contribution and now owns a 50% interest in the assets of the JV. These mines access shallow uranium deposits where mined material is available at depths of 60 and 120 feet. The joint venture will sell the mined material to Western under terms to be determined. The mines do not have a technical report but are anticipated to provide marginal production to supplement Western's Sunday Mine Complex production. The next step in advancing the project is for the Rimrock team to drill in front of their mining stations to establish more mineralized material and determine future mining areas based upon the trend of the mineral deposit.

Topaz Mine Permitting Status

In November 2020 and December 2020, a coalition of environmental groups (the "Plaintiffs") filed a complaint against the Mined Land Reclamation Board ("MLRB") seeking partial appeals of prior MLRB decisions, requesting the termination of the Topaz Mine permit. The Company joined with the MLRB in defense of those decisions. On May 5, 2021, the Plaintiffs 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 sought a settlement with the Plaintiffs. A settlement was not reached, and the MLRB and the Company submitted answer briefs on August 20, 2021. The Plaintiffs submitted a reply brief on September 10, 2021. On March 1, 2022, the Denver District Court reversed the MLRB's orders regarding the Topaz Mine and remanded the case back to the MLRB for further proceedings consistent with its order. Subsequently on March 20, 2023, the MLRB issued a board order for the Company to commence final reclamation, which upon completion will terminate mining operations at the Topaz Mine. Reclamation commenced immediately at the Topaz Mine and is to be completed within five years by March 2028.

The Company has been working toward the completion of an updated Topaz Mine Plan of Operations since 2020. This is a separate federal requirement of the Bureau of Land Management ("BLM") for the conduct of mining activities on the federal land at the Topaz Mine and is a prerequisite to re-permit the Topaz Mine with Colorado's DRMS. An Environmental Assessment ("EA") was prepared by an outside consultant to the BLM and submitted on June 24, 2024 for BLM's internal review. On August 2, 2024, the BLM issued a letter advising that the Plan of Operations Environmental Assessment had been cancelled. A new federal law called the Fiscal Responsibility Act of 2023 was enacted that creates a one year time limit for BLM reviews. Under the transitional rules, the Topaz project was not eligible for an extension. However, the project can be resubmitted and be picked up where it left off. The re-scoping process will need to be repeated to start the one year time clock. At this time the Company has the ability to modify the Plan of Operations or proceed with the version previously submitted. Given this optionality, the Company is making a determination as to the best way to move forward.

Energy Fuels Ore Buying Program

Energy Fuels has announced that it expects to commence an ore buying program from third-party miners in 2024 to increase its uranium production profile at the White Mesa Mill, currently, the only operational conventional uranium/vanadium mill in the United States. Western and Energy Fuels have had discussions regarding the delivery of mined material from the Sunday Mine Complex. The process can move forward once Energy Fuels makes available a final Ore Purchase Agreement with the program terms. If a mutually beneficial arrangement can be established, Western could pivot its current mining operations to begin deliveries of mined material in as little as 30 days.

Utah Mineral Processing Plant

In January 2023, the Company issued news releases announcing that it has begun site and facility design and permitting on a property acquired in Green River, Emery County, Utah to build a state-of-the-art minerals processing plant (the "Maverick Minerals Processing Plant"). This facility will be designed to recover uranium, vanadium and cobalt both from conventional materials mined from Company mines and materials produced by other mining companies. Selecting and acquiring the processing site has taken over one year to find a location with the road, power and water infrastructure required. The processing plant will utilize the latest processing technology, including Western's patented Kinetic Separation process. These technology advancements will result in lower overall capital and processing costs. This processing plant is expected to have a cost of approximately $75 million. After permitting and construction, the processing of uranium and vanadium materials is expected to commence in late 2027. The facility will be designed to recover cobalt, a metal essential in battery technology and electric vehicles. Within the state of Utah, there are numerous occurrences of cobalt which may be economical to mine, if a processing facility were available.

The development of the Maverick Minerals Processing Plant in Green River, Utah, has advanced considerably. In the second quarter 2023, the land acquisition was completed and in the third quarter 2023 the project design and permitting activities commenced with the engagement of a full team of consulting firms, chosen for their expertise in engineering / mill design, permit preparation, environmental, hydrology, and air quality. Site evaluation work was undertaken and a preliminary plant and property site plan was compiled for the location of monitor wells, meteorological towers, buildings, processing circuits, tailings and evaporation ponds, roads/infrastructure and ore storage facilities. At a pre-application permitting meeting in November 2023, the Company and its consultants met onsite with local officials. During the first nine months of 2024, additional progress has been made. The baseline data required for submission of the permitting application continues to be collected from the onsite meteorological towers. A final plant and animal study was completed. This study confirmed the site is clear of endangered plant life that is only observable during the spring growing season. Additional consulting commitments were made to advance the licensing and development with Precision Systems Engineering (PSE), a leading engineering, and design consulting firm headquartered in Sandy, Utah. Initially, PSE's target was to release the preliminary engineering design and cost estimate in June 2024 for a 500 ton per day mill; this timing has been deferred while Western reassesses its design and strategy now that it has purchased a previously licensed mill site in Colorado (please see Colorado Mill Site Purchase, below).

At this stage of development, we are continuing to analyze a range of scenarios to determine the most advantageous approach. Notably, we are exploring downsizing the mill through the application of Kinetic Separation. In addition to variable sizing and the application of Kinetic Separation, we intend to retain the modular build approach, and the potential to utilize multiple facility locations.

Colorado Mill Site Purchase

On October 1, 2024, Western, through its wholly owned subsidiary, Western Uranium Corporation, executed a binding Stock Purchase Agreement (the "PRC Agreement") to purchase 100% of the shares of Pinon Ridge Corporation, a Colorado corporation ("PRC"), from a private investor group and thereby acquire Pinion Ridge Resources Corporation ("PRRC"), which is a wholly owned subsidiary of PRC. PRRC owns an approximately 900-acre property located in Montrose County, Colorado, where a uranium processing mill was previously licensed but never constructed. While the mill was never constructed, it was fully licensed and thus provides leverage from past expenditures unique to this specific site supporting the permitting process. The acquisition becomes the second property package, that Western has acquired in addition to the Maverick Minerals Processing Plant site in Utah, and is part of Western's plans for developing and licensing one or more uranium and vanadium processing facilities to process production from its resource properties in Colorado and Utah.

Pursuant to the PRC Agreement, the former PRC shareholders were paid $829,167 for their PRC equity and shareholder loan repayments. As of October 3, 2024, Western has completed all such payments and the transaction has closed. After closing, a creditor holding a security interest against PRRC was paid a total of $1,148,125 to pay off an outstanding promissory note. Western also assumed certain PRC liabilities and obligations in the transaction, including royalty obligations payable to an unrelated third party based upon the mineral volume processed through any mineral processing plant that is located on the property.

The transaction will be accounted for as a purchase of an asset.

George Glasier, the President, CEO and a director of Western, and his wife Kathleen owned 50% of the shares of PRC, and Andrew Wilder, a director of Western, indirectly owned 3% of the shares of PRC, and so the transaction was considered a related party transaction. The Company's Board of Directors established an independent committee of the Board comprised of directors who were not considered to have an interest in the transaction, and the independent committee oversaw the negotiation and approved the entering into the Agreement on behalf of the Company. Of the total cash paid to the sellers, approximately $414,000 was paid to George Glasier and approximately $24,000 was paid to an affiliate of Andrew Wilder.

The operations team has moved rapidly to deploy instruments for the collection of water and air quality data. This baseline testing is being completed to update existing site data as a critical input for the permitting and licensing application.

Nuclear Fuel and Uranium Effect from the Russian Invasion of Ukraine

The start of the Russia/Ukraine war created extraordinary volatility in uranium markets during the first half of 2022. At the peak, the spot price was at an 11 year high. Prior to the invasion on February 24, 2022, uranium spot prices were in the $43 per pound range and rose to slightly over $63 per pound by April 2022; an increase of approximately $20 per pound. Later in May 2022 and June 2022, the spot price receded to $45 levels, before recovering to the $50 +/- per pound price level. This price level was maintained for an extended period as the immediate ban/sanctions anticipated by investors of nuclear fuel and services from Russia couldn't be implemented.

Equity markets followed the price action of physical uranium prices in speculation that governments worldwide would sanction and ban nuclear fuel from Russia. This was in recognition of Russia's dominant position in nuclear fuel services including 38% of world conversion capacity and 46% of world enrichment capacity. The market position of Rosatom, Russia's national nuclear company, was developed through decades of government subsidies. However, because of the lack of replacement capacity in the global nuclear fuel cycle, Rosatom has avoided sanctions.

Because of the Ukraine invasion, new contracts are largely not being signed with Rosatom, but deliveries under existing contracts continue to be made. Customer dependencies upon the Russian supply of uranium, conversion and enrichment are being addressed slowly by governments as alternative suppliers are not currently available. However, a desire to stay away from bad actors and the threat of Russia weaponizing energy exports or a Russian embargo has elicited responses. Worldwide, utilities have accelerated their contracting of non-Russian conversion and enrichment services. New uranium supply agreements are being signed with western producers. In the United States, multiple new nuclear funding programs have already been put in place and the language from the Department of Energy has only gotten stronger. The Secretary of Energy recently declared: "The United States wants to be able to source its own fuel from ourselves and that's why we are developing a uranium strategy."

In January 2023, ban and sanction discussions intensified as Rosatom was shown to have become an active participant in the Ukraine war. An article entitled "Russia's nuclear entity aids war effort, leading to calls for sanctions" was published by the Washington Post. Obtained documents show that the Rosatom state nuclear power conglomerate was supplying the Russian military with "components, technology, and raw materials for missile fuel" to be used in the Ukraine war.

There has been significant legislative progress favorable to increasing domestic uranium and nuclear fuel production in the United States. The U.S. Senate established a Nuclear Fuel Security Program in the National Defense Authorization Act (NDAA). This amendment requires the Secretary of Energy to establish a Nuclear Fuel Security Program, expand the American Assured Fuel Supply Program, establish a High-Assay Low-Enriched Uranium (HALEU) for Advanced Nuclear Reactor Demonstration Projects Program, submit a report on a civil nuclear credit program, and to enhance programs to build workforce capacity to meet mission critical needs of the Department of Energy (DOE). In advance of the United States putting in place a ban or sanctions on Russian uranium, the DOE continues to make preparations for a Russian counter-sanction terminating the flow of nuclear fuel and services from Russia.

UNITED STATES BAN OF RUSSIAN URANIUM: In response to Russia's war in Ukraine, the United States legislature passed the Prohibiting Russian Uranium Imports Act (H.R. 1042) to ban Russian uranium imports into the U.S. Unanimous passage of The Prohibiting Russian Uranium Imports Act (H.R. 1042) in April 2024 by the U.S. Senate followed the U.S. House of Representatives' passage of the bill in December 2023. Subsequently, on May 13, 2024, President Biden signed this legislation into law. The ban will now go into effect 90 days after its enactment and will be phased in under Department of Energy conditional waivers before becoming a complete ban on January 1, 2028. Importantly, the enactment of a Russian ban releases funding to support the American nuclear supply chain. This funding will be deployed by the DOE under a new program called the Low-Enriched Uranium (LEU) – Enrichment Acquisition. A Request for Proposal was disseminated in June, an Industry day was organized in July, and bids will be due in August. Through nuclear energy diplomacy, Russia's control of the global nuclear fuel supply chain extends to many countries. However, as the United States has the world's largest civilian nuclear reactor fleet, it has now taken steps to reduce its reliance on state-sponsored Russian nuclear fuel. As of August 11, 2024, the Russian uranium ban has become effective and a waiver is required for U.S. parties to receive Russian uranium until January 1, 2028 when Russian material is fully banned.

RUSSIAN RESPONSE TO URANIUM BAN: On May 14, 2024, the day following the ban enactment, Bloomberg reported that Russia had responded with TENEX issuing force majeure notices to U.S. utility customers. TENEX is the subsidiary of Rosatom, the state nuclear energy corporation, and the entity through which U.S. counterparties contract for Russian uranium product imports into the United States.

The TENEX force majeure notices require U.S. customers to secure waivers within 60 days that exempt them from the new U.S. Russian uranium ban or risk being moved to the back of the line for uranium deliveries if they are granted a waiver later. TENEX's notice is based on their intention to honor their contracts, but they acknowledge this could be overridden by the Kremlin. This deadline has now passed and the DOE is currently granting waivers to the ban. Multiple waivers have been partially or fully approved, however the details are not in the public domain. The waiver process does not appear restrictive and will likely allow the majority of previously contracted Russian material into the United States prior to January 1, 2028. Western is unaware of TENEX taking any further actions subsequent to its force majeure notices.

On May 21, 2024, the DOE published their process and instructions for requesting a waiver. The waiver process does not appear restrictive and will likely allow most of the previously contracted Russian material into the United States prior to January 1, 2028. The U.S. legislative intentions were to deprive Russia of the revenue associated with U.S. purchases of Russian nuclear fuel and counter Russia's control of the global nuclear fuel cycle by flooding U.S. and international markets with state-supported Russian uranium and services.

We continue to believe the shift away from Russia/Rosatom will be a major catalyst in the realignment of nuclear fuel markets which will benefit western producers. We anticipate this process will culminate in tremendous support for the U.S. nuclear fuel industry. As a result, we have been and will be continuing to accelerate the advancement of our operational strategy in anticipation of increasing uranium price levels that will reward near-term scaled-up production.

Nuclear Fuel and Uranium Market Conditions

During the first nine months of 2024, the spot uranium price decreased $9.00 from $91.00 to $82.00. Notably, the long-term price increased from $68.00 to $81.50 during a period of rising conversion and enrichment services prices. However this follows an extremely strong period in the market where spot uranium prices have reacted to supply/demand constraints and geopolitical risks. Since July 2023, spot uranium increased from the approximately $50/lbs. level to over $100/lbs. in January 2024, before settling back into its current levels. The events of 2022 have set in motion uranium market and nuclear fuel opportunities for the next decade and beyond. There are positive catalysts across multiple levels of the nuclear fuel and uranium markets. Underlying fundamentals are the strongest in decades. This is attributable to multiple factors, including climate change, energy security, supply chain and energy scarcity initiatives. The supply/demand imbalance has flipped from a market with excess supply into a market with excess future demand. With the reduced availability of secondary supplies, utilities have begun adding multi-year contracts with mining companies for primary supply. The drivers expanding the demand for nuclear fuel include non-nuclear nations adding nuclear power generation, nuclear nations expanding fleets and/or extending lives of existing reactors, idled nuclear reactors being redeployed, the reversal of phase-outs and shutdowns, and the deployment of advanced reactors / SMRs. However, the challenge is in meeting increasing demand simultaneously with supply constraints from the world's largest suppliers. We believe uranium equity prices will continue to strengthen and reflect the underlying positive fundamentals in the nuclear/uranium sector. Most notably during the quarter, multiple market analysts have flagged low availability of mobile secondary inventories. We believe the continued draw down of inventories to be a market catalyst of the recent uptick in uranium prices.

Positive nuclear energy news has continued to highlight the global growth of future nuclear electricity generation which will drive increased nuclear fuel demand. In terms of future supply, utility contracting has continued into 2024, and some uranium mining companies are moving toward restarting production. However, due to the lead time needed for future uranium production, we are entering a phase where the supply-demand fundamentals are in a deep multi-year structural supply deficit. The future is not clear as we believe some miners with available near-term production are waiting for higher price levels and/or project funding before making full start-up commitments. Utilities are also deferring contracting to understand how regulations and geopolitics will modify their future access to Russian uranium, conversion and enrichment services.

In the second quarter of 2024, investors began purchasing nuclear and uranium equities as a means to create long exposure for their positive view on Artificial Intelligence (AI), due to the vast energy requirements of data centers. Recent transactions have been announced as tech giants Microsoft, Amazon, and Google have sought deals to source nuclear power for their data centers from full scale reactors and SMRs. Microsoft most prominently signed an agreement with Constellation Energy to restart a Three Mile Island reactor in Pennsylvania and purchase 100% of the power generated for two decades.

Nuclear Fuel Supply Chain Concentration Risks

Russia's invasion of Ukraine and the ensuing global energy crisis has focused attention on security of supply and supply chain risks. This has caused most of the world to re-evaluate their dependence upon nuclear fuel exported by Russia. In spite of the dominant market position of Rosatom, future deliveries potentially could be at risk due to sanctions, legislation, or a Russian embargo. Customer dependence upon the Russian supply of uranium, conversion and enrichment are being addressed slowly by governments as alternative suppliers are not currently available. Both Urenco and Orano have announced that they will invest to expand their uranium enrichment capacity respectively in the United States and France, which represents a shift away from Russia. Utilities are demonstrating their desire for increased security of their nuclear fuel supply chains. Kazakhstan is also a concern because the world's largest uranium producing country has an unguarded and the second longest continuous land border in the world shared with Russia. The potential exists for Russia to exert influence over Kazakhstan. Additionally, Kazatomprom has put large long-term contracts in place with China. This supply is needed for China to fulfill its 15 year plan to deploy 150 new nuclear reactors. China National Nuclear Corp. (CNNC) has recently opened a uranium trading hub /warehouse facility, on the China / Kazakhstan border, with the capacity to store 60 million pounds of uranium. It has become evident that the nuclear fuel supply chain has become increasingly concentrated and interconnected in this very small area of the world. Expanding Kazakhstan uranium exports to Russia and China significantly reduces future supply for Western nuclear fuel buyers.

In late July 2023, soldiers of Niger's presidential guard deposed from power President Mohamed Bazoum; and replaced him with a military junta. This is significant because the new government is opposed to Western interests and has escalated anti-French rhetoric, while seeking support from Russia and its mercenary group. Uranium is Niger's main export and this small West African country holds the 7th largest uranium resource in the world and was producing about 5% of global production. The Junta has initiated multiple actions that are counter to French interests, which include Orano, the French state-backed nuclear energy company. Most importantly, Niger's Junta has threatened the export of uranium to France which has serious implications because France acquires 20% of its natural uranium from Niger. Subsequently, French President Macron has visited Kazakhstan and Uzbekistan, both former Soviet Republics, citing the vast potential for further cooperation in regard to nuclear power.

Military alliances are changing as the Junta has signed a new military agreement with Russia and has brought Russian military instructors into the country in April 2024. In addition to the French military evacuating/being expelled from Niger, the U.S. military has agreed to depart the country. During May 2024 in a joint statement, Niger and the U.S. announced that no later than September 2024 all U.S. military troops would be withdrawn from Niger. Under pressure from the government of Niger, the U.S. completed the final withdrawal of all military personnel on August 5, 2024. The Junta is now utilizing Russian military support as a replacement.

This conflict is impacting future global uranium supply. Several uranium mine development projects in the country continue to proceed despite the evacuation of many foreign nationals and difficulties receiving supplies. Re-establishing political stability is likely a prerequisite to these companies receiving the funding packages needed to cover the significant project development costs. Recently, the government of Niger has revoked operating permits from foreign uranium companies, including Orano in June 2024 and Goviex in July 2024. Subsequently in October 2024, Orano suspended production at its last operating mine in Niger. This was due to the financial strain from a border closing, which has stranded stockpiled uranium. Further, the government is not responding to proposed export alternatives.

During October 2023, geopolitical instabilities spread further to the Middle East after a Hamas attack on Israel triggered a counterattack by Israel on the Gaza Strip. The Israel-Hamas hostilities have escalated over the Summer of 2024 and then spread to other countries in the Middle East. This additional hot spot further increases volatility in the world and destabilizes the Middle East region that is highly influential on global energy prices.

United States Presidential Election

On November 5, 2024, the United States held a highly contested Presidential election between Republicans (Trump-Vance) and Democrats (Harris-Walz). The Trump-Vance Republican ticket won, thus returning former-President Donald Trump to a second Presidential term. Also, Republicans appear to have assumed control of Congress by achieving majorities in both the Senate and House of Representatives. Nuclear energy currently enjoys bipartisan support, but each of these Presidential Administrations has taken a different approach in their support. Given the Republican wins in these elections, this is likely to lead to changes in the approach to various issues that could affect the Company's business but can't be predicted with any certainty. However, based upon available information, we speculate that Biden-Harris' climate change and clean energy initiatives will be de-emphasized in favor of Trump administration campaign themes involving energy independence and America first policies.

Results of Operations

The following table presents the Company's financial results for the three and nine months ended September 30, 2024 and 2023.

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
Revenue	$ 52,981	$ 89,144	$ 147,035	$ 357,908
Expenses				
Mining expenditures	1,166,343	730,854	3,860,173	1,992,503
Professional fees	127,049	44,382	484,926	303,312
General and administrative	813,403	365,197	2,604,516	1,384,316
Consulting fees	247,850	48,251	738,204	48,988
Total operating expenses	2,354,645	1,188,684	7,687,819	3,729,119
Operating loss	(2,301,664)	(1,099,540)	(7,540,784)	(3,371,211)
Accretion and interest income, net	(62,492)	(39,498)	(199,202)	(126,979)
Other income, net	1,998	-	1,998	(4,000)
Net loss	(2,241,170)	(1,060,042)	(7,343,580)	(3,240,232)
Other Comprehensive (loss) income				
Foreign currency translation adjustment	14,018	(43,474)	(190,861)	14,716
Comprehensive loss	$ (2,227,152)	$ (1,103,516)	$ (7,534,441)	$ (3,225,516)

Three Months Ended September 30, 2024 as Compared to the Three Months Ended September 30, 2023

Summary:

Our condensed consolidated net loss for the three months ended September 30, 2024 and 2023 was $2,241,170 and $1,060,042, respectively. The principal components of these year over year changes are discussed below.

Our comprehensive loss for the three months ended September 30, 2024 and 2023 was $2,227,152 and $1,103,516, respectively.

Revenues

Our revenue for the three months ended September 30, 2024 and 2023 was $52,981 and $89,144, respectively. The decrease in revenues of $36,163, or 41% was primarily related to lower oil and gas well volumes attributable to production decline curves during the three months ended September 30, 2024 as compared to the three months ended September 30, 2023.

Mining Expenditures

Mining expenditures for the three months ended September 30, 2024 were $1,166,343 as compared to $730,854 for the three months ended September 30, 2023. The increase in mining expenditures of $435,489, or 60% was principally attributable to scaling up mining activities at the Company's Sunday Mine Complex which involved the hiring of additional mining personnel, increased mining services and supplies costs, and increased maintenance and depreciation costs for mining equipment and vehicles placed into service.

Professional Fees

Professional fees for the three months ended September 30, 2024 were $127,049 as compared to $44,382 for the three months ended September 30, 2023. The increase in professional fees of $82,667, or 186% was due to increased accounting and legal costs in connection with increased business and mining activities.

General and Administrative

General and administrative expenses for the three months ended September 30, 2024 were $813,403 as compared to $365,197 for the three months ended September 30, 2023. The increase in general and administrative expense of $448,206, or 123%, is primarily due to an increase in headcount and employee benefits, non-cash stock-based compensation expense and insurance costs in connection with increased mining activities.

Consulting fees

Consulting fees for the three months ended September 30, 2024 were $247,850 as compared to $48,251 for the three months ended September 30, 2023. The increase in consulting fees of $199,599 was due to the increased costs incurred for the licensing and permitting of a mineral processing plant.

Accretion and interest income, net

Accretion and interest income, net for the three months ended September 30, 2024 was $62,492 as compared to $39,498 for the three months ended September 30, 2023. The increase in interest income, net of $22,994 or 58% was principally attributable to higher interest rates earned and larger invested cash balances during the three months ended September 30, 2024 as compared to the three months ended September 30, 2023.

Other income, net

Other income, net for the three months ended September 30, 2024 was $1,998 as compared to $0 for the three months ended September 30, 2023. The change was attributable to a loss on the sale of a used vehicle during the three months ended September 30, 2024.

Foreign currency translation adjustment

Foreign currency translation adjustment for the three months ended September 30, 2024 was a gain of $14,018 as compared to a loss of $43,474 for the three months ended September 30, 2023. The change in foreign exchange is primarily due to the strengthening of the USD against the CAD.

Nine Months Ended September 30, 2024 as Compared to the Nine Months Ended September 30, 2023

Summary:

Our condensed consolidated net loss for the nine months ended September 30, 2024 and 2023 was $7,343,580 and $3,240,232, respectively. The principal components of these year over year changes are discussed below.

Our comprehensive loss for the nine months ended September 30, 2024 and 2023 was $7,534,441 and $3,225,516, respectively.

Revenues

Our revenue for the nine months ended September 30, 2024 and 2023 was $147,035 and $357,908, respectively. The decrease in revenues of $210,873, or 59% was primarily related to lower production volumes from the oil and gas wells due to short-term well-pad maintenance shutdown in the second quarter and lower well performance during the nine months ended September 30, 2024 as compared to the nine months ended September 30, 2023.

Mining Expenditures

Mining expenditures for the nine months ended September 30, 2024 were $3,860,173 as compared to $1,992,503 for the nine months ended September 30, 2023. The increase in mining expenditures of $1,867,670, or 94% was principally attributable to scaling up mining activities at the Company's Sunday Mine Complex, which involved the hiring of additional mining personnel, increased mining services and supplies costs, and increased maintenance and depreciation costs for mining equipment and vehicles placed into service.

Professional Fees

Professional fees for the nine months ended September 30, 2024 were $484,926 as compared to $303,312 for the nine months ended September 30, 2023. The increase in professional fees of $181,614, or 60% was due to increased accounting and legal costs in connection with increased business and mining activities.

General and Administrative

General and administrative expenses for the nine months ended September 30, 2024 were $2,604,516 as compared to $1,384,316 for the nine months ended September 30, 2023. The increase in general and administrative expense of $1,220,200, or 88% is primarily due to an increase in headcount and employee benefits, non-cash stock-based compensation expense and insurance costs in connection with increased mining activities.

Consulting fees

Consulting fees for the nine months ended September 30, 2024 were $738,204 as compared to $48,988 for the nine months ended September 30, 2023. The increase in consulting fees of $689,216 was due to the increased costs incurred for the licensing and permitting of a mineral processing plant.

Accretion and interest income, net

Accretion and interest income, net for the nine months ended September 30, 2024 was $199,202 as compared to $126,979 for the nine months ended September 30, 2023. The increase in interest income, net of $72,223, or 57% was principally attributable to higher interest rates earned and larger invested cash balances during the nine months ended September 30, 2024 as compared to the nine months ended September 30, 2023.

Other income, net

Other income, net for the nine months ended September 30, 2024 was a loss of $1,998 as compared to a gain of $4,000 for the nine months ended September 30, 2023. The change was principally attributable to a gain on the sale of a used vehicles during the nine months ended September 30, 2023 compared to a loss on the sale of a used vehicle during the nine months ended September 30, 2024.

Foreign currency translation adjustment

Foreign currency translation adjustment for the nine months ended September 30, 2024 was a loss of $190,861 as compared to a gain of $14,716 for the nine months ended September 30, 2023. The change in foreign exchange is primarily due to the weakening of the USD against the CAD.

Liquidity and Capital Resources

Our cash and cash equivalents and restricted cash balance as of September 30, 2024 was $7,459,395. Our cash position is highly dependent on our ability to raise capital through the issuance of debt and equity and our management of expenditures for mining development and for fulfillment of our public company reporting responsibilities. Our management believes that in order to finance the development of the mining properties and Kinetic Separation, to secure regulatory licenses and to construct the Maverick Minerals Processing Plant for the processing of uranium and vanadium, we will be required to raise additional capital by way of debt and/or equity. We will also require additional working capital to continue to scale-up its mining operations at the Sunday Mine Complex. This outlook is based on our current financial position and is subject to change if opportunities become available based on current exploration program results and/or external opportunities.

Net cash used in operating activities

Net cash used in operating activities was $5,762,812 for the nine months ended September 30, 2024, as compared with $2,563,287 for the nine months ended September 30, 2023. The increase of $3,199,525 in cash used in operating activities was principally driven by an increase in net loss of $4,103,348, offset by an increase of $542,788 in stock-based compensation and an increase of $269,925 in depreciation.

Net cash used in investing activities

Net cash used in investing activities was $1,178,935 for the nine months ended September 30, 2024, as compared with $1,874,183 for the nine months ended September 30, 2023. The decrease in cash used in investing activities of $695,248 was principally due to elevated purchases of equipment in the 2023 period in connection initial mining mobilization related to the Sunday Mine Complex.

Net cash provided by financing activities

Net cash provided by financing activities for the nine months ended September 30, 2024 and 2023 were $4,605,458 and $551,629, respectively. The increase in cash provided by financing activities of $4,053,829 was due to proceeds of $4,605,458 from the exercise of warrants during the nine months ended September 30, 2024.

Reclamation Liability

Our mines are subject to certain asset retirement obligations, which we have 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 our best estimate of the present value of future reclamation costs in connection with the mineral properties. In connection with our San Rafael Mine, during the three months ended September 30, 2024, we incurred an additional gross and discounted reclamation liability of $61,403 and $12,154, respectively. We determined the gross reclamation liabilities of the mineral properties to be $812,027 and $751,444, as of September 30, 2024 and December 31, 2023, respectively. The portion of the reclamation liability related to the Van 4 Mine, which is in reclamation as of September 30, 2024, and its related restricted cash are included in current liabilities and current assets, respectively, at a value of $75,075. During the nine months ended September 30, 2024, our internal mining operations team has been performing the Van 4 Mine reclamation work, and the State of Colorado has not yet reduced the reclamation liability amount. We expect to begin incurring the reclamation liability after 2054 for all mines that are not in reclamation and accordingly, have discounted the gross liabilities over their remaining lives using a discount rate of 5.4%. The net discounted aggregated values as of September 30, 2024 and December 31, 2023 were $262,880 and $241,562, respectively. The gross reclamation liabilities as of September 30, 2024 and December 31, 2023 are secured by financial warranties in the amount of $812,027 and $751,444, respectively.

Oil and Gas Lease and Easement

We entered into an oil and gas lease that became effective with respect to minerals and mineral rights owned by us on approximately 160 surface acres of our property in Colorado. As consideration for entering into the lease, the lessee has agreed to pay us a royalty from the lessee's revenue attributed to oil and gas produced, saved, and sold attributable to the net mineral interest. We have also received cash payments from the lessee related to the easement that we are 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 2021, the operator completed a first set of eight (8) wells which commenced oil and gas production by August 2021. During 2022, the operator completed a second set of eight (8) wells which commenced oil and gas production by August 2022. All sixteen (16) wells remain in production and monthly royalty payments will be ongoing in perpetuity as long as oil and/or gas are produced from the pooled unit containing these sixteen (16) wells.

Under the oil and gas lease and easement arrangements, during the three months ended September 30, 2024 and 2023, we recognized aggregate revenue of $52,981 and $89,144, respectively, and for the nine months ended September 30, 2024 and 2023, the Company recognized aggregate revenue of $147,035 and $357,908, respectively, under these oil and gas lease arrangements

Related Party Transactions

We have 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 of the Company ("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 $346,820 (AUD $500,000) to Seller within 60 days of the first commercial application of the Kinetic Separation technology. We 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, we recorded the deferred contingent consideration as an assumed liability in the amount of $346,820 and $340,650 as of September 30, 2024 and December 31, 2023, respectively.

On October 1, 2024, Western, through its wholly owned subsidiary, Western Uranium Corporation ("WUC"), executed a binding Stock Purchase Agreement (the "PRC Agreement") to purchase 100% of the shares of Pinon Ridge Corporation, a Colorado corporation ("PRC"), from a private investor group and thereby acquire an approximately 900-acre property located in Montrose County, Colorado, where a uranium processing plant was previously licensed but never constructed. George Glasier, the President, CEO and a director of Western, and his wife Kathleen owned 50% of the shares of PRC, and Andrew Wilder, a director of Western, indirectly owned 3% of the shares of PRC. Therefore, this transaction constitutes a related party transaction. The Company's Board of Directors established an independent committee of the Board, comprised of directors who are not considered to have an interest in the transaction. The independent committee of the Board has overseen the negotiation and approved the entering into the Agreement on behalf of the Corporation. Of the total cash paid to the sellers, approximately $414,000 was paid to George Glasier and approximately $24,000 was paid to an affiliate of Andrew Wilder.

We have multiple lease arrangements with Silver Hawk Ltd., an entity which is owned by George Glasier and his wife Kathleen Glasier. These leases, which are all on a month-to-month basis, are for the rental of office, workshop, warehouse and employee housing facilities. We incurred rent expense of $26,325 and $17,925 in connection with these arrangements for the three months ended September 30, 2024 and 2023, respectively. We incurred rent expense of $76,175 and $53,775 in connection with these arrangements for the nine months ended September 30, 2024 and 2023, respectively.

We are obligated to pay Mr. Glasier for reimbursable expenses in the amount of $23,832 and $50,010, included within accounts payable and accrued liabilities, as of September 30, 2024 and December 31, 2023, respectively.

During the nine months ended September 30, 2024 and 2023, the Company purchased approximately $9,000 and $25,800 of mining related equipment from Silver Hawk Ltd, respectively.

Going Concern

With the exception of the quarter ended June 30, 2022, we had incurred losses from our operations and as of September 30, 2024, had an accumulated deficit of $26,161,437 and working capital of $6,174,805.

Since inception, we have met our liquidity requirements principally through the issuance of notes, the sale of our common shares and from limited revenue sources. During the nine months ended September 30, 2024, we received $4,605,458 in proceeds from the exercise of our common share warrants. On December 12, 2023, we closed a non-brokered private placement of 5,215,828 units at a price of CAD $1.39 per unit. The aggregate gross proceeds raised in the private placement amounted to CAD $7,250,000 (USD $4,836,867 in net proceeds). During the year ended December 31, 2023, we received $1,004,044 in proceeds from the exercise of our common share warrants.

Our ability to continue our operations and to pay our obligations when they become due is contingent upon us obtaining additional financing. Management's plans include seeking to procure additional funds through debt and equity financings, to secure regulatory approval licenses to fully utilize our Kinetic Separation, to construct Maverick Minerals Processing Plant for the processing of uranium and vanadium and to incorporate Kinetic Separation in the processing uranium and vanadium bearing materials to generate operating cash flows. We will need additional capital to continue ongoing mining operations by our in-house mining team at the Sunday Mine Complex while simultaneously permitting and constructing a processing plant.

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

Off Balance Sheet Arrangements

As of September 30, 2024, there were no off-balance sheet transactions. We have not entered into any specialized financial agreements to minimize our investment risk, currency risk or commodity risk.

Critical Accounting Estimates and Policies

The preparation of these condensed interim consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim consolidated financial statements and reported amounts of expenses during the reporting period.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, include, but are not limited to, the following: fair value of transactions involving common shares, assessment of the useful life and evaluation for impairment of intangible assets, valuation and impairment assessments on mineral properties, deferred contingent consideration, the reclamation liability, valuation of stock-based compensation and valuation of long-term debt, HST and asset retirement obligations. Other areas requiring estimates include allocations of expenditures, depletion and amortization of mineral rights and properties.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Not applicable.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this report, our principal executive officer and principal financial officer evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")). Based on their evaluation of our disclosure controls and procedures, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were not effective as of September 30, 2024, to ensure that information required to be disclosed by the Company in the reports that we file or submit under the Exchange Act is (a) recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and (b) accumulated and communicated to management, including our principal executive officer and principal financial officer, as appropriate to allow for timely decisions regarding required disclosure.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America.

Based on this evaluation, our chief executive officer and chief financial officer have concluded that during the period covered by this report, our disclosure controls and procedures were not effective, due to our identified material weaknesses in internal control over financial reporting.

Based upon its assessment, as of September 30, 2024, management has identified the following material weaknesses in its internal control over financial reporting, inclusive of the control weakness related to disclosure controls and procedures:

1. The lack of sufficient dedicated accounting personnel, resulting in delays around the timely collection of inputs and the preparation and review of financial reporting, as well as the inability to provide for effective segregation of duties, and

2. The lack of formal documentation of the design of the control environment and the related control processes and procedures.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting identified in connection with the evaluation required by paragraph (d) of Rules 13a-15 or 15d-15 under the Exchange Act that occurred during the Company's third fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

In the opinion of management, we are not involved in any claims, legal actions or regulatory proceedings as of September 30, 2024, the ultimate disposition of which would have a material adverse effect on our condensed interim consolidated financial position, results of operations, or cash flows.

Item 1A. Risk Factors

In addition to the other information set forth in this Form 10-Q, including in Part I, Item 2—"Management's Discussion and Analysis of Financial Condition and Results of Operations" under the heading "Forward-Looking Statements" and elsewhere in Item 2, the risks and uncertainties which could adversely affect our business, financial condition, results of operations and future growth prospects that we believe are most important for you to consider are discussed in Part I, Item 1A—"Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2023 filed with the SEC on April 16, 2024. The risks described in our Annual Report on Form 10-K for the year ended December 31, 2023 are not the only risks we face. Additional risks and uncertainties not presently known to us or that we presently deem less significant may also impair our business operations. There are no material changes to the Risk Factors described in our Annual Report on Form 10-K for the year ended December 31, 2023.

Item 2. Unregistered Sales of Equity Securities, Use of Proceeds, and Issuer Purchases of Equity Securities

None

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

For Western, safety is a core value, and we strive for superior performance. Our health and safety management system, which includes detailed standards and procedures for safe production, addresses topics such as employee training, risk management, workplace inspection, emergency response, accident investigation, and program auditing. In addition to strong leadership and involvement from all levels of the organization, these programs and procedures form the cornerstone of safety at Western, ensuring that employees are provided a safe and healthy environment and are intended to reduce workplace accidents, incidents and losses, comply with all mining-related regulations and provide support for both regulators and the industry to improve mine safety.

The operation of our U.S. based mine is subject to regulation by the Federal Mine Safety and Health Administration ("MSHA") under the Federal Mine Safety and Health Act of 1977 (the "Mine Act"). MSHA inspects our mine on a regular basis and issues various citations and orders when it believes a violation has occurred under the Mine Act Following passage of The Mine Improvement and New Emergency Response Act of 2006, MSHA significantly increased the number of citations and orders charged against mining operations. The dollar penalties assessed for citations issued has also increased in recent years.

Pursuant to Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the "Dodd-Frank Act"), issuers that are operators, or that have a subsidiary that is an operator, of a coal or other mine in the United States, and that is subject to regulation by the Federal Mine Safety and Health Administration under the Mine Safety and Health Act of 1977 ("Mine Safety Act"), are required to disclose in their periodic reports filed with the SEC information regarding specified health and safety violations, orders and citations, related assessments and legal actions, and mining-related fatalities. Western went into active mining operations at the Sunday Mine Complex during 2021. During the quarter ended September 30, 2024, Mine Safety and Health Administration (MSHA) mine inspections have not yielded any disclosures required by Section 1503(a) of the Dodd-Frank Act."

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit No.	Description
3.1 *	Certificate of Incorporation, as amended
3.2 *	Amended and Restated Bylaws
4.1**	Shareholder Rights Plan Agreement, as of May 24, 2023
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
95	Mine Safety Disclosure Exhibit
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Previously filed as an exhibit to the Company's Form 10 registration statement filed on April 29, 2016 and incorporated herein by reference.

** Previously filed as an exhibit to the Company's Form 10-Q Quarterly Report for the three and six months ended June 30, 2023 filed on August 18, 2023 and incorporated herein by reference.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

WESTERN URANIUM & VANADIUM CORP.

Date: November 14, 2024

By: /s/ George Glasier
George Glasier
Chief Executive Officer and President

Date: November 14, 2024

By: /s/ Robert Klein
Robert Klein
Chief Financial Officer

Exhibit 31.1

CERTIFICATION
PURSUANT TO RULE 13a-14 AND 15d-14
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, George Glasier, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Western Uranium & Vanadium Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2024

By:	/s/ George Glasier
Name:	George Glasier
Title:	Chief Executive Officer and President (Principal Executive Officer)

Exhibit 31.2

CERTIFICATION
PURSUANT TO RULE 13a-14 AND 15d-14
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, Robert Klein, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Western Uranium & Vanadium Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2024

By:	/s/ Robert Klein
Name:	Robert Klein
Title:	Chief Financial Officer (Principal Financial and Accounting Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Western Uranium & Vanadium Corp. (the "Company") for the quarter ended September 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned, in the capacities and on the dates indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 14, 2024

By:	/s/ George Glasier
Name:	George Glasier
Title:	Chief Executive Officer and President (Principal Executive Officer)

Date: November 14, 2024

By:	/s/ Robert Klein
Name:	Robert Klein
Title:	Chief Financial Officer (Principal Financial and Accounting Officer)

Exhibit 95

MINE SAFETY DISCLOSURE

The following disclosures are provided pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Act”) and Item 104 of Regulation S-K, which require certain disclosures by companies required to file periodic reports under the Securities Exchange Act of 1934, as amended, that operate mines regulated under the Federal Mine Safety and Health Act of 1977 (the “Mine Act”).

Mine Safety Information. Whenever the Federal Mine Safety and Health Administration (“MSHA”) believes a violation of the Mine Act, any health or safety standard or any regulation has occurred, it may issue a citation which describes the alleged violation and fixes a time within which the U.S. mining operator (e.g. our subsidiaries, Black Range Minerals Limited and Pinon Ridge Mining, LLC) must abate the alleged violation. In some situations, such as when MSHA believes that conditions pose a hazard to miners, MSHA may issue an order removing miners from the area of the mine affected by the condition until the alleged hazards are corrected. When MSHA issues a citation or order, it generally proposes a civil penalty, or fine, as a result of the alleged violation, that the operator is ordered to pay. Citations and orders can be contested and appealed, and as part of that process, are often reduced in severity and amount, and are sometimes dismissed. The number of citations, orders and proposed assessments vary depending on the size and type (underground or surface) of the mine as well as by the MSHA inspector(s) assigned. In addition to civil penalties, the Mine Act also provides for criminal penalties for an operator who willfully violates a health or safety standard or knowingly violates or fails or refuses to comply with an order issued under Section 107(a) or any final decision issued under the Act.

The below table reflects citations and orders issued to us by MSHA during the three months ended September 30, 2024.

Additional information about the Act and MSHA references used in the table follows.

- *Section 104(a) Significant and Substantial (“S&S”) Citations:* Citations received from MSHA under section 104(a) of the Mine Act for violations of mandatory health or safety standards that could significantly and substantially contribute to the cause and effect of a mine safety or health hazard.

- *Section 104(b) Orders*: Orders issued by MSHA under section 104(b) of the Mine Act, which represents a failure to abate a citation under section 104(a) within the period of time prescribed by MSHA. This results in an order of immediate withdrawal from the area of the mine affected by the condition until MSHA determines that the violation has been abated.

- *Section 104(d) S&S Citations and Orders*: Citations and orders issued by MSHA under section 104(d) of the Mine Act for unwarrantable failure to comply with mandatory, significant and substantial health or safety standards.

- *Section 110(b)(2) Violations*: Flagrant violations issued by MSHA under section 110(b)(2) of the Mine Act.

- *Section 107(a) Orders*: Orders issued by MSHA under section 107(a) of the Mine Act for situations in which MSHA determined an “imminent danger” (as defined by MSHA) existed.

Mine (1)	Section 104(a) S&S Citations	Section 104(b) Orders	Section 104(d) S&S Citations and Orders	Section 110(b)(2) Violations	Section 107(a) Orders	($ in millions) Proposed MSHA Assessments	Fatalities
Carnation	—	—	—	—	—	—	—
Sunday Mine	—	—	—	—	—	—	—
St. Jude Mine	—	—	—	—	—	—	—
Topaz	—	—	—	—	—	—	—
West Sunday	—	—	—	—	—	—	—
TOTAL	—	—	—	—	—	—	—

(1) The definition of a mine under section 3 of the Mine Act includes the mine, as well as other items used in, or to be used in, or resulting from, the work of extracting minerals, such as land, structures, facilities, equipment, machines, tools, and minerals preparation facilities. Unless otherwise indicated, any of these other items associated with a single mine have been aggregated in the totals for that mine. MSHA assigns an identification number to each mine and may or may not assign separate identification numbers to related facilities such as preparation facilities. We are providing the information in the table by mine rather than MSHA identification number because that is how we manage and operate our mining business and we believe this presentation will be more useful to investors than providing information based on MSHA identification numbers.

Pattern or Potential Pattern of Violations. During the nine months ended September 30, 2024, none of the mines operated by us received written notice from MSHA of (a) a pattern of violations of mandatory health or safety standards that are of such nature as could have significantly and substantially contributed to the cause and effect of mine health or safety hazards under section 104(e) of the Mine Act or (b) the potential to have such a pattern.

Pending Legal Actions. As of September 30, 2024, the Company had no pending legal actions before the Federal Mine Safety and Health Review Commission (the "Commission"), an independent adjudicative agency that provides administrative trial and appellate review of legal disputes arising under the Mine Act, and no such legal actions were instituted or resolved during the nine months ended September 30, 2024.