WESTERN URANIUM & VANADIUM CORP. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(Stated in USD)

WESTERN URANIUM & VANADIUM CORP. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

TABLE OF CONTENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of Western Uranium & Vanadium Corp.

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Western Uranium & Vanadium Corp. and subsidiaries (the “Company") as of December 31, 2024 and 2023, and the related consolidated statements of operations and other comprehensive loss, changes in shareholders’ equity, and cash flows for each of the years in the two-year period ended December 31, 2024, and the related notes (collectively referred to as the “consolidated financial statements”).

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2024 and 2023, and the results of its consolidated operations and its consolidated cash flows for each of the years in the two-year period ended December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

Material Uncertainty Related to Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the consolidated financial statements, the Company has incurred losses from operations and is dependent upon future sources of equity or debt financing in order to fund its operations, which raises substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 2. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

MNP LLP

Chartered Professional Accountants

Licensed Public Accountants

We have served as the Company’s auditor since 2015.

Mississauga, Canada

April 15, 2025

MNP LLP

Suite 900, 50 Burnhamthorpe Road W, Mississauga ON, L5B 3C2 T: 416.626.6000 F: 416.626.8650

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

	As of December 31,	
	2024	2023
Assets		
Current assets:		
Cash and cash equivalents	$ 5,482,631	$ 9,217,585
Restricted cash, current portion	75,057	75,075
Prepaid expenses	352,058	382,314
Marketable securities	-	385
Other current assets	77,936	131,255
Total current assets	5,987,682	9,806,614
Restricted cash, net of current portion	737,936	676,369
Property, plant & equipment and mineral properties, net	17,702,569	14,926,289
Kinetic separation intellectual property	9,488,051	9,488,051
Total assets	$ 33,916,238	$ 34,897,323
Liabilities and Shareholders' Equity		
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	$ 672,041	$ 761,123
Asset retirement obligations, current portion	75,057	75,057
Total current liabilities	747,098	836,180
Asset retirement obligations, net of current portion	335,041	241,562
Deferred tax liability	2,708,887	2,708,887
Deferred contingent consideration	309,138	340,650
Total liabilities	4,100,164	4,127,279
Commitments and Contingencies (Note 4)		
Shareholders' Equity		
Common shares, no par value, unlimited authorized shares, 59,383,002 and 50,002,395 shares issued as of December 31, 2024 and 2023, respectively, and 59,382,696 and 50,002,089 shares outstanding as of December 31, 2024 and 2023, respectively	58,979,839	49,661,910
Treasury shares, 306 shares held in treasury as of December 31, 2024 and 2023	-	-
Accumulated deficit	(28,929,894)	(18,817,857)
Accumulated other comprehensive loss	(233,871)	(74,009)
Total shareholders' equity	29,816,074	30,770,044
Total liabilities and shareholders' equity	$ 33,916,238	$ 34,897,323

Approval on behalf of the Board:

/s/ George E. Glasier
Director

/s/ Andrew Wilder
Director

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

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

	For the Years Ended December 31,	
	2024	2023
Revenues	$ 183,803	$ 431,065
Expenses		
Mining expenditures	5,285,140	2,951,579
Professional fees	613,403	386,473
General and administrative	3,599,460	1,884,456
Consulting fees	1,020,577	304,457
Total operating expenses	10,518,580	5,526,965
Operating loss	(10,334,777)	(5,095,900)
Interest income, net	224,738	158,904
Other expense, net	(1,998)	(5,598)
Net loss	(10,112,037)	(4,942,594)
Other comprehensive (loss) income		
Foreign currency translation adjustment	(159,862)	187,123
Comprehensive loss	$ (10,271,899)	$ (4,755,471)
Net loss per share - basic and diluted	$ (0.18)	$ (0.11)
Weighted average shares outstanding - basic and diluted	55,084,225	44,073,655

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

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

	Common Shares		Treasury Shares			Accumulated Other Comprehensive	
	Shares	Amount	Shares	Amount	Accumulated Deficit	Loss	Total
Balance as of January 1, 2023	43,602,565	$ 43,394,303	306	$ -	$ (13,875,263)	$ (261,132)	$ 29,257,908
Private placement - December 12, 2023, net of offering costs	5,215,828	4,836,867	-	-	-	-	4,836,867
Proceeds from the exercise of warrants	1,165,450	1,004,044	-	-	-	-	1,004,044
Cashless exercise of stock options	18,246	-	-	-	-	-	-
Stock based compensation - stock options	-	426,696	-	-	-	-	426,696
Foreign currency translation adjustment	-	-	-	-	-	187,123	187,123
Net loss	-	-	-	-	(4,942,594)	-	(4,942,594)
Balance as of December 31, 2023	50,002,089	$ 49,661,910	306	$ -	$ (18,817,857)	$ (74,009)	$ 30,770,044
Private placement - November 2024, net of offering costs	4,142,906	3,546,870	-	-	-	-	3,546,870
Proceeds from the exercise of warrants	5,198,540	4,605,458	-	-	-	-	4,605,458
Cashless exercise of stock options	39,161	-	-	-	-	-	-
Stock based compensation - stock options	-	1,165,601	-	-	-		1,165,601
Foreign currency translation adjustment	-		-	-	-	(159,862)	(159,862)
Net loss	-	-	-	-	(10,112,037)	-	(10,112,037)
Balance as of December 31, 2024	59,382,696	$ 58,979,839	306	$ -	$ (28,929,894)	$ (233,871)	$ 29,816,074

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

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

	For the Years Ended December 31, 2024	2023
Cash Flows Used In Operating Activities:		
Net loss	$ (10,112,037)	$ (4,942,594)
Reconciliation of net loss to cash used in operating activities:		
Depreciation	613,610	262,832
Loss on the sale of equipment	1,998	5,598
Accretion of asset retirement obligations	12,971	12,308
Stock-based compensation	1,142,541	429,429
Change in marketable securities	385	227
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	83,575	(27,376)
Accounts payable and accrued liabilities	(89,082)	209,508
Asset retirement obligations	80,508	4,035
Deferred revenue	-	(43,860)
Contingent consideration	(31,512)	398
Net cash used in operating activities	(8,297,043)	(4,089,495)
Cash Flows Used In Investing Activities		
Purchase of property, plant & equipment and mineral properties	(3,395,888)	(2,404,440)
Proceeds from sale of equipment	4,000	-
Net cash used in investing activities	(3,391,888)	(2,404,440)
Cash Flows Provided By Financing Activities		
Proceeds from private placements, net	3,546,870	4,836,867
Proceeds from warrant exercises	4,605,458	1,004,044
Cash received from note receivable	-	3,500
Net cash provided by financing activities	8,152,328	5,844,411
Effect of foreign exchange rate on cash	(136,802)	185,015
Net decrease in cash and cash equivalents and restricted cash	(3,673,405)	(464,509)
Cash and cash equivalents and restricted cash - beginning	9,969,029	10,433,538
Cash and cash equivalents and restricted cash - ending	$ 6,295,624	$ 9,969,029
Cash and cash equivalents	$ 5,482,631	$ 9,217,585
Restricted cash, current portion	75,057	75,075
Restricted cash, noncurrent	737,936	676,369
Total cash and cash equivalents and restricted cash	$ 6,295,624	$ 9,969,029
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Interest	$ 7,879	$ -
Income taxes	$ -	$ -
Noncash transactions:		
Notes received in exchange for equipment sold	$ -	$ 8,000

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

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 5 Church Street, Toronto, Ontario, Canada, M5E 1M2, 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 years ended December 31, 2024 and 2023, the Company generated net losses of $10,112,037 and $4,942,594, 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 expands its mining operations. As of December 31, 2024 and 2023, the Company had an accumulated deficit of $28,929,894 and $18,817,857, respectively, and working capital of $5,240,584 and $8,970,434, respectively.

Since inception, the Company has met its liquidity requirements principally through the issuance of notes, the sale of its common shares and from limited revenue sources. During November 2024, the Company closed a private placement of 4,142,906 units at a price of $0.94 (CAD $1.32) per unit. The aggregate gross proceeds raised in the private placement amounted to $3,897,166 (CAD $5,468,636) and proceeds net of issuance costs were $3,546,870 (CAD $4,975,966). During year ended December 31, 2024, the Company received $4,605,458 (CAD $6,238,248) in proceeds from the exercise of common share warrants to purchase 5,198,540 common shares. 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 $5,324,989 (CAD $7,250,000) and proceeds net of issuance costs amounted to $4,836,867 (CAD $6,588,089). During the year ended December 31, 2023, the Company received $1,004,044 (CAD $1,358,565) in proceeds from the exercise of common share warrants to purchase 1,165,450 common shares.

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 mineral resources to generate operating cash flows.

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

These consolidated financial statements are presented in United States dollars and have been prepared in accordance with United States Generally Accepted Accounting Principles ("U.S. GAAP").

The accompanying consolidated financial statements include the accounts of Western and its wholly-owned subsidiaries, Western Uranium Corporation (Utah) ("Western 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, Maverick Strategic Minerals Corp ("Maverick"), Pinon Ridge Corp ("PRC") and Mustang Mineral Processing Inc ("Mustang"). All inter-company transactions and balances have been eliminated upon consolidation.

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

Segment Information

In accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 280, *Segment Reporting*, operating segments are defined as components of an enterprise for which separate discrete information is available for evaluation by the chief operating decision maker in deciding how to allocate resources and in assessing performance (the "CODM"). For the Company, its CODM is its Chief Executive Officer. The Company views its operations and manages its business as one operating and reporting segment. This single segment reflects the Company's core business, which is the production of uranium minerals.

The Company's CODM regularly reviews the segment net income (loss) that also is reported on the income statement as consolidated net income (loss). The measure of segment assets is reported on the balance sheet as total consolidated assets.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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.

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 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 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 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.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Foreign Currency Translation

The reporting currency of the Company, including its subsidiaries, is the United States dollar. The financial statements of subsidiaries located outside of the U.S. are measured in their functional currency, which is the local currency. The functional currency of the parent (Western Uranium & 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 consolidated balance sheets.

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 December 31, 2024 and 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. During the year ended December 31, 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 asset retirement obligation (“ARO”) (see Note 4), they have been separately disclosed and classified as long-term for the majority of the Company’s mines. As of December 31, 2024 and 2023, the Company has determined that the Van 4 Mine is considered to be in reclamation. The Company reflects the Van 4 Mine’s asset retirement obligation and its restricted cash in full on the Company’s 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 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 receipts are recognized as revenues based upon production.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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 were adjusted to fair value at each balance sheet date based on quoted prices which were considered level 1 inputs. A portion of the Company's operating and financing activities are conducted 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).

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 December 31, 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	$ -	$ -

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Impairment of Long-Lived Assets

The Company reviews and evaluates its long-lived assets and Kinetic Separation technology for impairment when events or changes in circumstances indicate that the related carrying amounts may not be recoverable. Impairment is considered to exist if the total estimated future cash flows on an undiscounted basis are less than the carrying amount of the assets. An impairment loss is measured and recorded based on discounted estimated future cash flows or upon an estimate of fair value that may be received in an exchange transaction. Future cash flows are estimated based on estimated quantities of recoverable minerals, expected uranium prices (considering current and historical prices, trends, and related factors), production levels, operating costs of production, and capital, restoration and reclamation costs, based upon the projected remaining future uranium production from each project. The Company's long-lived assets (which principally include its mineral assets and Kinetic Separation intellectual property) were acquired during the end of 2014 and in 2015 in arms-length transactions. During the year ended December 31, 2024, the Company acquired a parcel of land upon which it intends to develop and construct a facility for the processing of mineral resources (see Note 4). As of December 31, 2024, the Company evaluated the total estimated future cash flows on an undiscounted basis for its mineral properties and Kinetic Separation intellectual property and determined that no impairment was deemed to exist. Estimates and assumptions used to assess recoverability of the Company's long-lived assets and to measure fair value of the Company's uranium properties are subject to risk uncertainty. Changes in these estimates and assumptions could result in the impairment of the Company's long-lived assets. In estimating future cash flows, assets are grouped at the lowest level for which there are identifiable cash flows that are largely independent of future cash flows from other asset groups.

Income Taxes

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

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

Tax benefits are recognized only for tax positions that are more likely than not to be sustained upon examination by tax authorities. The amount recognized is measured as the largest amount of benefit that is more than 50 percent likely to be realized upon settlement. A liability for unrecognized tax benefits is recorded for any tax benefits claimed in the Company's tax returns that do not meet these recognition and measurement standards. As of December 31, 2024 and 2023, no liability for unrecognized tax benefits was required to be reported.

The Company's policy for recording interest and penalties associated with tax audits is to record such items as a component of general and administrative expense. There were no amounts accrued for penalties and interest for the years ended December 31, 2024 and 2023. The Company does not expect its uncertain tax position to change during the next twelve months. Management is currently unaware of any issues under review that could result in significant payments, accruals, or material deviations from its position.

The Company has identified its federal Canadian and United States tax jurisdictions and its state tax jurisdictions in Colorado and Utah as its "major" tax jurisdictions, and such returns for the years 2018 through 2023 remain subject to examination.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Asset Retirement Obligations

Various federal and state mining laws and regulations require the Company to reclaim the surface areas and restore underground water quality for its mine projects to the pre-existing mine area average quality after the completion of mining.

When an asset will require future reclamation and remediation costs, which include extraction equipment removal and environmental remediation, an ARO is accrued at the end of each period based on management's best estimate of the costs expected to be incurred for each project. Such estimates are determined by the Company's engineering studies which consider the costs of future surface and groundwater activities, current regulations, actual expenses incurred, and technology and industry standards.

In accordance with the FASB ASC 410, *Asset Retirement and Environmental Obligations*, the Company capitalizes the measured fair value of asset retirement obligations to mineral properties. The estimated fair value of the asset retirement obligation is based on the current cost escalated at an inflation rate and discounted at a credit adjusted risk-free rate. The asset retirement obligations are accreted to an undiscounted value until the time at which they are expected to be settled. The accretion expense is charged to earnings and the actual retirement costs are recorded against the asset retirement obligations when incurred. Any difference between the recorded asset retirement obligations and the actual retirement costs incurred will be recorded as a gain or loss in the period of settlement.

At each reporting period, the Company reviews the assumptions used to estimate the expected cash flows required to settle the asset retirement obligations, including changes in estimated probabilities, amounts and timing of the settlement of the asset retirement obligations, as well as changes in the legal obligation requirements at each of its mineral properties. Changes in any one or more of these assumptions may cause revision of asset retirement obligations for the corresponding assets.

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. 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 expenses the grant date fair value over the period for which it is expected to be 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 years ended December 31, 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 Years Ended December 31,	
	2024	**2023**
Warrants to purchase common shares	9,718,345	10,804,539
Options to purchase common shares	5,723,336	4,917,666
Total potentially dilutive securities	15,441,681	15,722,205

Recently Adopted Accounting Pronouncements

In November 2023, the FASB issued Accounting Standards Update ("ASU") 2023-07 – *Improvements to Reportable Segment Disclosures ("ASU 2023-07")*, which enhances the disclosures required for reportable segments in annual and interim consolidated financial statements. 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 adopted ASU 2023-07 for the year ended December 31, 2024 retrospectively to all periods presented in the consolidated financial statements. The adoption of this ASU had no impact on reportable segments identified and had no effect on the Company's consolidated financial position, results of operations, or cash flows. Additional required disclosure has been included within this Note 3, under subsection Segment Information.

Recent Accounting Standards Not Yet Adopted

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 consolidated financial statements and disclosures.

In November 2024, the FASB issued ASU 2024-03, – *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)*: Disaggregation of Income Statement Expenses ("ASU 2024-03"). This ASU requires disclosures about specific types of expenses included in the expense captions presented on the face of the statement of operation as well as disclosures about selling expenses. The standard is effective for annual reporting periods beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027. The requirements will be applied prospectively with the option for retrospective application. Early adoption is permitted. The Company will evaluate the full extent of the potential impact of the adoption of ASU 2024-03, but believes it will not have a material impact on its 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 property, plant & equipment and mineral properties, net and kinetic separation intellectual property are:

	Estimated Useful Lives	As of December 31, 2024	As of December 31, 2023
Mineral properties	N/A	$11,688,841	$11,688,841
Mining equipment	5 years	3,260,879	2,345,055
Vehicles	5 years	1,094,297	549,703
Plant facilities	5 - 10 years	207,490	-
Software	5 years	9,120	-
Construction in progress	N/A	36,343	312,384
Land	N/A	2,334,050	351,957
Total property, plant & equipment and mineral properties		$18,631,020	$15,247,940
Less: accumulated depreciation		928,451	321,651
Property, plant & equipment and mineral properties, net		$17,702,569	$14,926,289
Kinetic separation intellectual property		$ 9,488,051	$ 9,488,051

The Company's mining properties acquired on August 18, 2014 that the Company retains as of December 31, 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. The Company is obligated to remit a 1.0% royalty based upon the market value of uranium recovered from these mining properties. 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 December 31, 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.

During the years ended December 31, 2024 and 2023, Western made purchases of $3,395,888 and $2,404,440, to increase the Company's mining and processing capacities. During the years ended December 31, 2024 and 2023, depreciation expense was $613,610 and $262,832, respectively, which was included in mining expenditures on the Company's consolidated statements of operations and other comprehensive loss.

(Stated in USD)

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

Mustang Mineral Mill Site

On October 1, 2024, Western, through its wholly owned subsidiary, Western Utah, executed a binding stock purchase agreement (the "PRC Agreement") to purchase 100% of the shares of PRC from a private investor group and thereby acquire Mustang, which is a wholly owned subsidiary of PRC. Mustang owns an 880-acre property located in Montrose County, Colorado, where a uranium processing mill was previously licensed but never constructed. The acquisition becomes the second property that Western has acquired, in addition to the Maverick site in Utah. It also becomes 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.

The Company assumed an obligation to an unrelated third party to remit a royalty based on the volume of minerals processed through any mineral processing plant located on the property. This transaction was accounted for as the 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 PRC Agreement on behalf of the Company.

The purchase price consisted of the following components:

Cash paid to sellers, of which $414,584 was paid to George and Kathy Glasier and $24,875 was paid to an affiliate of Andrew Wilder	$ 829,167
Cash paid to retire the principal and interest on the loan the seller had assumed	1,148,125
Total	$ 1,977,292

The purchase price was allocated as shown below:

Cash	$ 8,781
Land	1,982,093
Accrued expenses	(13,582)
Total	$ 1,977,292

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

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.

During the years ended December 31, 2024 and 2023, the Company recognized aggregate revenue of $183,803 and $431,065, respectively, under these oil and gas lease arrangements.

Asset Retirement Obligations

The Company's mines are subject to certain AROs, which the Company has recorded as liabilities. The AROs of the United States mines are subject to legal and regulatory requirements, and estimates of the costs of asset retirement obligations are reviewed periodically by the applicable regulatory authorities. The ARO represents the Company's best estimate of the present value of future costs in connection with the mineral properties.

During the year ended December 31, 2024, in connection with the Company's San Rafael Mine and Sunday Mine Complex, the Company incurred additional gross and discounted asset retirement obligations of $412,534 and $80,508, respectively. The Company determined the aggregate gross AROs of the mineral properties to be $1,163,978 and $751,444 as of December 31, 2024 and 2023, respectively. The portion of the asset retirement obligations related to the Van 4 Mine, which is in reclamation as of December 31, 2024, and its related restricted cash are included in current liabilities and current assets, respectively, at a value of $75,057. During the year ended December 31, 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 asset retirement obligation amount.

The Company's asset retirement obligations are subject to legal and regulatory requirements. Estimates of the costs of reclamation are reviewed periodically by the Company and the applicable regulatory authorities. The asset retirement obligations represent the Company's estimate of the present value of future reclamation costs, discounted using a credit adjusted risk-free interest rates of 5.4% for the years ended December 31, 2024 and 2023. The net discounted aggregated values as of December 31, 2024 and 2023 were $410,098 and $316,619, respectively. On September 17, 2024 and March 13, 2025, the Company remitted $61,403 and $351,131, respectively in connection with the aforementioned 2024 incremental AROs. Financial warranties to secure AROs as of December 31, 2024 and 2023 were $812,993 and $751,444, respectively.

(Stated in USD)

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

Asset Retirement Obligations, continued

Asset retirement obligation activity consists of:

	For the Years Ended December 31, 2024	2023
Beginning balance as of January 1	$ 316,619	$ 300,276
Adjustment to asset retirement obligations	80,508	4,035
Accretion	12,971	12,308
Ending balance as of December 31	$ 410,098	$ 316,619
Less: Asset retirement obligations, current portion	75,057	75,057
Asset retirement obligations, net of current portion	$ 335,041	$ 241,562

Topaz Mine Permitting Status

Upon an order from the Mined Land Reclamation Board ("MLRB") in March 2023, the Topaz Mine was put into reclamation which is scheduled to be completed 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 its allowed evaluation period and was cancelled. Pursuant to the Fiscal Responsibility Act of 2023, each permitting project has a one year time limit for the BLM to complete a review. 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. Consultants have completed new work toward gathering additional inputs for the BLM resubmission, but have not yet restarted the BLM clock by making an amended submission.

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 $61,403 Financial Guarantee of reclamation costs with the BLM. Following the completion of repairs to access roads, the phase 1 drilling program is eligible to begin. 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 December 31,	
	2024	**2023**
Trade accounts payable	$ 515,532	$ 562,831
Accrued liabilities	156,509	198,292
Total accounts payable and accrued liabilities	$ 672,041	$ 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 December 31, 2024 and 2023, an unlimited number of common shares were authorized for issuance.

Private Placements

On November 20, 2024, the Company closed a private placement of 4,142,906 units at a price of $0.94 (CAD $1.32) per unit. The aggregate gross proceeds raised in the private placement amounted to $3,897,166 (CAD $5,468,636) and proceeds net of issuance costs were $3,546,870 (CAD $4,975,966). 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 $1.27 (CAD $1.78) per share for a period of four years following the closing date of the private placement.

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 $5,324,989 (CAD $7,250,000) and proceeds net of issuance costs amounted to $4,836,867 (CAD $6,588,089). Each unit consisted of one common share plus one half of one warrant. Each warrant is exercisable into one share at a price of $1.38 (CAD $1.88) per common share for a period of four years following the closing date of the private placement. A total of 5,215,828 common shares and warrants to purchase 2,607,913 common shares were issued to investors in connection with the private placement.

Warrant Exercises

During the years ended December 31, 2024 and 2023, an aggregate of 5,198,540 and 1,165,450 warrants were exercised for total proceeds of $4,605,458 (CAD $6,238,248) and $1,004,044 (CAD $1,358,565), respectively.

Warrant Modification

On November 28, 2024, The Company's Board approved amendments to extend the term and reduce the exercise price of 2,868,541 previously issued common share purchase warrants. These warrants, originally issued during December 2021 and January 2022, had initial exercise prices of $1.94 (CAD $2.50) and $2.00 (CAD $2.50) per share, respectively, and were set to expire three years post-issuance. Effective November 28, 2024, the term was extended to January 20, 2026, a date that is less than five years since the original date of issuance. Effective February 27, 2025 the exercise price was reduced to $1.39 (CAD $2.00), the date upon which the Canadian Securities Exchange (CSE) accepted the warrant repricing and the amended Form 13 filing was approved for filing. During the year ended December 31, 2024, the Company recorded an incremental fair value of $184,308 arising from the extension of the term. On February 27, 2025, the Company recorded an incremental fair value of $104,840 for the modification of the exercise price. The cost of the warrant modifications was accounted for as a cost of raising capital. This modification was granted to facilitate the raising of additional equity capital by extending the exercise period and lowering the exercise price, thereby providing warrant investors with more time and incentive to exercise their warrants.

NOTE 6 – SHARE CAPITAL AND OTHER EQUITY INSTRUMENTS, CONTINUED

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 December 31, 2024, a total of 59,382,696 common shares were outstanding. As of December 31, 2024, the maximum number of stock options eligible to be issued under the Plan would be 5,938,269 and net of 5,723,336 options outstanding as of December 31, 2024, there remain 214,933 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.

Stock Options

On December 20, 2023, the Board of Directors granted options under the Plan for the purchase of an aggregate of 1,525,000 common shares to individuals consisting of directors and officers of the Company. Each of these options have a term which ends five years from the vesting date, an exercise price of $1.20 (CAD $1.60 as of December 31, 2023) and vest equally in thirds on January 31, 2024, July 31, 2024 and January 31, 2025.

On July 14, 2024, the Board of Directors granted an option under the Plan for the purchase of an aggregate of 100,000 common shares to a director of the Company. This option has a term which ends five years from the vesting date, an exercise price of $1.47 (CAD $2.00 as of July 14, 2024) and vests one half on each of July 31, 2024 and January 31, 2025.

On November 24, 2024, the Board of Directors granted options under the Plan for the purchase of an aggregate of 1,375,000 common shares to individuals consisting of directors and officers of the Company. Each of these options have a term which ends five years from the vesting date, an exercise price of $0.94 (CAD $1.32 as of November 29, 2024) and vest equally in thirds on January 31, 2025, July 31, 2025 and January 31, 2026.

During the year ended December 31, 2023, the Company issued 18,246 common shares pursuant to the cashless exercise of an option to purchase 50,000 common shares with an exercise price of $0.75 (CAD $1.00 as of December 31, 2023).

During the year ended December 31, 2024, the Company issued 39,161 common shares pursuant to the cashless exercise of an option to purchase 166,664 common shares with an exercise price $0.79 (CAD $1.03).

(Stated in USD)

NOTE 6 – SHARE CAPITAL AND OTHER EQUITY INSTRUMENTS, CONTINUED

Stock Options, continued

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 years ended	
	December 31, 2024	December 31, 2023
Stock Price	CAD $1.29 – $2.00	CAD $1.56
Exercise Price	CAD $1.32 – $2.00	CAD $1.60
Dividend Yield	0%	0%
Expected Volatility	75% - 88%	90.9% - 96.1%
Weighted Average Risk-Free Interest Rate	4.31%	4.06%
Expected life (in years)	2.55 – 3.69	2.62 – 3.62

	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	1,475,000	0.98		
Forfeited and expired	(502,666)	1.50		
Exercised	(166,664)	0.79		
Outstanding – December 31, 2024	5,723,336	$ 1.14	3.80	$ -
Exercisable – December 31, 2024	3,823,328	$ 1.20	2.98	$ -

The Company's stock-based compensation expense (net of the effect of forfeitures) related to stock options for the year ended December 31, 2024 was $1,142,541 of which $251,557 and $890,984 was included in mining expenditures and general and administrative expenses, respectively, on the Company's consolidated statements of operations and other comprehensive loss. The Company's stock-based compensation expense related to stock options for the year ended December 31, 2023 was $429,429, of which $78,874 and $350,555 was included in mining expenditures and general and administrative expenses, respectively, on the Company's consolidated statements of operations and other comprehensive loss. As of December 31, 2024, there was approximately $597,448 of unrecognized share-based compensation for unvested stock options, which is expected to be recognized over a weighted average period of 0.44 years.

(Stated in USD)

NOTE 6 – SHARE CAPITAL AND OTHER EQUITY INSTRUMENTS, CONTINUED

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	4,142,906	1.27		
Exercised	(5,198,540)	0.95		
Expired/Forfeited	(30,560)	1.06		
Outstanding – December 31, 2024	9,718,345	$ 1.52	2.76	$ -
Exercisable – December 31, 2024	9,718,345	$ 1.52	2.76	$ -

NOTE 7 – MINING EXPENDITURES

	For the Years Ended December 31, 2024	For the Years Ended December 31, 2023
Mining costs	$ 2,668,625	$ 1,453,063
Permits	125,434	107,989
Labor and related benefits	2,486,443	1,383,074
Royalties	4,638	7,453
Total mining expenses	$ 5,285,140	$ 2,951,579

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 contributed certain assets into the JV and PRM contributed $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 year ended December 31, 2024, PRM funded an aggregate of $235,210 (inclusive of funding the Initial Contribution) to the JV, which was expensed to mining expenditures within the 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 $309,138 (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 $309,138 and $340,650 as of December 31, 2024 and 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 $106,500 and $71,700 in connection with these arrangements for the years ended December 31, 2024 and 2023, respectively.

The Company is obligated to pay Mr. Glasier for reimbursable expenses in the amount of $83,554 and $84,040, included within accounts payable and accrued liabilities, as of December 31, 2024 and 2023, respectively.

During the years ended December 31, 2024 and 2023, the Company purchased approximately $9,000 and $25,800 of mining related equipment from Silver Hawk Ltd, respectively.

See Note 4 – Property, Plant & Equipment and Mineral Properties, Net and Kinetic Separation Intellectual Property.

(Stated in USD)

NOTE 9 – INCOME TAXES

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are as follows:

	As of December 31, 2024	As of December 31, 2023
Deferred tax assets:		
Net operating loss carryovers	$ 8,493,862	$ 6,985,894
Marketable securities	-	13,646
Amortization capitalized cost	1,446,396	925,249
Stock-based compensation	778,953	-
Unrealized foreign exchange	106,996	20,192
Accretion expense	12,623	9,899
Charitable contributions	1,784	-
Deferred tax assets, gross	10,840,614	7,954,880
Less: valuation allowance	(8,336,707)	(5,602,952)
Deferred tax assets, net	2,503,907	2,351,928
Deferred tax liabilities:		
Property and equipment	(4,777,770)	(4,758,757)
Amortization annual expense	(435,024)	(302,058)
Deferred tax liabilities, net	$ (2,708,887)	$(2,708,887)

The change in the Company's valuation allowance is as follows:

	For the Years Ended December 31, 2024	For the Years Ended December 31, 2023
Beginning of year	$ 5,602,952	$ 3,688,584
Increase in valuation allowance	2,733,755	1,914,368
End of year	$ 8,336,707	$ 5,602,952

A reconciliation of the provision for income taxes with the amounts computed by applying the statutory federal income tax rate to income from operations before the provision for income taxes is as follows:

	For the Years Ended December 31, 2024	For the Years Ended December 31, 2023
U.S. federal statutory rate	(21.0)%	(21.0)%
State and foreign taxes	-%	-%
Permanent differences		
Stock-based compensation	-%	1.9%
Other	0.1%	-%
True-up to prior years return	(5.7)%	(24.4)%
Valuation allowance	26.6%	40.3%
Other	-%	3.2%
Effective income tax rate	-%	-%

NOTE 9 – INCOME TAXES, CONTINUED

The Company has net operating loss carryovers of approximately $26,092,449 for federal and state income tax purposes and net operating loss carryovers of $14,354,511 for Canadian provincial tax purposes which begin to expire in 2026. The ultimate realization of the net operating loss is dependent upon future taxable income, if any, of the Company.

Based on losses from inception, the Company determined that as of December 31, 2024 it is more likely than not that the Company will not realize benefits from the deferred tax assets. The Company does not record income tax benefits in the consolidated financial statements until it is determined that it is more likely than not that the Company will generate sufficient taxable income to realize the deferred income tax assets. As a result of the analysis, the Company determined that a deferred tax asset valuation allowance of $8,336,707 and $5,602,952 was required as of December 31, 2024 and 2023, respectively.

Internal Revenue Code ("IRC") Section 382 imposes limitations on the use of net operating loss carryovers when the share ownership of one or more 5% shareholders (shareholders owning 5% or more of the Company's outstanding capital stock) has increased on a cumulative basis over a period of three years by more than 50 percentage points. Management cannot control any ownership changes that occur. Accordingly, there is a risk of an ownership change beyond the control of the Company that could trigger a limitation of the use of the loss carryover. The Company has not performed an analysis to determine whether or not such has occurred during either of the years ended December 31, 2024 and 2023. If such ownership change under IRC section 382 had occurred, such change would substantially limit the Company's ability to utilize its net operating loss carryforwards in the future.

NOTE 10 – FINANCIAL INSTRUMENTS

Fair Values

The Company's financial instruments consist of cash and cash equivalents, restricted cash - current, accounts payable and accrued liabilities. The fair values of these financial instruments approximate their carrying values due to the short-term maturity of these instruments. The Company's financial instruments also incorporate marketable securities that are adjusted to fair value at each balance sheet date based on quoted prices which are considered level 1 inputs. The reclamation deposits, which are reflected in restricted cash on the consolidated balance sheets, are deposits mainly invested in interest bearing certificates of deposit at major financial institutions, and their fair values are estimated to approximate their carrying values. There were no transfers of financial instruments between Levels 1, 2, and 3 during the years ended December 31, 2024 and 2023.

Foreign Currency Risk

Foreign currency risk is the risk that changes in the rates of exchange on foreign currencies will impact the financial position or cash flows of the Company. The Company's reporting currency is the United States dollar. The functional currency for Western standalone entity is the Canadian dollar. The Company is exposed to foreign currency risks in relation to certain activity that is to be settled in Canadian funds. Management monitors its foreign currency exposure regularly to minimize the risk of an adverse impact on its cash flows.

NOTE 10 – FINANCIAL INSTRUMENTS, CONTINUED

Concentration of Credit Risk

Concentration of credit risk is the risk of loss in the event that certain counterparties are unable to fulfil their obligations to the Company. The Company limits its exposure to credit loss on its cash and restricted cash by placing its cash with high credit quality financial institutions.

Liquidity Risk

Liquidity risk is the risk that the Company's consolidated cash flows from operations will not be sufficient for the Company to continue operating and discharge is liabilities. The Company is exposed to liquidity risk as its continued operation is dependent upon its ability to obtain financing, either in the form of debt or equity, or achieve profitable operations in order to satisfy its liabilities as they come due. As of December 31, 2024, the Company had working capital of $5,240,584 and cash and cash equivalents of $5,482,631.

Market Risk

Market risk is the risk that fluctuations in the market prices of minerals will impact the Company's future cash flows. The Company is exposed to market risk on the price of uranium and vanadium, which will determine its ability to build and achieve profitable operations, the amount of exploration and development work that the Company will be able to perform, and the number of financing opportunities that will be available. Management believes that it would be premature at this point to enter into any hedging or forward contracts to mitigate its exposure to specific market price risks.

NOTE 11 – SUBSEQUENT EVENT

Ore Purchase Agreement

On April 8, 2025, PRM entered into an Ore Purchase Agreement (the "Ore Purchase Agreement") with subsidiaries of Energy Fuels Inc. ("Purchaser"). The Ore Purchase Agreement is for a one year period and provides for the delivery of up to 25,000 short tons of uranium bearing ore to the White Mesa Mill in Blanding, Utah. PRM shall make deliveries at its own cost and the purchase price per ton will be based upon the average grade of uranium of each lot, and other qualifying conditions. Within 30 days after each lot is closed, Purchaser shall pay to PRM an 85% provisional payment calculated based upon the sampled grade and an agreed upon pricing schedule. Within 30 days after each lot is fed to processing, the Purchaser shall pay to PRM a final settlement payment calculated based upon the assayed grade and the agreed upon pricing schedule, net of a royalty, pursuant to a previously existing royalty agreement with the Purchaser.