WESTERN URANIUM & VANADIUM CORP. AND SUBSIDIARIES

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2020 AND 2019
(Stated in USD)
(Unaudited)

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

	March 31, 2020	December 31, 2019
Assets		
Current assets:		
Cash	$ 1,412,306	$ 2,084,782
Restricted cash, current portion	75,057	75,057
Prepaid expenses	116,354	189,818
Marketable securities	1,620	2,759
Other current assets	33,643	25,345
Total current assets	1,638,980	2,377,761
Restricted cash, net of current portion	822,605	822,605
Mineral properties and equipment	11,743,493	11,746,150
Kinetic separation intellectual property	9,488,051	9,488,051
Total assets	$ 23,693,129	$ 24,434,567
Liabilities and Shareholders' Equity		
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	$ 553,748	$ 599,337
Reclamation liability, current portion	75,057	75,057
Deferred revenue, current portion	14,620	24,620
Total current liabilities	643,425	699,014
Reclamation liability, net of current portion	223,347	219,171
Deferred tax liability	2,708,887	2,708,887
Deferred contingent consideration	305,100	351,099
Deferred revenue, net of current portion	21,945	23,100
Total liabilities	3,902,704	4,001,271
Commitments		
Shareholders' Equity		
Common shares, no par value, unlimited authorized shares, 30,084,053 and 30,084,053 shares issued as of March 31, 2020 and December 31, 2019, respectively and 30,083,747 and 30,083,747 shares outstanding as of March 31, 2020 and December 31, 2019, respectively	29,196,589	29,042,547
Treasury shares, 306 and 306 shares held in treasury as of March 31, 2020 and December 31, 2019, respectively	-	-
Accumulated deficit	(9,413,039)	(8,694,569)
Accumulated other comprehensive income	6,875	85,318
Total shareholders' equity	19,790,425	20,433,296
Total liabilities and shareholders' equity	$ 23,693,129	$ 24,434,567

Approval on behalf of the Board:

/s/ George E. Glasier
Director

/s/ Andrew Wilder
Director

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

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

	For the Three Months Ended March 31,	
	2020	2019
Revenues		
Lease revenue	$ 11,155	$ 11,155
Expenses		
Mining expenditures	234,716	43,846
Professional fees	73,756	93,317
General and administrative	389,397	374,973
Consulting fees	27,940	15,000
Total operating expenses	725,809	527,136
Operating loss	(714,654)	(515,981)
Interest expense, net	3,816	2,894
Net loss	(718,470)	(518,875)
Other comprehensive (expense) income		
Foreign exchange (loss) gain	(78,443)	15,279
Comprehensive loss	$ (796,913)	$ (503,596)
Net loss per share - basic and diluted	$ (0.03)	$ (0.02)
Weighted average shares outstanding, basic and diluted	30,083,747	25,976,837

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

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

	Common Shares		Treasury Shares		Accumulated	Accumulated Other Comprehensive	
	Shares	Amount	Shares	Amount	Deficit	Income	Total
Balance as of January 1, 2020	30,083,747	$ 29,042,547	306	$ -	$ (8,694,569)	$ 85,318	$ 20,433,296
Stock based compensation - stock options	-	154,042	-	-	-	-	154,042
Private placement -	-	-	-	-	-	-	-
Foreign exchange gain	-	-	-	-	-	(78,443)	(78,443)
Net loss	-	-	-	-	(718,470)	-	(718,470)
Balance as of March 31, 2020	30,083,747	$ 29,196,589	306	$ -	$ (9,413,039)	$ 6,875	$ 19,790,425
Balance as of January 31, 2019	25,976,837	$ 25,865,367	306	$ -	$ (6,584,342)	$ 41,832	$ 19,322,857
Stock based compensation - stock options	-	180,269	-	-	-	-	180,269
Foreign exchange gain	-	-	-	-	-	15,279	15,279
Net loss	-	-	-	-	(518,875)	-	(518,875)
Balance as of March 31, 2019	25,976,837	$ 26,045,636	306	$ -	$ (7,103,217)	$ 57,111	$ 18,999,530

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

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

	For the Three Months Ended March 31, 2020	2019
Cash Flows From Operating Activities:		
Net loss	$ (718,470)	$ (518,875)
Reconciliation of net loss to cash used in operating activities:		
Depreciation	2,657	-
Accretion of and additions to reclamation liability	4,176	3,294
Stock based compensation	154,042	180,269
Change in foreign exchange on marketable securities	1,139	(105)
Change in operating assets and liabilities:		
Prepaid expenses and other current assets	65,166	(4,208)
Accounts payable and accrued liabilities, net of shares issued for accounts payable	(45,589)	63,212
Deferred revenue	(11,155)	(11,155)
Net cash used in operating activities	(548,034)	(287,568)
Effect of foreign exchange rate on cash	(124,442)	17,227
Net decrease in cash and restricted cash	(672,476)	(270,341)
Cash and restricted cash - beginning	2,982,444	1,798,895
Cash and restricted cash - ending	$ 2,309,968	$ 1,528,554
Cash	$ 1,412,306	$ 639,399
Restricted cash	897,662	889,155
Total	$ 2,309,968	$ 1,528,554

There were no cash flows from investing or financing activities during the three months ended March 31, 2020 and 2019.

	2020	2019
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Interest	$ -	$ -
Income taxes	$ -	$ -

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

NOTE 1 – BUSINESS

Nature of operations

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

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

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

On June 29, 2018, the shareholders of the Company approved the name change of the Company from "Western Uranium Corporation" to "Western Uranium & Vanadium Corp." The name change became effective in Ontario, Canada on October 1, 2018; thereafter on October 4, 2018 Western's shares started trading under the new name on the CSE and OTCQX and the Company announced the name change by news release.

NOTE 2 – LIQUIDITY AND GOING CONCERN

The Company has incurred continuing losses from its operations and negative operating cash flows from operations and as of March 31, 2020, the Company had an accumulated deficit of $9,413,039 and working capital of $995,555.

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

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

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

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Principles of Consolidation

The accompanying condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10–Q and Rule 10 of Regulation S–X. Accordingly, they do not include all of the information and notes required by accounting principles generally accepted in the United States of America. However, in the opinion of the management of the Company, all adjustments necessary for a fair presentation of the financial position and operating results have been included in these statements. These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10–K for the fiscal year ended December 31, 2019, as filed with the SEC on April 14, 2020. Operating results for the three months ended March 31, 2020 are not necessarily indicative of the results that may be expected for any subsequent quarters or for the year ending December 31, 2020.

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

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

Exploration Stage

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

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

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Use of Estimates

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

Foreign Currency Translation

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

Revenue Recognition

The Company leases certain of its mineral properties for the exploration and production of oil and gas reserves. The Company accounts for lease revenue in accordance with ASC 842 "Leases". Lease payments received in advance are deferred and recognized on a straight – line basis over the related lease term associated with the prepayment. Royalty payments are recognized as revenues when received.

Fair Values of Financial Instruments

The carrying amounts of cash, restricted cash, accounts payable, 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 operations and financing activities are conducted primarily in United States dollars and as a result, the Company is not subject to significant exposure to market risks from changes in foreign currency rates. The Company is exposed to credit risk through its cash and restricted cash, but mitigates this risk by keeping these deposits at major financial institutions.

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

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

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

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

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

(Stated in USD)

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Fair Values of Financial Instruments

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

	Quoted Prices in Active Markets for Identical Assets or Liabilities (Level 1)	Quoted Prices for Similar Assets or Liabilities in Active Markets (Level 2)	Significant Unobservable Inputs (Level 3)
Marketable securities as of March 31, 2020	$ 1,620	$ -	$ -
Marketable securities as of December 31, 2019	$ 2,759	$ -	$ -

Income Taxes

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

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

Tax benefits are recognized only for tax positions that are more likely than not to be sustained upon examination by tax authorities. The amount recognized is measured as the largest amount of benefit that is greater than 50 percent likely to be realized upon settlement. A liability for "unrecognized tax benefits" is recorded for any tax benefits claimed in the Company's tax returns that do not meet these recognition and measurement standards. As of March 31, 2020 and December 31, 2019, no liability for unrecognized tax benefits was required to be reported.

The Company's policy for recording interest and penalties associated with tax audits is to record such items as a component of general and administrative expense. There were no amounts accrued for penalties and interest for the three months ended March 31, 2020 and 2019. 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 returns and its state tax returns in Colorado and Utah as its "major" tax jurisdictions, and such returns for the years 2016 through 2019 remain subject to examination.

(Stated in USD)

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Loss per Share

Basic net loss per share is computed by dividing net loss by the weighted average number of 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 diluted net loss per share for the three months ended March 31, 2020 and 2019 excludes potentially dilutive securities. The computations of net loss per share for each period presented is the same for both basic and fully diluted.

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

	For the Three Months Ended March 31,	
	2020	2019
Warrants to purchase common shares	8,602,913	6,778,876
Options to purchase common shares	2,808,000	2,416,664
Total potentially dilutive securities	11,410,913	9,195,540

Recent Accounting Standards

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

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

In November 2019, the FASB issued ASU 2019-08, Compensation – Stock Compensation (Topic 718) and Revenue from Contracts with Customers (Topic 606), which clarifies that an entity must measure and classify share-based payment awards granted to a customer by applying the guidance in Topic 718. ASU 2019-08 is effective for annual reporting periods beginning after December 15, 2019, including interim reporting periods within those annual reporting periods. The Company has evaluated that ASU 2019-08- does not have a material effect on its condensed consolidated financial statements.

(Stated in USD)

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

The Company's mining properties acquired on August 18, 2014 that the Company retains as of March 31, 2020 include: San Rafael Uranium Project located in Emery County, Utah; The Sunday Mine Complex located in western San Miguel County, Colorado; The Van 4 Mine located in western Montrose County, Colorado; The Sage Mine project located in San Juan County, Utah, and San Miguel County, Colorado. These mining properties include leased land in the states of Colorado and Utah. None of these mining properties were operational at the date of acquisition.

The Company's mining properties acquired on September 16, 2015 that the Company retains as of March 31, 2020 include Hansen, North Hansen, High Park, and Hansen Picnic Tree located in Fremont and Teller Counties, Colorado. The Company also acquired the Keota project located in Weld County, Wyoming and the Ferris Haggerty project located in Carbon County Wyoming. These mining assets include both owned and leased land in the states of Utah, Colorado and Wyoming. All of the mining assets represent properties which have previously been mined to different degrees for uranium.

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

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

	As of	
	March 31, 2020	December 31, 2019
Mineral properties and equipment	$ 11,743,493	$ 11,746,150
Kinetic separation intellectual property	$ 9,488,051	$ 9,488,051

Oil and Gas Lease and Easement

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

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

During the three months ended March 31, 2020 and 2019 the Company recognized aggregate revenue of $11,155 and $11,155, 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. The Company determined the gross reclamation liabilities of the mineral properties as of March 31, 2020 and December 31, 2019, to be approximately $897,662 and $897,662, respectively. On March 2, 2020, the MLRB issued an order vacating the Van 4 Temporary Cessation, terminating mining operations and ordering commencement of final reclamation. The Company has begun the reclamation of the Van 4 Mine. The reclamation cost is fully covered by the reclamation bonds posted upon acquisition of the property. The Company adjusted the fair value of its reclamation obligation for the Van 4 Mine. The portion of the reclamation liability related to the Van 4 Mine, and its related restricted cash are included in current liabilities, and current assets, respectively, at a value of $75,057. The Company expects to begin incurring the reclamation liability after 2054 for all mines that are not in reclamation and accordingly, has discounted the gross liabilities over their remaining lives using a discount rate of 5.4% to net discounted aggregated values as of March 31, 2020 and December 31, 2019 of $223,347 and $219,171, respectively. The gross reclamation liabilities as of March 31, 2020 and December 31, 2019 are secured by certificates of deposit in the amount of $897,662 and $897,662, respectively.

(Stated in USD)

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

Reclamation Liabilities, continued

Reclamation liability activity for the three months ended March 31, 2020 and 2019 consists of:

	For the three months ended March 31,	
	2020	2019
Beginning balance	$ 294,228	$ 224,645
Accretion	4,176	3,294
Additions	-	-
Ending Balance	$ 298,404	$ 227,939

Van 4 Mine Permitting Status

A prior owner of the Company's Van 4 Mine had been granted a first Temporary Cessation from reclamation of the mine by the Colorado Mined Land Reclamation Board ("MLRB") which was set to expire June 23, 2017. Prior to its expiration, PRM formally requested an extension through a second Temporary Cessation. PRM subsequently participated in a public process which culminated in a hearing on July 26, 2017. Prior to the hearing, three non-profit organizations who pursue environmental and conservation objectives filed a brief objecting to the extension. The MLRB board members voted to grant a second five-year Temporary Cessation for the Van 4 Mine. Thereafter, the three objecting parties filed a lawsuit on September 18, 2017. The MLRB was named as the defendant and PRM was named as a party to the case due to the Colorado law requirement that any lawsuit filed after a hearing must include all of the parties in the proceeding. The plaintiff organizations are seeking for the court to set aside the board order granting a second five-year Temporary Cessation period to PRM for the Van 4 Mine. The Colorado state Attorney General was defending this action in the Denver Colorado District Court. On May 8, 2018, the Denver Colorado District Court ruled in favor, whereby the additional five-year temporary cessation period was granted. The Plaintiffs appealed this ruling to the Colorado Court of Appeals and on July 25, 2019 the ruling was reversed, whereby the additional five-year temporary cessation period should not have been granted. Thereafter, the Colorado Mined Land Reclamation Board (CMLRB) and the Colorado Attorney General advised Western that it will not make an additional appeal of the ruling. Further, the time period for an appeal has passed. The Judge has subsequently issued an instruction for the MLRB to issue an order revoking the permit and putting the Van 4 Mine into reclamation. On January 22, 2020, the MLRB held a hearing and afterward on March 2, 2020, the MLRB issued an order vacating the Van 4 Temporary Cessation, terminating mining operations and ordering commencement of final reclamation. The Company has commenced reclamation of the Van 4 Mine. The reclamation cost is fully covered by the reclamation bonds posted upon acquisition of the property.

Sunday Mine Complex Permitting Status

On February 4, 2020, the Colorado DRMS sent a Notice of Hearing to Declare Termination of Mining Operations related to the status of the mining permits issued by the state of Colorado for the Sunday Mine Complex. At issue is the application of an unchallenged Colorado Court of Appeals Opinion for a separate mine (Van 4) with very different facts that are retroactively modifying DRMS rules and regulations. The Company maintains that it was timely in meeting existing rules and regulations. The hearing will be held during the monthly MLRB Board meeting, but this matter has been delayed several times. Most recently, the hearing was scheduled to be held during the April 22-23, 2020 MLRB Board meeting, but on April 8, 2020 the DRMS sent a Notice of Continuance to the May 13-14, 2020 MLRB Board meeting. Subsequently, on May 4, 2020 an email was sent by DRMS's legal representative further continuing the hearing to June 24, 2020.

(Stated in USD)

NOTE 5 - ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consisted of:

	As of	
	March 31, 2020	December 31, 2019
Trade accounts payable	$ 406,219	$ 404,015
Accrued liabilities	147,529	195,322
Total accounts payable and accrued liabilities	$ 553,748	$ 599,337

NOTE 6 - COMMITMENTS

Supply Contract

In December 2015, the Company signed a uranium concentrates supply agreement with a major U.S. utility company for delivery commencing in 2018 and continuing for a five year period through 2022. As the Company does not possess saleable uranium, a partial assignment agreement was put in place whereby the assignee accepted the Company's right to the Year 1 delivery of 125,000 pounds of natural uranium concentrates. The Year 1 delivery was made during 2018 and the assignee was paid in full consideration under the agreement. The Company did not recognize any gain or loss on this transaction. In Year 2, a partial assignment agreement was put in place whereby the assignee accepted the Company's right to the Year 2 delivery of 125,000 pounds of natural uranium concentrates. The Year 2 delivery was made during 2019 and the assignee was paid in full consideration under the agreement. The Company will not recognize any gain or loss on this transaction. The Company and the U.S. utility customer mutually agreed to cancel the Year 3 delivery, rather than pursue a partial assignment; there will be no delivery during 2020.

Legal proceedings

On June 13, 2019, Black Range was sued over the original Weld County Colorado deed language. The lawsuit was filed in the Weld County District Court. This deed was negotiated prior to the Company acquiring Black Range in September 2015 by prior management and a bank representing the estate of the property owner. The plaintiff, the estate's beneficiaries, assert that it was the intent that they would receive a production override royalty for oil and gas production from the property, however this language was not included in the deed. Western's attorney has filed a response with the court contesting this allegation. This only involves royalties on oil and gas production on this undeveloped property, thus there is no current economic impact. Court procedure mandates that the parties participate in a mediation process before bringing the matter before the court. During the scheduling of the mediation process, the parties agreed to a settlement. Western executed the Settlement Agreement on December 31, 2019 and the four plaintiffs executed in counterparts on various days in January 2020. The plaintiff was given a non-participating royalty interest of $1/8^{th}$ for all hydrocarbon and non-hydrocarbon substances that are produced and sold from the Weld County property. As the settlement only impacts future economics, the Company will not recognize any gain or loss from this transaction.

NOTE 7 - SHARE CAPITAL AND OTHER EQUITY INSTRUMENTS

Authorized Capital

The holders of the Company's common shares are entitled to one vote per share. Holders of common shares are entitled to receive rateably such dividends, if any, as may be declared by the Board of Directors out of legally available funds. Upon the liquidation, dissolution, or winding up of the Company, holders of common shares are entitled to share rateably in all assets of the Company that are legally available for distribution. As of March 31, 2020 and December 31, 2019, an unlimited number of common shares were authorized for issuance.

(Stated in USD)

NOTE 7 - 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. Shareholders of the Company approved the Plan on June 30, 2008 and amendments to the Plan on June 20, 2013, and the Board of Directors approved additional changes to the Plan on September 12, 2015.

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

The Plan provides that the aggregate number of common shares for which stock options may be granted will not exceed 10% of the issued and outstanding common shares at the time stock options are granted. As of March 31, 2020, a total of 30,083,747 common shares were outstanding, and at that date the maximum number of stock options eligible for issue under the Plan was 3,008,375.

On January 6, 2020, the Company granted options under the Plan for the purchase of an aggregate of 600,000 common shares to five individuals consisting of directors, officers, and consultants of the Company. The options have a five year term, an exercise price of CAD $1.03 (US $0.79 as of December 31, 2019) and vest equally in thirds commencing initially on the date of grant and thereafter on January 31, 2020, and June 30, 2020.

Stock Options

	Number of Shares	Weighted Average Exercise Price (USD)	Weighted Average Contractual Life (years)	Weighted Average Grant Date Fair Value (USD)	Intrinsic Value (USD)
Outstanding - January 1, 2020	2,208,000	$ 1.56	3.01	$ 0.41	
Granted	600,000	$ .43	4.77	$ .43	
Expired, forfeited, or cancelled	-				
Outstanding – March 31, 2020	2,808,000	$ 1.28	3.19	$ 0.41	-
Exercisable – March 31, 2020	2,608,000	$ 1.32	$ 3.06	$ 0.33	-

The Company's stock based compensation expense related to stock options for the three months ended March 31, 2020 and 2019 was $154,042 and $180,269, respectively. As of March 31, 2020, the Company had $51,692 in unamortized stock option expense with a remaining amortization period of 0.05 years.

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

	January 6, 2020
Stock Price	CAD $1.03
Exercise Price	CAD $1.03
Number of Options Granted	600,000
Dividend Yield	0%
Expected Volatility	90.5%
Weighted Average Risk-Free Interest Rate	1.61%
Expected life (in years)	2.6

(Stated in USD)

NOTE 7 - SHARE CAPITAL AND OTHER EQUITY INSTRUMENTS, CONTINUED

Warrants

	Number of Shares	Weighted Average Exercise Price (USD)	Weighted Average Contractual Life (years)	Intrinsic Value (USD)
Outstanding - January 1, 2020	8,602,913	$ 1.38		
Issued	-	-		
Expired	-	-		
Outstanding – March 31, 2020	8,602,913	1.31	1.33	$ -
Exercisable – March 31, 2020	8,602,913	1.31	0.84	$ -

NOTE 8 - MINING EXPENDITURES

	For the three months ended March 31,	
	2020	2019
Permits	$ 35,212	$ 35,366
Maintenance	-	8,480
Mining Costs	198,054	-
Royalties	1,450	-
	$ 234,716	$ 43,846

NOTE 9 - RELATED PARTY TRANSACTIONS AND BALANCES

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

Prior to the acquisition of Black Range, Mr. George Glasier, the Company's CEO, who is also a director ("Seller"), transferred his interest in a former joint venture with Ablation Technologies, LLC to Black Range. In connection with the transfer, Black Range issued 25 million shares of Black Range common stock to Seller and committed to pay AUD $500,000 (USD $305,100 as of March 31, 2020) to Seller within 60 days of the first commercial application of the kinetic separation technology. Western assumed this contingent payment obligation in connection with the acquisition of Black Range. At the date of the acquisition of Black Range, this contingent obligation was determined to be probable. Since the deferred contingent consideration obligation is probable and the amount is estimable, the Company recorded the deferred contingent consideration as an assumed liability in the amount of $305,100 and $351,099 as of March 31, 2020 and December 31, 2019, respectively.

NOTE 10 – FINANCIAL INSTRUMENTS

Fair Values

The Company's financial instruments consist of cash, restricted cash, and 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 incorporated marketable securities that are adjusted to fair value at each balance sheet date based on quoted prices which are considered level 1 inputs. There were no transfers of financial instruments between Levels 1, 2, and 3 during the three months ended March 31, 2020 and 2019.

NOTE 10 – FINANCIAL INSTRUMENTS, CONTINUED

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 Uranium & Vanadium Corp. standalone entity is the Canadian dollar. The Company is exposed to foreign currency risks in relation to certain any 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.

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. The Company does not have any cash in excess of federally insured limits.

Liquidity Risk

Liquidity risk is the risk that the Company's condensed 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 achieving profitable operations in order to satisfy its liabilities as they come due. As of March 31, 2020, the Company had a working capital of $995,555 and cash on hand of $1,412,306

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 EVENTS

Warrant Extension

On April 20, 2020, the Company announced the extension by nine months of the common share purchase warrants (the "Warrants") issued to investors in non-brokered private placements that closed on May 4, June 30, and August 9, 2018 (the "2018 Private Placements") and the amendment of the trigger price in the acceleration clause of each Warrant. A total of 2,671,116 Warrants are being amended.

Each Warrant currently entitles the holder to purchase one common share in the capital of the Company at a price of $1.15 CAD at any time prior to May 4, July 30, and August 9, 2020, respectively. Each of these dates has been extended by nine months such that the Warrants will expire on February 4, April 30, and May 9, 2021, respectively. Additionally, each Warrant originally contained an acceleration clause that allowed the Company to accelerate the expiration date of the Warrant if the closing price of the Company's common shares was equal to or greater than $2.50 CAD for a period of five consecutive trading days. The Company is amending this clause by lowering the trigger price from $2.50 CAD to $1.83 CAD.

NOTE 11 – SUBSEQUENT EVENTS, CONTINUED

Sunday Mine Complex Hearing

The permit hearing for the Sunday Mine Complex to be held during a MLRB Board monthly meeting has been delayed. The hearing was scheduled to be held during the April 22-23, 2020 MLRB Board meeting, but on April 8, 2020 the DRMS sent a Notice of Continuance to the May 13-14, 2020 MLRB Board meeting. Subsequently, on May 4, 2020 an email was sent by DRMS' legal representative further continuing the hearing to June 24, 2020. In the email the hope was expressed to be able to convene in person or a combination of in person/virtually during June, but the email noted the potential difficulty of doing so as requirements and restrictions related to COVID-19 remain fluid. The Company and multiple MLRB board members have indicated a preference for an in person hearing, thus the matter could be subject to a further deferral if COVID-19 public gathering restrictions are not lifted in the state of Colorado and City of Denver by early June.

Paycheck Protection Program Loan

On May 6, 2020, the Company obtained a Paycheck Protection Program loan (the "PPP Loan") for $73,116. The loan has a fixed interest rate of 1%, requires the Company to make seventeen (17) monthly payments, after a six month deferral, and has a maturity date of May 6, 2022. A portion of the loan principal is eligible for forgiveness to the extent that the proceeds are utilized toward permissible expenditures within the initial eight-week period.

COVID-19

In December 2019, a novel strain of coronavirus, COVID-19, was reported to have surfaced in Wuhan, China. Since then, the COVID-19 coronavirus has spread to multiple countries, including the United States. As the COVID-19 coronavirus continues to spread in the United States, the Company may experience disruptions that could severely impact the Company. The global outbreak of the COVID-19 coronavirus continues to rapidly evolve. The extent to which the COVID-19 coronavirus may impact the Company's business will depend on future developments, which are highly uncertain and cannot be predicted with confidence, such as the ultimate geographic spread of the disease, the duration of the outbreak, travel restrictions and social distancing in the United States and other countries, business closures or business disruptions and the effectiveness of actions taken in the United States to contain and treat the disease. The Company is monitoring COVID-19's potential impact on the Company's operations.