

November 29, 2007

## Western Uranium Corp (WUC-V, \$2.20)

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**Rating: UNDER REVIEW (S/O); 12-Month Target: UNDER REVIEW (\$4.30); Risk: SPECULATIVE**

**Impact: Positive**

### Event: Kings Valley Drill Results Released

Western Uranium has released RC drill results (holes KV-30 through KV-45) from a second round of late summer drilling on the Kings Valley uranium project in Nevada. Selected highlights include:

- Hole KV-36, 7.62 m of 0.113 % U3O8,
- Hole KV-37, 3.05 m of 0.15 % U3O8,
- Hole KV-39, 12.19 m of 0.04 % U3O8

Drilling was focused on a new conceptual geologic model that is being used in the preparation of an NI 43-101-compliant resource calculation for the project area, expected in December. Results from RC holes KV-46 through KV-50 are pending. Holes KV-30 through KV-50 were drilled in the North and South Areas to test structural- and intrusive-related targets outlined during the remapping of the North, South and Moonlight mine areas. The four deep core holes drilled west of the Moonlight mine to test for potential molybdenum targets failed to penetrate their targets due to difficult drilling conditions.

**Implications:** Kings Valley hosts historic non-NI 43-101 compliant resources of 17 million lbs U3O8 including an historic resource of 11 million lbs U3O8 at an average grade of 0.15% U3O8 defined by Chevron in the late 1970s.

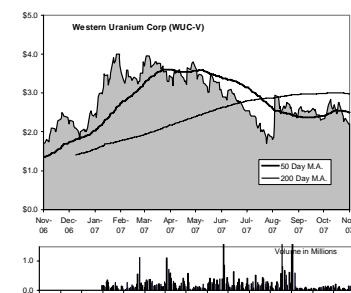
Most of the holes were drilled in the North Area (12 out of 16 holes), known to host lower grade mineralization than the Moonlight Mine Area which has delivered encouraging results to date (hole KV-19, 27.4 m of 0.180% U3O8, KV-22, 21.3 m of 0.253% U3O8).

Although, lower in grade than results previously released from Kings Valley, especially from the Moonlight Mine Area, the results released from the North and South Areas are technically important as they are being used to refine the company's conceptual model being used to prepare a pending NI 43-101-compliant resource calculation for project. The resource calculation will include all three areas, the North, South and Moonlight Mine Areas.

**Valuation:** Western Uranium is currently UNDER REVIEW

Target Price	UNDER REVIEW	52-Week High / Low	\$4.15 / \$1.63
	\$4.30	Shares O/S	58.0 million (basic)
Current Price	\$2.20		65.5 million (F/D)
Return (incl. dist'n)	N/A	<b>Market Capitalization</b>	\$122 million
YTD Performance	N/A	Enterprise Value	\$75 million
Dividend / Yield	N/A	Daily Volume	
<b>Risk Profile:</b>	<b>SPECULATIVE</b>	(3 mo avg)	130,001
Forecast Risk	High	Currency	C\$ unless noted
Financial Risk	High	Company Web Site	
Valuation Risk	High		.westernuraniumcorp.com
Political Risk	High		

### Price Performance



Source: Bloomberg

Last Research: July 30, 2007

Please see rating structure, important disclosures, risk profile parameters, disclaimers, and notes on pages X - X of this report.



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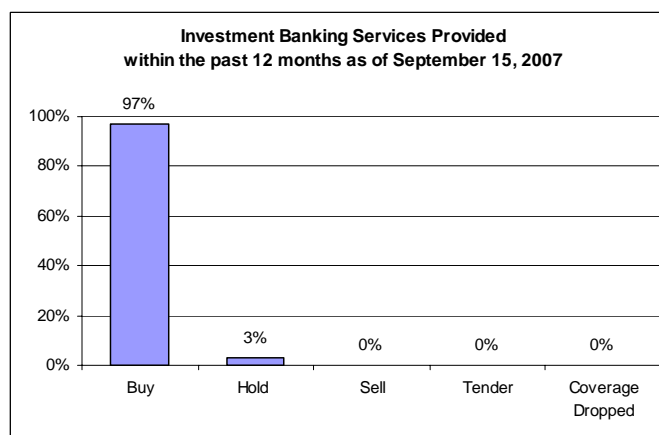
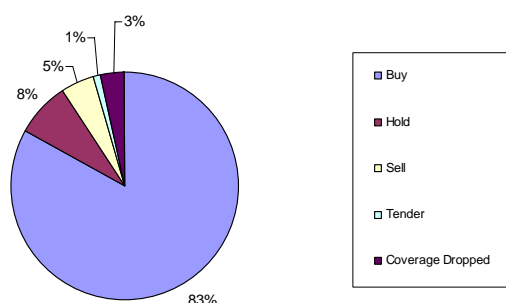
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Rating Distribution June 15, 2007 - September 15, 2007



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## **Risk Profile Parameters – Mining and Minerals Sector**

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**Forecast Risk:** *High* – Haywood forecasts are below guidance. The Company has a history of missing targets and/or Haywood expects guidance to be lowered. Limited hedging increases commodity leverage. Forecasts reflect higher commodity prices or production relative to guidance. *Moderate* – Haywood forecasts are generally in line with guidance. The Company has a history of meeting or exceeding guidance. Forecasts are consistent with current commodity pricing and production guidance. Hedging is in line with peers. *Low* – Haywood forecasts exceed guidance. The Company has a history of meeting or exceeding guidance. Forecasts allow for modestly lower commodity pricing or production levels. Commodity hedging lowers volatility relative to peers.

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