Western Uranium & Vanadium Announces Strategic Acquisition of Physical Uranium

written by Raj Shah | June 2, 2021

June 2, 2021 (Source) – Western Uranium & Vanadium Corp. (CSE: WUC) (OTCQX: WSTRF) ("Western" or the "Company") is pleased to announce that the Company has executed a binding agreement to purchase 125,000 pounds of natural uranium concentrate at the current market price. The triuranium octoxide (U_3O_8) delivery will take place before June 2022 on a delivery date specified by Western.

This uranium purchase is among several value-added opportunities the company is pursuing. The transaction has the potential to enhance the balance sheet beyond the purchase cost through uranium price appreciation. This strategic uranium inventory could be held as a long-term investment, used for the 2022 delivery under Western's existing supply agreement, or facilitate the negotiation of future supply agreements.

The basis for this purchase is an acquisition cost substantially below average global uranium production costs. Western first evaluated holding physical uranium in the summer of 2020 as markets began to acknowledge the growing uranium supply-demand imbalance. A decade of oversupply has stifled the development of new uranium mines which has created an undersupply of uranium/nuclear fuel for the next decade. The past year has seen multiple uranium market catalysts including nuclear energy becoming a growth industry due to trends including: the electrification of everything, support for critical mineral

supply chains, climate change initiatives, increasing need for baseload electricity generation without CO_2 emissions, investments into new nuclear technologies, political support for existing nuclear reactors and the construction of new reactors.

This physical uranium purchase complements Western's Sunday Mine Complex uranium production plans. The 2019/2020 project brought these conventional mines into "ready-to-produce" status. These mines are valuable because they are among few mines in the world that are permitted, developed, and capable of significant production volumes after a quick restart with minimal capital expenditure required. Recent production remains stockpiled underground and the Company is poised for a quick restart utilizing the existing infrastructure that was developed over multiple decades.

About Western Uranium & Vanadium Corp.

Western Uranium & Vanadium Corp. is a Colorado based uranium and vanadium conventional mining company focused on low cost near-term production of uranium and vanadium in the western United States, and development and application of kinetic separation.

Cautionary Note Regarding Forward-Looking Information: Certain information contained in this news release constitutes "forward-looking information" or a "forward-looking statements" within the meaning of applicable securities laws (collectively, "forward-looking statements"). Statements of that nature include statements relating to, or that are dependent upon: the Company's expectations, estimates and projections regarding exploration and production plans and results; the timing of planned activities; whether the Company can raise any additional funds required to implement its plans; whether regulatory or analogous requirements can be satisfied to permit planned activities; and more generally to the Company's business, and

the economic and political environment applicable to its operations, assets and plans. All such forward-looking statements are subject to important risk factors and uncertainties, many of which are beyond the Company's ability to control or predict. Please refer to the Company's most recent Management's Discussion and Analysis, as well as its other filings at www.sec.gov and/or www.sedar.com, for a more detailed review of those risk factors. Readers are cautioned not to place undue reliance on the Company's forward-looking statements, and that these statements are made as of the date hereof. While the Company may do so, it does not undertake any obligation to update these forward-looking statements at any particular time, except as and to the extent required under applicable laws and regulations.

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