UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 40-F

(Check One)

[ ] Registration statement pursuant to Section 12 of the Securities Exchange Act of 1934 or

[X] Annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934

For the fiscal year ended December 31, 2011

Commission file number 1-35075

WESTERN COPPER AND GOLD CORPORATION

(Exact name of registrant as specified in its charter)

British Columbia, Canada	**1000**	**98-0496216**
(Province or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number (if applicable))	(I.R.S. Employer Identification Number (if Applicable))

Suite 2050 – 1111 West Georgia Street
Vancouver, British Columbia V6E 4M3
Canada
(604) 6849497
(Address and Telephone Number of Registrant's Principal Executive Offices)

DL Services Inc.
701 Fifth Avenue, Suite 6100
Seattle, Washington 98104
(206) 903-5448
(Name, Address (Including Zip Code) and Telephone Number
(Including Area Code) of Agent For Service in the United States)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of each class	**Name of each exchange on which registered**
Common Shares, no par value	NYSE Amex

Securities registered or to be registered pursuant to Section 12(g) of the Act. **None**

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act. **None**

For annual reports, indicate by check mark the information filed with this Form:

[X] Annual Information Form [X] Audited Annual Financial Statements

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: **93,002,503** Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the registrant was required to file such reports); and (2) has been subject to such filing requirements for the past 90 days.
Yes X No___

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (s.232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).
Yes __ No___

FORM 40-F

PRINCIPAL DOCUMENTS

The following documents, filed as Exhibits 99.1 through 99.3 hereto, are hereby incorporated by reference into this Annual Report on Form 40-F of Western Copper and Gold Corporation. (the "Company" or the "Registrant"):

(a) Annual Information Form for the fiscal year ended December 31, 2011;

(b) Management's Discussion and Analysis of Financial Condition and Results of Operations for the fiscal year ended December 31, 2011; and

(c) Audited Consolidated Financial Statements for the fiscal years ended December 31, 2011 and 2010.

The Company's Audited Consolidated Financial Statements included in this Annual Report on Form 40-F have been prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board. Therefore, they are not comparable in all respects to financial statements of United States companies that are prepared in accordance with United States generally accepted accounting principles.

ADDITIONAL DISCLOSURE

Resource and Reserve Estimates

The Company's Annual Information Form for the fiscal year ended December 31, 2011, which is attached hereto as Exhibit 99.1, has been prepared in accordance with the requirements of the securities laws in effect in Canada as of December 31, 2011, which differ in certain material respects from the disclosure requirements of United States securities laws. The terms "mineral reserve", "proven mineral reserve" and "probable mineral reserve" are Canadian mining terms as defined in accordance with Canadian National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") and the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM") - *CIM Definition Standards on Mineral Resources and Mineral Reserves*, adopted by the CIM Council, as amended. NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. The definitions of these terms differ from the definitions of such terms for purposes of the disclosure requirements of the Securities and Exchange Commission (the "Commission") and contained in Industry Guide 7 of the Commission. Under Industry Guide 7 standards, a "final" or "bankable" feasibility study is required to report reserves, the three-year historical average price is used in any reserve or cash flow analysis to designate reserves and the primary environmental analysis or report must be filed with the appropriate governmental authority.

In addition, the terms "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" are defined in NI 43-101 and required by NI 43-101 to be used for disclosure of mineral resources. These terms, however, are not defined terms under Industry Guide 7 and are not permitted to be used in reports and registration statements of United States companies filed with the Commission. Investors are cautioned not to assume that any part or all of the mineral deposits in these categories will ever be converted into reserves. "Inferred mineral resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies, except in rare cases. Investors are cautioned not to assume that all or any part of an inferred mineral resource exists or is economically or legally mineable. Disclosure of "contained ounces" in a resource is permitted disclosure under Canadian regulations. In contrast, the Commission only permits U.S. companies to report mineralization that does not constitute "reserves" by Commission standards as in place tonnage and grade without reference to unit measures.

Accordingly, information contained and incorporated by reference into this Annual Report on Form 40-F that describes the Company's mineral deposits may not be comparable to similar information made public by issuers subject to the Commission's reporting and disclosure requirements applicable to domestic United States issuers.

Certifications and Disclosure Regarding Controls and Procedures.

(a) Certifications. See Exhibits 99.4, 99.5, 99.6 and 99.7 to this Annual Report on Form 40-F.

(b) Disclosure Controls and Procedures. As of the end of the Company's fiscal year ended December 31, 2011, an evaluation of the effectiveness of the Company's "disclosure controls and procedures" (as such term is defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) was carried out by the Company's management with the participation of the Chief Executive Officer and Chief Financial Officer, who are the principal executive officer and principal financial officer of the Company, respectively. Based upon that evaluation, the Company's Chief Executive Officer and Chief Financial Officer have concluded that as of the end of that fiscal year, as a result of the material weakness identified during the Company's assessment of its internal control over financial reporting, the Company's disclosure controls and procedures are not effective to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in Commission rules and forms and (ii) accumulated and communicated to the Company's management, including the Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

(c) Management's Annual Report on Internal Control Over Financial Reporting.

The required disclosure is included in the "Management's Report on Internal Control Over Financial Reporting" that accompanies the Company's Consolidated Financial Statements for the fiscal year ended December 31, 2011, filed as Exhibit 99.3 to this Annual Report on Form 40-F.

(d) Attestation Report of the Registered Public Accounting Firm.

The required disclosure is included in the "Independent Auditor's Report" that accompanies the Company's Audited Consolidated Financial Statements for the fiscal year ended December 31, 2011, filed as Exhibit 99.3 to this Annual Report on Form 40-F.

(e) Changes in Internal Control Over Financial Reporting. During the fiscal year ended December 31, 2011, there were no changes in the Company's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Notices Pursuant to Regulation BTR.

None.

Identification of the Audit Committee.

The Company's board of directors has a separately-designated standing audit committee established in accordance with Section 3(a)(58)(A) of the Exchange Act. The members of the audit committee are: Robert Gayton, Robert Byford, and David Williams. The board of directors has determined that each member of the audit committee is "independent" within the meaning of Section 803(A) of the NYSE Amex Company Guide and "financially sophisticated" within the meaning of Section 803(B) of the NYSE Amex Company Guide.

Audit Committee Financial Expert.

The Company's board of directors has determined that Robert Gayton, a member of its audit committee, qualifies as an "audit committee financial expert" (as such term is defined in Form 40-F).

Code of Ethics.

The Company has adopted a code of business conduct (the "Code") that meets the requirements for a "code of ethics" within the meaning of Form 40-F and that applies to all of the Company's officers, directors and employees, including, without limitation, its principal executive officer, principal financial officer, principal accounting officer or controller, and persons performing similar functions. The Code is available for viewing on the Company's website, which may be accessed at www.westerncopperandgold.com.

During the fiscal year ended December 31, 2011, there were not any amendments to the Code or waivers, including implicit waivers, from any provision of the Code.

Principal Accountant Fees and Services.

The required disclosure is included under the heading "Additional Information—Audit Committee Information—External auditor service fees (by category)" in the Company's Annual Information Form for the fiscal year ended December 31, 2011, filed as Exhibit 99.1 to this Annual Report on Form 40-F.

Pre-Approval Policies and Procedures.

(a) All audit, audit related, tax and non-audit services to be performed by PricewaterhouseCoopers LLP, the Company's external auditor, are pre-approved by the audit committee of the Company's board of directors. Before approval is given, the audit committee examines the independence of the external auditor in relation to the services to be provided and assesses the reasonableness of the fees to be charged for such services.

(b) Of the fees reported under the heading "Additional Information—Audit Committee Information—External auditor service fees (by category)" in the Company's Annual Information Form for the fiscal year ended December 31, 2011, filed as Exhibit 99.1 to this Annual Report on Form 40-F, none of the fees billed by PricewaterhouseCoopers LLP were approved by the audit committee of the Company's board of directors pursuant to the *de minimis* exception provided by Section (c)(7)(i)(C) of Rule 2-01 of Regulation S-X.

Off-Balance Sheet Arrangements.

The Company does not have any off-balance sheet arrangements.

Tabular Disclosure of Contractual Obligations.

($ Canadian)	**Payment due by period**						
Contractual Obligations	**Total**	**2012**	**2013**	**2014**	**2015**	**2016**	**Thereafter**
Office Lease	1,132,000	242,000	247,000	259,000	271,000	113,000	--

Mine Safety Disclosure.

Not applicable.

NYSE Amex Statement of Governance Differences.

As a Canadian corporation listed on the NYSE Amex, the Company is not required to comply with most of the NYSE Amex corporate governance standards, so long as the Company complies with Canadian corporate governance practices. In order to claim such an exemption, however, Section 110 of the NYSE Amex Company Guide requires that the Company provide to NYSE Amex written certification from independent Canadian counsel that the non-complying practice is not prohibited by Canadian law. In addition, the Company must disclose the significant differences between its corporate governance practices and those required to be followed by U.S. domestic issuers under the NYSE Amex's corporate governance standards.

The Company has included a description of such significant differences in corporate governance practices on its website, which may be accessed at www.westerncopperandgold.com. In addition, the Company has included a description of such significant differences below:

Shareholder Meeting Quorum Requirement: The NYSE Amex minimum quorum requirement for a shareholder meeting is one-third of the outstanding common shares. In addition, a company listed on NYSE Amex is required to state its quorum requirement in its bylaws. The Company's quorum requirement is set forth in its Articles and bylaws. A quorum for a meeting of shareholders of the Company is one person of the outstanding common shares present or represented by proxy.

Shareholder Approval Requirement: The Company will follow Toronto Stock Exchange rules for shareholder approval of new issuances of its common shares. Following Toronto Stock Exchange rules, shareholder approval is required for certain issuances of shares that: (i) materially affect control of the Company; or (ii) provide consideration to insiders in aggregate of 10% or greater of the market capitalization of the listed issuer and have not been negotiated at arm's length. Shareholder approval is also required, pursuant to Toronto Stock Exchange rules, in the case of private placements: (i) for an aggregate number of listed securities issuable greater than 25% of the number of securities of the listed issuer which are outstanding, on a non-diluted basis, prior to the date of closing of the transaction if the price per security is less than the market price; or (ii) that during any six month period are to insiders for listed securities or options, rights or other entitlements to listed securities greater than 10% of the number of securities of the listed issuer which are outstanding, on a non-diluted basis, prior to the date of the closing of the first private placement to an insider during the six month period.

UNDERTAKING AND CONSENT TO SERVICE OF PROCESS

A. Undertaking.

The Company undertakes to make available, in person or by telephone, representatives to respond to inquiries made by the Commission staff, and to furnish promptly, when requested to do so by the Commission staff, information relating to: the securities registered pursuant to Form 40-F; the securities in relation to which the obligation to file an annual report on Form 40-F arises; or transactions in said securities.

B. Consent to Service of Process.

The Company has concurrently filed an amendment to its previously filed Form F-X in connection with the class of securities in relation to which the obligation to file this report arises.

Any change to the name or address of the agent for service of process of the Company shall be communicated promptly to the Commission by an amendment to the Form F-X referencing the file number of the relevant registration statement.

SIGNATURES

Pursuant to the requirements of the Exchange Act, the registrant certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this annual report to be signed on its behalf by the undersigned, thereunto duly authorized, on March 26, 2012.

Western Copper and Gold Corporation.

By: /s/ Julien François
Name: Julien François
Title: Chief Financial Officer

EXHIBIT INDEX

Exhibit	Description
99.1	Annual Information Form for the fiscal year ended December 31, 2011
99.2	Management's Discussion and Analysis of Financial Condition and Results of Operations for the fiscal year ended December 31, 2011
99.3	Audited Consolidated Financial Statements for the fiscal years ended December 31, 2011 and 2010
99.4	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934
99.5	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934
99.6	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99.7	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99.8	Consent of PricewaterhouseCoopers LLP
99.9	Consent of Conrad E. Huss, P. Eng.
99.10	Consent of Gary Giroux P. Eng.
99.11	Consent of Michael Hester, F Aus IMM
99.12	Consent of Scott Casselman, P. Geo.
99.13	Consent of Tom Drielick, PE
99.14	Consent of Bruno Borntaeger, P. Eng.
99.15	Consent of Jesse Duke, P. Geo.

Exhibit 99.1

WESTERN COPPER AND GOLD CORPORATION

(Formerly Western Copper Corporation)

ANNUAL INFORMATION FORM

For the year ended
December 31, 2011

2050 – 1111 West Georgia Street
Vancouver, British Columbia
V6E 4M3

Dated: March 26, 2012

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PRELIMINARY NOTES

In this Annual Information Form, Western Copper and Gold Corporation (formerly Western Copper Corporation), including all subsidiaries as the context requires, is referred to as "Western", the "Company", or “we”. All information contained herein is as at March 26, 2012 unless otherwise stated.

Financial Statements

All financial information in this Annual Information Form (“AIF”) is prepared in accordance with International Financial Reporting Standards (“IFRS”).

This AIF should be read in conjunction with the Company’s audited annual consolidated financial statements and notes thereto, as well as with the management’s discussion and analysis for the year ended December 31, 2011. The financial statements and management’s discussion and analysis are available at www.westerncopperandgold.com and under the Company’s profile on the SEDAR website at www.sedar.com.

Currency

All sums of money which are referred to in this AIF are expressed in lawful money of Canada, unless otherwise specified.

Disclosure of Mineral Resources

Disclosure about our exploration properties in this AIF uses the terms “Mineral Resources”, “Measured Mineral Resources”, “Indicated Mineral Resources” and “Inferred Mineral Resources”, which are Canadian geological and mining terms as defined in accordance with National Instrument 43-101, standards of disclosure for mineral projects of the Canadian Securities Administrators, set out in the Canadian Institute of Mining (CIM) Standards. All disclosure about our exploration property conforms to the standards of U.S. Securities and Exchange Commission Industry Guide 7, *Description of Property by Issuers Engaged or to be Engaged in Significant Mining Operations* , other than disclosure of “Mineral Resources”, “Measured Mineral Resources”, “Indicated Mineral Resources” and “Inferred Mineral Resources” which are discussed below.

Cautionary Note to U.S. Investors concerning estimates of Measured Mineral Resources and Indicated Mineral Resources

This AIF may use the terms “Measured Mineral Resource” and “Indicated Mineral Resource”. We advise U.S. investors that while such terms are recognized and permitted under Canadian regulations, the U.S. Securities and Exchange Commission does not recognize them. **U.S. investors are cautioned not to assume that any part or all of the Mineral Resources in these categories will ever be converted into Mineral Reserves.**

Cautionary Note to U.S. Investors concerning estimates of Inferred Mineral Resources

This AIF may use the term “Inferred Mineral Resources”. We advise U.S. investors that while such term is recognized and permitted under Canadian regulations, the U.S. Securities and Exchange Commission does not recognize it. “Inferred Mineral Resources” have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Mineral Resource will ever be upgraded to a higher category. Under Canadian rules estimates of Inferred Mineral Resources may not form the basis of feasibility or other economic studies. **U.S. investors are cautioned not to assume that any part or all of an Inferred Mineral Resource exists, or is economically or legally mineable.**

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Statements contained in this AIF and the documents incorporated by reference herein that are not historical facts are forward-looking statements that involve risks and uncertainties. Forward-looking statements include, but are not limited to, statements with respect to the future price of metals; the estimation of mineral reserves and resources, the realization of mineral reserve estimates; the timing and amount of any estimated future production, costs of production, and capital expenditures; project schedules; recommended work programs; costs and timing of the development of new deposits; success of exploration activities, permitting time lines, currency fluctuations, requirements for additional capital, government regulation of mineral exploration or mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage and the timing and possible outcome of pending litigation. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Such statements are included, among other places, in this AIF under the headings "Development of the Business", "Risk Factors" and "Mineral Properties" and in the documents incorporated by reference herein.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Western to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and other factors include, among others, risks related to the integration of acquisitions; risks related to operations; risks related to joint venture operations; actual results of current exploration activities; actual results of current reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of metals; possible variations in ore reserves, grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities, as well as those factors discussed in the sections entitled "Risk Factors" in this AIF.

Although Western has attempted to identify important factors that could affect it and may cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Forward-looking statements may prove to be inaccurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Western does not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date hereof to reflect the occurrence of unanticipated events unless required by applicable securities law.

The material factors or assumptions used to develop forward-looking statements include prevailing and projected market prices and foreign exchange rates, exploitation and exploration estimates and results, continued availability of capital and financing, availability of equipment and personnel for required operations, the Company not experiencing unforeseen delays, unexpected geological or other effects, equipment failures, permitting delays, and general economic, market or business conditions and as more specifically disclosed throughout this document. Forward-looking statements and other information contained herein concerning mineral exploration and our general expectations concerning mineral exploration are based on estimates prepared by us using data from publicly available industry sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which we believe to be reasonable. The industries involve risks and uncertainties and are subject to change based on various factors.

CORPORATE STRUCTURE

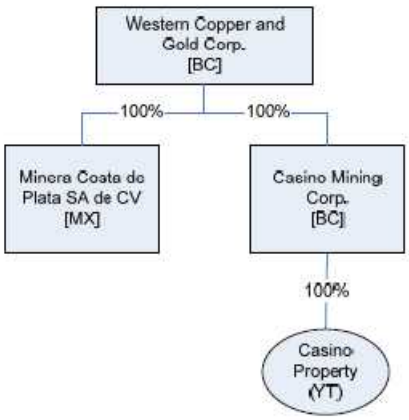
Name, Address, and Incorporation

Western Copper Corporation was incorporated under the *Business Corporations Act* (British Columbia) on March 17, 2006. It changed its name to Western Copper and Gold Corporation on October 17, 2011. The Company's principal office is located at Suite 2050 – 1111 West Georgia Street, Vancouver, BC V6E 4M3. Its registered office address is 10th floor, 595 Howe Street, Vancouver, BC V6C 2T5.

On October 17, 2011, Western Copper Corporation ("**Western Copper**") completed a plan of arrangement (the " **Arrangement**") involving Western Copper, its shareholders and subsidiaries. The Arrangement involved, among other things: (i) a series of vertical short form amalgamations involving Western Copper and its wholly-owned subsidiaries to form the Company, (ii) a name change to "Western Copper and Gold Corporation", (iii) amendments to the Company's authorized capital resulting in an unlimited number of common shares and preferred shares, and (iv) certain exchanges of securities resulting in post-Arrangement common shares of the Company, common shares of Copper North Mining Corp. ("**Copper North**") and common shares of NorthIsle Copper and Gold Inc. (" **NorthIsle**") being distributed to shareholders of the Company in exchange for their pre-Arrangement common shares of Western Copper.

Intercorporate Relationships

The Company has the following subsidiaries:



GENERAL DEVELOPMENT OF THE BUSINESS

On December 22, 2010, Western issued 9,395,500 units at a price of $2.45 for gross proceeds of approximately $23 million. Each unit comprised one common share of the Company and half of one warrant. Each whole warrant is exercisable for one common share of the Company at a price of $3.45 and expires on December 22, 2012.

On February 9, 2011, the Company's shares began trading on the NYSE Amex under the symbol "WRN".

On October 17, 2011, Western Copper completed a plan of arrangement (the "Arrangement"). Pursuant to the Arrangement, Western Copper transferred the Carmacks Copper Project, the Redstone Project, and $2 million in cash to Copper North and the Island Copper property and $2.5 million in cash to NorthIsle in consideration for common shares of each respective company. Western Copper then changed its name to Western Copper and Gold Corp. ("Western") and distributed the common shares of Copper North and NorthIsle to Western's shareholders.

Other corporate developments are described throughout this AIF.

DESCRIPTION OF THE BUSINESS

General

Western is an exploration and development company that is directly engaged in the development of the Casino mineral property located in Yukon, Canada. The Casino property is host to one of the largest undeveloped porphyry deposits in Canada containing large amounts of gold, copper, and molybdenum in its one billion tonnes of reserves.

Western completed an updated pre-feasibility study on the Casino property in May 2011. Its current focus is on completing a feasibility study on the project near the end of 2012 and working towards submitting its application for environmental assessment under the Yukon Environmental and Socioeconomic Assessment Act, the first step required to permit the Casino Project.

The Company does not have any producing properties and consequently has no current operating income or cash flow. We are an exploration stage company and have not generated any revenues to date. Commercially viable mineral deposits may not exist on any of our properties.

Trends

Other than noted above, we are not aware of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on our operations, liquidity or capital resources, or that would cause reported financial information to not necessarily be indicative of our financial condition.

RISK FACTORS

The following is a brief description of those distinctive or special characteristics of the Company's operations and industry, which may have a material impact on, or constitute risk factors in respect of the Company's financial performance, business and operations.

History of Net Losses; Uncertainty of Additional Financing; Negative Operating Cash Flow

The Company has received no revenue to date from the exploration activities on its properties and has negative cash flow from operating activities. The Company incurred the following losses: (i) $4,037,115 for the year ended December 31, 2010 and (ii) $22,005,813 for the year ended December 31, 2011. As of December 31, 2011, the Company had an accumulated deficit of $82,173,626. In the event the Company undertakes development activity on any of its properties, there is no certainty that the Company will produce revenue, operate profitably or provide a return on investment in the future.

The business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company has no source of revenue, and has significant cash requirements to meet its exploration commitments, to fund administrative overhead and to maintain its mineral interests. The Company will need to raise sufficient funds to meet these obligations as well as fund ongoing exploration, advance pre-feasibility and feasibility studies, and provide for capital costs of building its mining facilities.

Mineral Exploration and Development Activities Inherently Risky

The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into mineral deposits with significant value. Unusual or unexpected ground conditions, geological formation pressures, fires, power outages, labour disruptions, flooding, earthquakes, explorations, cave-ins, landslides and the inability to obtain suitable machinery, equipment or labour are other risks involved in the operation of mines and the conduct of exploration programs. Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. No assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing copper, gold and other mineral properties is affected by many factors including the cost of operations, variations in the grade of ore mined, fluctuations in metal markets, costs of processing equipment and government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. The remoteness and restrictions on access of certain of the properties in which the Company has an interest could have an adverse effect on profitability in that infrastructure costs would be higher.

In addition, previous mining operations may have caused environmental damage at certain of the Company's properties. It may be difficult or impossible to assess the extent to which such damage was caused by the Company or by the activities of previous operators, in which case, any indemnities and exemptions from liability may be ineffective.

Uncertainty of Mineral Resources and Mineral Reserves

The figures for Mineral Resources and Mineral Reserves with respect to the Casino Project disclosed in this Annual Information Form are estimates and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized. Market fluctuations and the prices of metals may render Resources and Reserves uneconomic. Moreover, short-term operating factors relating to the mineral deposits, such as the need for orderly development of the deposits or the processing of new or different grades of ore, may cause any mining operation to be unprofitable in any particular accounting period.

Possible Loss of Interests in Exploration Properties; Possible Failure to Obtain Applicable Licenses

The agreements pursuant to which the Company acquired its interests in certain of its properties provide that the Company must make a series of payments in cash and/or common shares over certain time periods, expend certain minimum amounts on the exploration of the properties, or contribute its share of ongoing expenditures. If the Company fails to make such payments or expenditures in a timely fashion, the Company may lose its interest in those properties. Further, even if the Company does complete exploration activities, it may not be able to obtain the necessary licenses or permits to conduct mining operations on the properties, and thus would realize no benefit from its exploration activities on the properties. There is no assurance that further applications will be successful.

Title Risks

Although title to its mineral properties and surface rights has been reviewed by or on behalf of the Company, no assurances can be given that there are no title defects affecting such properties. Title insurance generally is not available for mining claims in Canada, and the Company's ability to ensure that it has obtained secure claim to individual mineral properties may be severely constrained. The Company has not conducted surveys of all of the claims in which it holds direct or indirect interests; therefore, the precise area and location of such properties may be in doubt. Accordingly, the properties may be subject to prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects. In addition, the Company may be unable to conduct work on the properties as permitted or to enforce its rights with respect to its properties.

Risks Associated with Joint Venture Agreements

In the event that any of the Company's properties become subject to a joint venture, the existence or occurrence of one or more of the following circumstances and events could have a material adverse impact on the Company's profitability or the viability of its interests held through joint ventures, which could have a material adverse impact on the Company's business prospects, results of operations and financial condition: (i) disagreements with joint venture partners on how to conduct exploration; (ii) inability of joint venture partners to meet their obligations to the joint venture or third parties; and (iii) disputes or litigation between joint venture partners regarding budgets, development activities, reporting requirements and other joint venture matters.

Risks Relating to Statutory and Regulatory Compliance

The current and future operations of the Company, from exploration through development activities and commercial production, if any, are and will be governed by applicable laws and regulations governing mineral claims acquisition, prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in exploration activities and in the development and operation of mines and related facilities, generally experience increased costs and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. The Company has received all necessary permits for the exploration work it is presently conducting; however, there can be no assurance that all permits which the Company may require for future exploration, construction of mining facilities and conduct of mining operations, if any, will be obtainable on reasonable terms or on a timely basis, or that such laws and regulations would not have an adverse effect on any project which the Company may undertake.

Failure to comply with applicable laws, regulations and permits may result in enforcement actions thereunder, including the forfeiture of claims, orders issued by regulatory or judicial authorities requiring operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or costly remedial actions. The Company may be required to compensate those suffering loss or damage by reason of its mineral exploration activities and may have civil or criminal fines or penalties imposed for violations of such laws, regulations and permits. The Company is not currently covered by any form of environmental liability insurance. See "Insurance Risk", below.

Existing and possible future laws, regulations and permits governing operations and activities of exploration companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or require abandonment or delays in exploration.

Environmental Laws and Regulations That May Increase Costs and Restrict Operations

All of the Company's exploration and potential development and production activities are subject to regulation by Canadian governmental agencies under various environmental laws. To the extent that the Company conducts exploration activities or new mining activities in other countries, it will also be subject to the laws and regulations of those jurisdictions, including environmental laws and regulations. These laws address emissions into the air, discharges into water, management of waste, management of hazardous substances, protection of natural resources, antiquities and endangered species and reclamation of lands disturbed by mining operations. Environmental legislation in many countries is evolving and the trend has been towards stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and increasing responsibility for companies and their officers, directors and employees. Compliance with environmental laws and regulations may require significant capital outlays on our behalf and may cause material changes or delays in the Company's intended activities. Future changes in these laws or regulations could have a significant adverse impact on some portion of the Company's business, causing it to re-evaluate those activities at that time.

Costs of Land Reclamation

It is difficult to determine the exact amounts that will be required to complete all land reclamation activities in connection with the properties in which the Company holds an interest. Reclamation bonds and other forms of financial assurance represent only a portion of the total amount of money that will be spent on reclamation activities over the life of a mine. Accordingly, it may be necessary to revise planned expenditures and operating plans in order to fund reclamation activities. Such costs may have a material adverse impact upon the financial condition and results of operations of the Company. There is a potential future liability for cleanup of tailings deposited on the mining license areas during previous periods of mining and reprocessing. It is not possible to quantify at this time what the potential liability may be and detailed assessments need to be made to determine future land reclamation costs, if any, due to this potential liability.

Assets in remote locations

The costs, timing and complexities of mine construction and development are increased by the remote location of the Company's mineral projects. It is common in new mining operations to experience unexpected problems and delays during development, construction and mine start-up. In addition, delays in the commencement of mineral production often occur. Accordingly, there are no assurances that the Company's activities will result in profitable mining operations or that the Company will successfully establish mining operations or profitably produce metals at any of its properties. Climate change or prolonged periods of inclement weather may severely limit the length of time in which exploration programs and development activities may be undertaken.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploitation and or development of the Company's properties. If adequate infrastructure is not available in a timely manner, there can be no assurance that the exploitation and or development of the Company's properties will be commenced or completed on a timely basis, if at all; that the resulting operations will achieve the anticipated production volume; or that the construction costs and ongoing operating costs associated with the exploitation and or development of the Company's properties will not be higher than anticipated. In addition, unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations and profitability.

High Metal Prices Increasing the Demand For, and Cost Of, Exploration, Development and Construction Services and Equipment

The strength of metal prices over the past several years has encouraged increases in mining exploration, development and construction activities around the world, which has resulted in increased demand for, and cost of, exploration, development and construction services and equipment. The costs of such services and equipment may continue to increase if current trends continue. Increased demand for services and equipment could result in delays if services or equipment cannot be obtained in a timely manner due to an inadequate availability, and may cause scheduling difficulties due to the need to coordinate the availability of services or equipment, any of which could materially increase project exploration, development and/or construction costs.

First Nations

Consultation with First Nations groups is required of the Company in the environmental assessment, subsequent permitting, development, and operation stages of its proposed projects. Certain First Nations groups may oppose certain proposed projects at any given stage and such opposition may adversely affect the project(s) in question, the Company's public image, or the Company's share performance.

Canadian law related to aboriginal rights, including aboriginal title rights, is in a period of change. There is a risk that future changes to the law may adversely affect the Company's rights to its Canadian projects.

Price Fluctuations: Share Price Volatility

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market price of securities of many companies, particularly those considered exploration stage companies, including the Company, have experienced wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. From January 1, 2011 to December 31, 2011, the Company's shares traded in a range between $1.40 and $4.40 on the TSX. There can be no assurance that continual and significant fluctuations in the price of the common shares of the Company will not occur.

Changes in the Market Price of Common Shares may be Unrelated to its Results of Operations and Could Have an Adverse Impact on the Company

The Company's common shares are listed on the TSX and the NYSE Amex. The price of the Company's common shares is likely to be significantly affected by short-term changes in copper and gold prices or in its financial condition or results of operations. Other factors unrelated to the Company's performance that may have an effect on the price of the Company's shares include the following: a reduction in analytical coverage by investment banks with research capabilities; a drop in trading volume and general market interest in the Company's securities may adversely affect an investors' ability to liquidate an investment and consequently an investor's interest in acquiring a significant stake in the Company; a failure to meet the reporting and other obligations under relevant securities laws or imposed by applicable stock exchanges could result in a delisting of the Company's common shares and a substantial decline in the price of the common shares that persists for a significant period of time.

As a result of any of these factors, the market price of the Company's common shares at any given point in time may not accurately reflect their long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Company may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

Metal Price Volatility

Factors beyond the control of the Company may affect the marketability of any ore or minerals discovered at and extracted from the Company's properties. Resource prices have fluctuated widely, particularly in recent years, and are affected by numerous factors beyond the Company's control including international economic and political trends, inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities and increased production due to new and improved extraction and production methods. The effect of these factors cannot accurately be predicted.

The price of each of copper and gold has a history of extreme volatility. The price of the Company's common shares and the Company's financial results may be significantly adversely affected by a decline in the price of copper or gold. The price of each of copper and gold fluctuates widely, especially in recent years, and is affected by numerous factors beyond the Company's control such as the sale or purchase of gold by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand, by-product production levels from base-metal mines, and the political and economic conditions of major copper and gold-producing countries throughout the world.

From January 1, 2010 to December 31, 2011, the price of gold for the 10:30 a.m. fixings on the London Bullion Market ranged from approximately US$1,050 per ounce to approximately US$1,900 per ounce. Some factors that affect the price of gold include: industrial and jewelry demand; central bank lending or purchases or sales of gold bullion; forward or short sales of gold by producers and speculators; future level of gold production; and rapid short-term changes in supply and demand due to speculative or hedging activities by producers, individuals or funds. Gold prices are also affected by macroeconomic factors including: confidence in the global monetary system; expectations of the future rate of inflation; the availability and attractiveness of alternative investment vehicles; the general level of interest rates; the strength of, and confidence in, the U.S. dollar, the currency in which the price of gold is generally quoted, and other major currencies; global political or economic events; and costs of production of other gold producing companies whose costs are denominated in currencies other than the U.S. dollar. All of the above factors can, through their interaction, affect the price of gold by increasing or decreasing the demand for or supply of gold.

From January 1, 2010 to December 31, 2011, the price of copper on the London Metal Exchange (" **LME**") has ranged from approximately US$6,000 per tonne to approximately US$10,000 per tonne. Some factors that affect the price of copper include: industrial demand; forward or short sales of copper by producers and speculators; future level of copper production; and rapid short-term changes in supply and demand due to speculative or hedging activities by producers, individuals or funds. Copper prices are also affected by macroeconomic factors including: confidence in the global economy; expectations of the future rate of inflation; the availability and attractiveness of alternative investment vehicles; the strength of, and confidence in, the U.S. dollar, the currency in which the price of copper is generally quoted, and other major currencies; global political or economic events; and costs of production of other copper producing companies whose costs are denominated in currencies other than the U.S. dollar. All of the above factors can, through their interaction, affect the price of copper by increasing or decreasing the demand for or supply of copper.

Currency Fluctuations May Affect the Costs of Doing Business

The Company's activities and offices are currently located in Canada. Copper and gold are sold in international markets at prices denominated in U.S. dollars. However, some of the costs associated with the Company's activities in Canada may be denominated in currencies not directly related to the price of the U.S. dollar. Any appreciation of these currencies *vis-à-vis* the U.S. dollar could increase the Company's cost of doing business in these countries. In addition, the U.S. dollar is subject to fluctuation in value *vis-à-vis* the Canadian dollar. The Company does not utilize hedging programs to any degree to mitigate the effect of currency movements.

Future issuances of securities will dilute shareholder interests

Issuances of additional securities including, but not limited to, common stock pursuant to any financing and otherwise, could result in a substantial dilution of the equity interests of our shareholders.

Dependence on Management

The success of the operations and activities of the Company is dependent to a significant extent on the efforts and abilities of its management team. See "Directors and Officers" in this Annual Information Form for details of the Company's current management. Investors must be willing to rely to a significant extent on their discretion and judgment. The Company does not maintain key employee insurance on any of its employees. The Company depends on key personnel and cannot provide assurance that it will be able to retain such personnel. Failure to retain such key personnel could have a material adverse effect on the Company's business and financial condition.

Competition

Significant and increasing competition exists for mineral deposits in each of the jurisdictions in which the Company conducts operations. As a result of this competition, much of which is with large established mining companies with substantially greater financial and technical resources than the Company, the Company may be unable to acquire additional attractive mining claims or financing on terms it considers acceptable. The Company also competes with other mining companies in the recruitment and retention of qualified directors, officers and employees.

Conflicts of Interest

The Company's directors and officers may serve as directors or officers of other resource companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms in accordance with the *Business Corporations Act* (British Columbia). From time to time several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing for their participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. In accordance with the laws of British Columbia, the directors of the Company are required to act honestly, in good faith and in the best interests of the Company. In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time. For a detailed list of roles played by directors and officers in other companies, see "Directors and Officers" in this Annual Information Form.

Effecting Service of Process on the Company's Directors

Since certain of the Company's directors live outside of Canada, it may not be possible to effect service of process on them and since all or a substantial portion of their assets are located outside Canada, there may be difficulties in enforcing judgments against them obtained in Canadian courts.

Insurance Risk

The mining industry is subject to significant risks that could result in damage to or destruction of property and facilities, personal injury or death, environmental damage and pollution, delays in production, expropriation of assets and loss of title to mining claims. No assurance can be given that insurance to cover the risks to which the Company's activities are subject will be available at all or at commercially reasonable premiums. The Company currently maintains insurance within ranges of coverage that it believes to be consistent with industry practice for companies at a similar stage of development. The Company carries liability insurance with respect to its mineral exploration operations, but is not currently covered by any form of environmental liability insurance, since insurance against environmental risks (including liability for pollution) or other hazards resulting from exploration and development activities is unavailable or prohibitively expensive. The payment of any such liabilities would reduce the funds available to the Company. If the Company is unable to fully fund the cost of remedying an environmental problem, it might be required to suspend operations or enter into costly interim compliance measures pending completion of a permanent remedy.

Increased Costs and Compliance Risks as a Result of Being a Public Company

Legal, accounting and other expenses associated with public company reporting requirements have increased significantly in the past few years. The Company anticipates that costs may continue to increase with corporate governance related requirements, including, without limitation, requirements under National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings,*

National Instrument 52-110 – *Audit Committees* and National Instrument 58-101 – *Disclosure of Corporate Governance Practices* and the conversion to International Financial Reporting Standards.

The Company also expects these rules and regulations may make it more difficult and more expensive for it to obtain director and officer liability insurance, and it may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for the Company to attract and retain qualified individuals to serve on its board of directors or as executive officers.

We expect to be a "passive foreign investment company" for the current taxable year, which would likely result in materially adverse U.S. federal income tax consequences for shareholders who are U.S. persons.

We generally will be a "passive foreign investment company" (a "PFIC") under the meaning of Section 1297 of the U.S. Internal Revenue Code of 1986, as amended (the "Code"), if (a) 75% or more of our gross income is "passive income" (generally, dividends, interest, rents, royalties, and gains from the disposition of assets producing passive income) in any taxable year, or (b) if at least 50% or more of the quarterly average value of our assets produce, or are held for the production of, passive income in any taxable year. A shareholder who is a "U.S. person" (as such term is defined in the Code) should be aware that we believe that we were a PFIC during one or more prior taxable years, and based on current business plans and financial projections, we expect to be a PFIC for the current taxable year and for the foreseeable future. If we are a PFIC for any taxable year during which a U.S. person holds common shares of the Company, it would likely result in materially adverse U.S. federal income tax consequences for such U.S. person, including, but not limited to, any gain from the sale of our common shares would be taxed as ordinary income, as opposed to capital gain, and such gain and certain distributions on our common shares would be subject to an interest charge, except in certain circumstances. It may be possible for U.S. persons to fully or partially mitigate such tax consequences by making a "qualified electing fund election," as defined in the Code (a "QEF Election"). We currently intend to make available to shareholders who are U.S. persons, upon their written request: (a) information as to our status as a PFIC, and (b) for each year in which we are a PFIC, all information and documentation that a shareholder making a QEF Election with respect to us is required to obtain for U.S. federal income tax purposes. However, there is no assurance that the Company will satisfy the record keeping requirements that apply to a PFIC, or that the Company will continue to supply shareholders with the information that the shareholder is required to report under the rules applicable to making a QEF Election. Therefore, if the Company is a PFIC in any taxable year, there is no assurance that the shareholder will be able to make a QEF Election in respect of the Company's common shares. The PFIC rules are extremely complex. A U.S. person holding the Company's common shares is encouraged to consult its own tax advisor regarding the PFIC rules and the U.S. federal income tax consequences of the acquisition, ownership, and disposition of common shares.

MINERAL PROPERTIES

The Company's Casino Project is located in the Yukon Territory in Canada.

Casino Project (Yukon, Canada)

The Casino Project is a material property for the purposes of National Instrument 43-101. The following is the summary from the technical report entitled "Casino Project, NI 43-101 Technical Report Pre-Feasibility Study Update, Yukon Territory, Canada – Revision 1" (the "**2011 Pre-Feasibility Update**") dated May 17, 2011 and prepared by Conrad E. Huss, P. Eng., Gary Giroux, P. Eng., MASc., and Michael G. Hester, FAus IMM, Scott Casselman, P.Geo., Thomas L. Drielick, P.E., Bruno Borntraeger, P.Eng., and Jesse L. Duke, P. Geo. each of whom is a qualified person pursuant to National Instrument 43-101. The 2011 Pre-Feasibility Update is incorporated by reference in this AIF.

Subsequent to the release of the 2011 Pre-Feasibility Update, Western completed the Arrangement. As part of the Arrangement all rights and obligations relating to the Casino Project were transferred to Casino Mining Corp., a wholly-owned subsidiary of Western. All references to CRS Copper Resources Corp. ("**CRS**") in the summary below refer to Casino Mining Corp. as at the date of this report.

The complete 2011 Pre-Feasibility Update may be viewed under our profile at www.sedar.com or on our website at www.westerncopperandgold.com.

1.3.1 Project Description

The Casino Project is an open-pit mine and concentrator complex located in the Yukon Territory of Canada. Western is working with Yukon and Alaskan stakeholders and First Nations to advance this project.

The design basis for the sulphide ore processing facilities is 120,000 dry tonnes per day (t/d) or 43.8 million dry tonnes per year (t/y). Metals to be recovered are copper, gold, molybdenum and silver.

Approximately 859 million tonnes of ore will be mined and processed through the concentrator directly in the first 20 years; following which an additional 117 million tonnes of lower grade material will be reclaimed from stockpile and milled in the last four years of the mine's 23 year life for a total of 975.8 million tonnes (reserves) processed through the concentrator over the life of the mine. Ore grade to the sulphide process plant is estimated to average 0.202% copper, 0.238 grams/tonne (g/t) for gold, 0.0229% molybdenum, and 1.73 g/t silver.

Ore to be milled will be transported from the mine to the primary crusher by off-highway haulage trucks. Mineral concentrates of copper and molybdenum will be produced by conventional flotation technology. The gold and silver will report in the copper concentrate and will be recovered in the smelting process resulting in credits to WCC. Gold contained in the sulphide fraction of the flotation tailings will be recovered by leaching and CIL processing.

In addition to the concentrator, there will be a separate carbon column operation for oxide ore. Oxide ore will be transported from the mine to a run of mine heap leaching facility by off-highway haulage trucks. Gold and silver bullion (doré) produced will be shipped by truck to metal refineries.

The design basis for oxide ore processing is 25,000 t/d. Approximately 81.6 million tonnes of ore (reserves) will be mined during the seven years of the project. The overall oxide ore grade is estimated to average 0.370 g/t of gold, 2.55 g/t of silver, and 0.041% copper. Copper will be recovered, as a precipitate, by the SART process to control the quality of the leach solution. This precipitate will be shipped to smelters with concentrate from the sulphide processing.

Tailings deposition will begin with two high capacity tailings thickeners with gravity flow to a sand plant at the tailings management facility. The tailings will be cycloned and the coarse fraction used for dam construction. A starter dam will be constructed from borrowed material, mine overburden, and material from site development.

The study assumes freshwater will be sourced from a) wells and b) segregated freshwater impounded in the tailings facility.

The project includes a power island consisting of two gas turbine generators complete with heat recovery boilers and a single steam driven generator, and internal combustion engine driven generators for a total installed generation capacity of 149 MW. Liquefied natural gas (“LNG”) will be imported to the site and gasified to provide natural gas to fuel the power generation plant. In the event that an Alaska-Canada natural gas pipeline is constructed, the project may elect to connect to this pipeline to supply natural gas directly for power generation.

A new all-weather access road (approximately 132 km) will be established to service the plant. Amongst other functions, the road will be used to transport concentrate to the Skagway, Alaska port as well as to transport various commodities from the port to the mine.

A new airstrip will be constructed to accommodate appropriately sized aircraft. The existing airstrip will be razed in preparation for grading for process facilities.

The staffing plan for the Casino project for year 3 of operations includes the following areas:

Mining	320
G&A	40
Concentrator	206
Heap Leach	42
Total	608

1.3.2 Property Location

The Casino porphyry copper-gold-molybdenum deposit is located at latitude 62° 44'N and longitude 138° 50'W (NTS map sheet 115J/10), in west central Yukon, in the north-westerly trending Dawson Range mountains, 300 km northwest of the territorial capital of Whitehorse. Figure 1.3 -1 is a map showing the location of Casino property in relation to the Yukon, British Columbia and the Northwest Territories.

The area around Casino has been subject to increasing staking and exploration activity over the past few years. Over 100 mining companies are now actively working in the general region. Two properties have defined reserves, the Carmacks Copper Project and the Minto Mine, both of which are discussed in Section 1.17, Adjacent Properties.

Exploration projects in the area include the following:

- To the west, Kaminak Resources is exploring for gold on their Coffee Creek property. Cariboo Rose Resources holds 253 contiguous claims adjacent to and west of the Casino claims property.
- To the north, Kinross Gold Corporation has acquired the White Gold property.
- To the east, Northern Tiger Resources continues to explore the Sonora Gulch property, with a new focus on copper-gold porphyry-style mineralisation, and Northern Freegold Resources, Ltd. is actively drilling on their Freegold Mountain claims.
- To the south Dehua International, a Chinese company, has acquired mineral claims.

The project is located on Crown land administered by the Yukon Government and is within the Selkirk First Nation traditional territory and the Tr'ondek Hwechin First Nation traditional territory lies to the north. The proposed access road crosses into Little Salmon Carmacks First Nation traditional territory to the south.

1.3.3 Property Description

The Dawson Range forms a series of well-rounded ridges and hills that reach a maximum elevation of 1,675 m above mean sea level (ASL). The ridges rise above the Yukon Plateau, a peneplain at approximately 1200 m ASL, which is deeply incised by the mature drainage of the Yukon River watershed.

The characteristic terrain consists of rounded, rolling topography with moderate to deeply incised valleys. Major drainage channels extend below 1,000 m elevation. Most of the project lies between the 650 m elevation at Dip Creek and an elevation of 1,400 m at Patton Hill. The most notable local physical feature is the Yukon River, which flows to the west about 16 km north of the project site.

Figure 1.3 -1: Property Location Map



1.3.4 Mineral Tenure, Royalties and Agreements

The Casino property presently consists of 705 full and partial active quartz mineral claims in good standing. The total area covered is 13,124 (Hectares). CRS Copper Resources Corp. (“CRS”), a 100% subsidiary of Western Copper Corporation (“WCC”), is the registered owner of all claims.

The historical claims held by prior owners of the project and transferred as part of WCC’s plan of arrangement with Lumina Resources Corp. (“Lumina”) consist of the Casino “A”, “B” and “JOE” claims.

From 2007 to 2010 Western Copper significantly increased size of the property by adding following claim blocks:

- 188 VIK mineral claims, covering an area of 3,416 ha, were staked in June 2007.
- 94 CC claims, covering an area of 1,933 ha, and the 63 BRIT claims, covering an area of 1,223 ha, were staked in late June 2008.
- 136 AXS mineral claims, covering an area of 2,845 ha, were staked in October 2009.
- 63 AXS mineral claims, covering an area of 1,318 ha, were staked in May 2010.

Certain portions of the Casino property remain subject to royalty agreements in favour of Strategic Metals Ltd. (“Strategic Metals”) and to an option agreement with Wildrose Resources Ltd. (“Wildrose”) and Great Basin Gold Ltd. (“Great Basin”).

The royalties and agreements are as follows:

- A 5% Net Profit Royalty on the Casino A, B and JOE claims in favour of Strategic Metals.
- The Casino B claims are subject to an agreement between CRS and Wildrose whereby Wildrose agrees to maintain the Casino A and B claims in good standing until May 2, 2020. In exchange, Wildrose has the right to acquire the Casino B claims for $1 each, payable on May 2, 2020.
- Wildrose may acquire the Casino B claims at any time prior to May 2, 2020 by making a CND$200,000 payment to CRS. The payment will relieve Wildrose of any further maintenance obligations respecting the Casino A claims.
- CRS will pay CND$1,000,000 Production Payment to Great Basin within 30 days of a production decision.

1.3.5 Geology and Mineralization

The geology of the Casino deposit is typical of many porphyry copper deposits. The deposit is centred on an Upper Cretaceous-age; east- west elongated tonalite porphyry stock that intrudes Mesozoic granitoids of the Dawson Range Batholith and Palaeozoic schists and gneisses of the Yukon Crystalline Complex. Intrusion of the tonalite stock into the older rocks caused brecciation of both the intrusive and the surrounding country rocks along the northern, southern and eastern contact of the stock. Brecciation is best developed in the eastern end of the stock where the breccia can be up to 400 metres wide in plan view. To the west, and along the north and south contact, the breccias narrow gradually to less than 100 metres. Little drilling has been done at the western end of the tonalite stock and it is not known if the breccia is present along this contact. Intruded into the tonalite stock and surrounding granitoids and metamorphic rocks are younger, non-mineralized dykes of similar composition to the older tonalite stock and a late diatreme, which forms both pipe-like body in the west and a dyke-like body in the east. The overall dimensions of the intrusive complex are approximately 1.8 by 1.0 kilometres.

Primary copper, gold and molybdenum mineralization was deposited from hydrothermal fluids that exploited the contact breccias and fractured wall rocks. Better grades occur in the breccias and gradually decrease outwards away from the contact zone both towards the centre of the stock and outward into the granitoids and schists. A general zoning of the primary sulphides occurs with chalcopyrite and molybdenite occurring in the tonalite and breccias grading outward into pyrite dominated mineralization in the surrounding granitoids and schists.

1.3.6 Exploration and Sampling

Since the previous Pre-feasibility Study in 2008, Western Copper has drilled 26,239.75 m of core in 104 drill holes including 18 holes totalling 2,238.71 metres for geotechnical, hydrogeological and a single water well drill-hole. The focus of the bulk of the non-geotechnical drilling was on defining the margins of the mineralized body and on infilling areas of inferred mineralization to 100 metre spacing.

In 2010, all Pacific Sentinel’s historic drill core stored at the Casino Property was re-logged.

The purpose of the re-logging was to provide data for the new lithology and new alteration models.

In 2009, Quantec Geoscience Limited of Toronto, Ontario performed Titan-24 Galvanic Direct Current Resistivity and Induced Polarization (DC/IP) surveys as well as a Magnetotelluric Tensor Resistivity (MT) survey over the entire grid. Magnetotelluric Resistivity results in high resolution and deep penetration (to 1 km) and The Titan DC Resistivity & Induced polarization provides reasonable depth coverage to 750 m.

1.3.7 Metal Pricing

The following table shows a summary of metal pricing that has been used for this report

Table 1.3 -1: Summary of Metal Pricing

	Copper	Gold	Molybdenum	Silver
Resources	$2.00/lb	$875.00/oz	$11.25/lb	$11.25/oz
Reserves	$2.75/lb	$950.00/oz	$15.00/lb	$15.00/oz
Financial Model	$3.04/lb	$1,061.34/oz	$17.58/lb	$17.80/oz

1.3.8 Mineral Resource Estimate

Table 1.3 -2 summarizes the mineral resources for the Casino Project.

Table 1.3 -2: Mineral Resource-Inclusive of Mineral Reserve

Supergene and Hypogene Zones (Mill Resource)	Cutoff CuEq (%)	Ore Mtonnes	Copper (%)	Gold (g/t)	Moly (%)	Silver (g/t)	CuEq (%)
Measured Mineral Resource							
Supergene Oxide	0.25	25	0.28	0.52	0.026	2.38	0.77
Supergene Sulfide	0.25	36	0.39	0.41	0.029	2.34	0.84
Hypogene	0.25	32	0.32	0.38	0.026	1.94	0.73
Total Measured Resource	**0.25**	**93**	**0.34**	**0.43**	**0.027**	**2.21**	**0.78**
Indicated Mineral Resource							
Supergene Oxide	0.25	36	0.23	0.21	0.019	1.44	0.46
Supergene Sulfide	0.25	216	0.24	0.22	0.019	1.72	0.50
Hypogene	0.25	711	0.17	0.21	0.023	1.65	0.45
Total Indicated Resource	**0.25**	**963.6**	**0.19**	**0.21**	**0.022**	**1.66**	**0.46**
Measured/Indicated Mineral Resource							
Supergene Oxide	0.25	61	0.25	0.34	0.022	1.83	0.59
Supergene Sulfide	0.25	252	0.26	0.25	0.021	1.81	0.55
Hypogene	0.25	743	0.17	0.22	0.023	1.66	0.46
Total Meas/Indicated Resource	**0.25**	**1057**	**0.20**	**0.23**	**0.022**	**1.71**	**0.49**
Inferred Mineral Resource							
Supergene Oxide	0.25	26	0.26	0.17	0.010	1.43	0.41
Supergene Sulfide	0.25	102	0.20	0.19	0.010	1.49	0.38
Hypogene	0.25	1568	0.14	0.16	0.020	1.36	0.37
Total Inferred Resource	**0.25**	**1696**	**0.14**	**0.16**	**0.019**	**1.37**	**0.37**
Leached Cap/Oxide Gold Zone (Heap Leach Resource)	Cutoff Gold (g/t)	Ore Mtonnes	Copper (%)	Gold (g/t)	Moly (%)	Silver (g/t)	CuEq (%)
Measured Mineral Resource	0.25	31	0.05	0.52	0.025	2.94	N.A.
Indicated Mineral Resource	0.25	53	0.03	0.33	0.017	2.36	N.A.
Measured/Indicated Resource	**0.25**	**84**	**0.04**	**0.40**	**0.020**	**2.57**	N.A.
Inferred Mineral Resource	0.25	17	0.01	0.31	0.008	1.93	N.A.

CuEq is based on metal prices of US$2.00/lb copper, $US875/oz gold, US$11.25/lb molybdenum, and US$11.25/oz silver and assumes 100% metal recovery.

The supergene oxide, supergene sulfide and hypogene zones are mill resources and are tabulated at a 0.25% copper equivalent cutoff grade. Measured and indicated supergene and hypogene resources amount to 1.06 billion tonnes at 0.20% copper, 0.23 g/t gold, 0.022% molybdenum, and 1.71 g/t silver. Inferred resources is an additional 1.7 billion tonnes at 0.14% copper, 0.16 g/t gold, 0.019% molybdenum, and 1.71 g/t silver.

The leach cap contains heap leachable ore and is tabulated at a 0.25 g/t gold cutoff grade. Measured and indicated heap leach ore amounts to 84.0 million tonnes at 0.40 g/t gold, 2.57 g/t silver, and 0.04% copper. Inferred resource is an additional 17 million tonnes at 0.31 g/t gold, 1.93 g/t silver, and 0.01% copper.

Copper equivalent (CuEq) is determined using the following metal prices: Cu - US$2.00 / lb, Au - US$875.00 / oz, Ag - US$11.25 / oz and Mo - US$11.25 / lb and is calculated as follows: CuEq % = (Cu %) + (Au g/t x 28.13/44.1) + (Mo % x248.06/44.1) + (Ag g/t x 0.36/44.1)

The copper equivalent calculation reflect gross metal content and does not apply any adjustment factors for difference in metallurgical recoveries of gold, copper, silver and molybdenum.

It is important to note that the mineral resources include the mineral reserves reported in the following section.

The current resource estimation for Casino was based on 305 drill holes, 34 of which were completed in 2009 and an additional 56 completed in 2010. In addition Western Copper geologists re-interpreted the geologic model during the 2010 field season, relogging older Pacific Sentinel drill holes from drilling in the 90's. Finally the collar coordinates previously reported in Mine Grid Units were converted by Yukon Engineering Services to NAD83 UTM coordinates

1.3.9 Mineral Reserve Estimate

Table 1.3 -3 presents the mineral reserve for the Casino Project.

The mill ore reserve amounts to 975.8 million tonnes at 0.202% copper, 0.238 g/t gold, 0.0229% molybdenum, and 1.73 g/t silver. Heap leach reserve is an additional 81.6 million tonnes at 0.370 g/t gold, 2.55 g/t silver, and 0.041% copper.

For this reserve estimate, measured mineral resource was converted to proven mineral reserve and indicated mineral resource was converted to probable mineral reserve, with one exception. The low grade mill ore stockpile is considered probable mineral reserve regardless of the original classification of the in-situ material.

Table 1.3 -3: Mineral Reserve

Mill Ore Reserve:	Ore Ktonnes	Tot Cu (%)	Gold (g/t)	Moly (%)	Silver (g/t)
Proven Mineral Reserve:					
Direct Mill Feed/SOX	90,970	0.337	0.438	0.0276	2.23
Probable Mineral Reserve:					
Direct Mill Feed/SOX	767,761	0.198	0.227	0.0240	1.73
Low Grade Stockpile	117,063	0.130	0.151	0.0123	1.32
Total Probable Reserve	884,824	0.189	0.217	0.0225	1.68
Proven/Probable Reserve					
Direct Mill Feed/SOX	858,731	0.212	0.250	0.0244	1.79
Low Grade Stockpile	117,063	0.130	0.151	0.0123	1.32
Total Mill Ore Reserve	975,794	0.202	0.238	0.0229	1.73

Heap Leach Reserve:	Ore ktonnes	Gold (g/t)	Tot Cu (%)	Moly (%)	Silver (g/t)
Proven Mineral Reserve	29,558	0.494	0.052	n.a.	2.88
Probable Mineral Reserve	52,063	0.299	0.035	n.a.	2.37
Total Heap Leach Reserve	81,621	0.370	0.041	n.a.	2.55

1.3.10 Mining

A mine plan was developed to supply ore to a conventional copper sulphide flotation plant with the capacity to process 43.8 million tonnes per year. Oxide heap leach ore will be mined and stacked on the leach pad as it is encountered. The mine is scheduled to operate two 12 hour shifts per day, 365 days per year. This will require four mining crews. Crews would operate 7 days on 7 days off from a camp which is in on-site.

Mining is by conventional open pit methods with drilled and blasted rock loaded onto rigid frame haul trucks by large electric cable shovels.

1.3.11 Metallurgical Testing

Recent test work by METCON Research on the oxide cap material showed that good recoveries of gold and acceptable cyanide consumptions could be obtained by integrating the cyanide heap leach with the SART process. This process has been adopted for the pre-feasibility study.

Flotation testing by G&T Metallurgical from 2008 to 2011 indicated that copper concentrate grades of 28% copper could be routinely achieved at copper recoveries averaging 83% with a primary grind size of 80% passing 200 µm and a regrind of 80% passing 25 µm. Gold and silver will be recovered with the copper concentrate. Molybdenum will be recovered to a molybdenum concentrate in a separate flotation circuit.

1.3.12 Processing Flowsheet

Mineral concentrates of copper and molybdenum will be produced by conventional flotation technology. Gold contained in the sulphide fraction of the flotation tailing will be recovered by leaching and CIL processing.

The grinding facility will consist of one 40 ft. diameter SAG mill followed by two 27 ft. diameter ball mills. This will be followed by a conventional flotation circuit consisting of tank and column cells with a separate circuit for molybdenum. Copper concentrate will be thickened, filtered and transported by highway legal haul trucks to the Port of Skagway, Alaska.

Molybdenum concentrate will be dried and placed in super sacks for transport. The design basis for the concentrator is 120,000 dry tonnes per day (dt/d). Ore grade to the mill process plant is estimated to average 0.202% copper, 0.0229% molybdenum, 0.238 g/t gold, and 1.73 g/t silver.

Oxide ore will be transported from the mine to a run of mine heap leaching facility by off-highway haulage trucks. Gold and silver bullion produced will be shipped by truck to metal refiners.

The design basis for oxide ore processing is 25,000 t/d. The overall oxide ore grade is estimated to average 0.37 grams/metric tonne (g/t) of gold, 2.55 g/t silver and 0.041% copper. Copper will be recovered, as a precipitate, by the SART process to control the quality of the leach solution.

This precipitate will be shipped to smelters.

1.3.13 Metal Recoveries

The average metal recoveries expected from mill processing following the planned mill feed schedule are noted below:

Copper recovery to copper concentrate for sulphide ores, percent	83
Copper concentrate grade, percent copper	26-28
Gold recovery to copper concentrate for sulphide ores, percent	66
Molybdenum recovery to molybdenum concentrate, percent	57
Molybdenum concentrate grade, percent molybdenum	50-56
Silver recovery to copper concentrate for sulphide ores, percent	50
CIL pyrite tank circuit which recovers gold in the mill feed, percent	10

The metal recoveries expected from oxide ore processing are based on:

Gold recovery, percent	50
Silver recovery, percent	20
Copper recovery to SART precipitate, percent	20
Copper precipitate grade, percent copper	75

1.3.14 Infrastructure

The region is serviced by excellent paved all-weather roads connecting the town of Carmacks, Yukon with Whitehorse and the Port of Skagway Alaska. With the completion of the 132 km Casino access road (Figure 1.7 -1), the project will have an all-weather access route through Carmacks to Whitehorse (approx. 380 km) and to the Port of Skagway (550 km). The Port of Skagway has existing facilities to store and load-out concentrates as well as facilities to receive bulk commodity shipments, fuels and connection to the Alaska Marine Highway. The Port of Skagway is developing plans to expand these facilities to better serve the expanding mining activity in the Yukon and Alaska. Figure 1.7 -4 shows a conceptual rendering of the proposed port facilities.

The City of Whitehorse is the government, financial and commercial hub of the Yukon with numerous business and service entities to support the project and represents a major resource to staff the project. Whitehorse has an international airport and provides commercial passenger and freight service for the region.

1.3.15 Power

An electrical power generation plant will be constructed at the Casino mine and concentrator complex to supply the electrical energy required for operation. The primary electrical power generation will be provided by gas turbine driven generators operating in combined cycle mode (GTCC) to produce up to 130 MW. Internal combustion engine (ICE) driven generators will provide another 19 MW of power for black start capability, emergency power, and to complement the gas turbine generation when required. The gas turbines will be fueled by natural gas. The internal gas combustion engines will have dual fuel capability allowing them to operate on diesel fuel or natural gas.

The ICE units will be installed early in the project to provide construction power and to provide power for the heap leach facility operation prior to the completion of the main power plant and start-up of the concentrator.

Power will be generated at 13.8 kV and stepped up to 34 kV at the main bus for distribution on site.

The study assumes that LNG will be imported from the soon to be constructed LNG export terminal at Kitimat, BC, through the port of Skagway Alaska, and thence to Casino. The LNG will be gasified at site and provide natural gas for the power generator drivers.

1.3.16 Water

The study anticipates that a well field will supply fresh and process makeup water. The wells are expected to be located south-west of the mine along a 20 km stretch of Dipp Creek and will be designed to supply a maximum of 2,000 m3/h. Twenty wells with associated piping matriculation are envisioned and have been costed as part of this study.

A process return reclaim water system made up of a pump barge, booster station and pipeline will return tailings decant water to the process at a nominal rate of 2,500 m^3/h. This system will also collect meteoric water that accumulates within the basin. At times, the accumulated water and decant return water may be sufficient for all process requirements, eliminating much of the pumping required from the well field.

1.3.17 Permits

The Yukon Environmental and Socio-economic Assessment Board (YESAB) assesses projects in Yukon for environmental and socio-economic effects under the *Yukon Environmental and Socioeconomic Assessment Act* (YESAA).

A positive YESAA Screening Report will lead to the three major permit approval procedures.

The three major permits are:

- The Quartz Mining License, including requirements for a reclamation and closure plan, from the Yukon Government Energy, Mines and Resources/ Minerals Management Branch.
- The Type A Water Use License from the Yukon Water Board.
- The Metal Mining Effluent Regulation Schedule 2 Amendment from the Government of Canada.

The Yukon Government will determine the form and amount of security, or bond, to cover the mine reclamation and closure liability.

1.3.18 Operating Costs

Operating costs were determined as average costs over the life of the mine. The annual production basis for the sulphide concentrator is 43.8 million tonnes of ore producing approximately 252,000 tonnes of copper concentrates and 10,000 tonnes of molybdenum concentrates, also approximately 32,000 ounces of gold from the Pyrite CIL circuit. The annual production basis for the oxide leach area is 11.7 million tonnes of ore producing approximately 47,000 ounces of gold, 191,000 ounces of silver, and 1,000 tonnes of copper precipitates. The sulphide milling operation bears all mining costs since the premise of the heap leach is that were it not for the heap leach, the material would be waste.

Table 1.3 -4 summarizes sulphide life of mine operating costs. Heap Leach costs are $2.96 per tonne of leach material for the life of mine.

Table 1.3 -4: Sulphide Operating Costs

Sulphide Operations	**C$ per tonne ore**
Mining	$3.10
Processing	$6.24
General and Administration	$0.36
Total	**$9.70**

1.3.19 Capital Cost Estimate

The initial capital investment for complete development of the project is estimated to be $2.1 billion total direct and indirect cost (Table 1.3 -5). Of this figure, $1.92 billion are direct and indirect costs for mining, concentrator and infrastructure including access road and port infrastructure. The remaining $209 million is the cost of a complete mine site power plant as estimated by Kerr Wood Leidal Associates Ltd.

Table 1.3 -5: Capital Costs

Capital Costs	(millions)
Mine (including pre-stripping)	$382
Mill & Flotation	$611
Tailings	$136
Heap Leach	$70
Sub-Total	**$1,200**
Engineering & Management	$164
Camp	$64
Power Plant (includes Heap power)	$209
Access Road	$99
Port	$5
Airstrip	$16
LNG Facility	$51
Contingency	$276
Owner's Costs	$44
Grand Total	**$2,128**

The life-of-mine sustaining capital for the processing plant is estimated at $419 million and for the mine is estimated at $156 million.

1.3.20 Project Schedule

Construction of the mine and concentrator complex will begin in the 2nd quarter of 2015 and be completed in the 2nd quarter of 2019. The heap leach facility will be operational in the 3rd quarter of 2017. It is anticipated that the construction work force will peak at about 1600 persons at site with additional resources deployed along the route of the new access road.

It may be possible to accelerate the permitting timeline to move these dates forward by approximately 6 months.

Schedule milestones are as follows:	**Activity Dates**
Feasibility Study and associated activities	May 2011 to March 2013
Permitting Program	January 2012 to August 2015
Basic Engineering	April 2013 to June 2014
Detail Engineering	July 2014 to January 2018
Limited notice to proceed with construction	February 2015
Earthwork and road construction	February 2015 to May 2017
Secure final financing and full notice to proceed	Oct 2015 to November 2015
Procurement	June 2014 to December 2018
Phased camp construction	August 2014 to July 2016
Airport construction	May 2015 to October 2016
Heap leach facilities construction	April 2016 to May 2017
Phased power plant construction	June 2016 to January 2019
Full production oxide plant	July 2017 to July 2024
Mill facilities construction	April 2018 to May 2019
Start-up mill with sulphide ore	May 2019 to December 2019
Full production sulphide mill	January 2020 to December 2042

1.3.21 Financial Analysis

The base case for development of the Casino deposit will provide a pre-tax Internal Rate of Return ("IRR") of 19.8% and an undiscounted Net Present Value ("NPV") of $6.1 billion, based on 100% equity. The after-tax IRR is 16.4% with an undiscounted NPV of $4.3 billion. The base case financial evaluation uses LME three-year historical rolling average commodity prices as of the end of March 2011.

This approach is considered to be an industry standard and consistent with the guidance of the United States Securities and Exchange Commission. The values in this report are in Canadian currency, and assume an exchange rate of one to one between U.S. and Canadian dollars.

The table below shows production and financial estimates for the life of the mine and for to the first four years of operation. Higher ore grades and greater concentrate production during the initial four years of operation provide an accelerated cash flow during this period and achieves capital payback in 3.3 years.

Table 1.3 -6: Production and Financial Estimates

	Years 1-4	Life of Mine
Average Annual Pre-Tax Cashflow	$631,292	$336,762
Average Annual After-Tax Cashflow	$575,884	$260,931
Average NSR (sulphide ore)	$27.51	$19.80
Average Annual Mill Feed Grade		
Copper (%)	0.310%	0.202%
Gold (g/t)	0.377	0.238
Silver (g/t)	2.113	1.727
Molybdenum (%)	0.025%	0.023%
Average Concentrate Production		
Copper (dry ktonnes)	375	252
Molybdenum (dry ktonnes)	11	10
Average Annual Metal Production		
Copper & Molybdenum Concentrate (M lb)		
Copper (Mlbs)	232	155
Gold (kozs)	329	214
Silver (kozs)	1,395	1,178
Molybdenum (klbs)	13,143	12,222
Gold/Silver Doré		
Gold (kozs)	107	47
Silver (kozs)	163	191
Copper Precipitate		
Copper (Mlbs)	1.9	2.1

1.3.22 Author's Recommendations and Conclusions

Based upon the encouraging financial performance indicated by the pre-feasibility study, M3 recommends Western Copper Corporation consider proceeding to full feasibility evaluation of the Casino property.

Western Copper Corporation should continue to further define the resource through exploration drilling, particularly in the more sparsely drilled area west of the main zone and deep drilling adjacent to the microbreccia pipe.

Western Copper Corporation should continue with the environmental studies and permitting efforts now underway.

Western Copper Corporation should continue with the engineering effort in support of permitting and to advance efforts toward preparation of a full feasibility study.

Western Copper Corporation should continue to monitor developments in the Yukon, northern British Columbia and Alaska to be in a position to participate in infrastructure development that might be beneficial to the advancement of the Casino project.

The Casino mineral occurrence can be successfully and economically exploited by proven mining and processing methods under the conditions and assumptions outlined in this report.

Opportunities exist to enhance the project's economics, including:

- Conversion of more inferred resources into measured and indicated;
- Increasing the overall resource;
- Sharing of infrastructure development costs with other parties;
- Refined engineering during the feasibility study; and
- Investigation of closer sources of lime.

Work Undertaken in 2011

Western's main focus during the first half of 2011 was completing the 2011 Pre-Feasibility Study Update. Based on the positive results of the 2011 Pre-Feasibility Update, Western conducted further work to progress the project toward a feasibility study. This work included a geotechnical drilling program at site.

Western also continued its environmental data collection and monitoring program in 2011. This information will be used to prepare the environmental assessment for the Casino Project

Work Plan for 2012

Western has initiated work towards a full feasibility study, including additional metallurgical work and power supply studies. The feasibility study is expected to be completed near the end of 2012.

Western is working towards submitting its application for environmental assessment under the Yukon Environmental and Socioeconomic Assessment Act, the first step required to permit the Casino project.

DIVIDENDS

The Company has not paid any dividends on its common shares since its incorporation, nor has it any present intention of doing so. The Company anticipates that all available funds will be used to undertake exploration and development programs on its mineral properties.

DESCRIPTION OF CAPITAL STRUCTURE

Authorized Capital

The authorized capital of the Company consists of the following:

1. Unlimited number of Common Shares without par value. As of the date of this AIF, there are 93,282,503 common shares outstanding.

   All of the issued common shares of the Company are fully paid and non-assessable. All of the common shares issued rank equally as to dividends, voting rights (one vote per share) and distribution of assets on winding up or liquidation. Shareholders have no pre-emptive rights, nor any right to convert their common shares into other securities. There are no existing indentures or agreements affecting the rights of shareholders other than the Notice of Articles and Articles of the Company;

2. Unlimited number of Preferred Shares without par value, with the following special rights and restrictions: they may be issued in one or more series and the directors may from time to time fix the number and designation and create special rights and restrictions. Preferred shares would rank in priority, with respect of payment of dividends and distributions of assets on a liquidation, dissolution or winding-up of the Company, to shares ranking junior to the preferred shares including common shares. Preferred shares do not give the holders any right to receive notice of or vote at general or special meetings of the Company. As of the date of this AIF, there are no Preferred Shares outstanding.

Stock Options

The Company has a stock option plan pursuant to which the directors of the Company are authorized to grant stock options to directors, officers, employees, and consultants of the Company and its subsidiaries.

As at March 23, 2012, the following stock options were outstanding under the stock option plan:

Expiry Date	Number of stock options	Exercise price
June 6, 2012	420,000	$1.72
June 24, 2013	445,000	$1.14
May 12, 2014	462,000	$0.55
October 19, 2014	100,000	$1.85
March 30, 2015	100,000	$1.74
July 16, 2015	731,667	$0.79
November 4, 2015	100,000	$1.50
July 6, 2016	1,475,000	$2.84
September 14, 2016	200,000	$2.84
TOTAL	**4,033,667**	

Warrants

As at March 23, 2012, the Company had the following warrants outstanding, each of which entitles the holder thereof to acquire one common share of the Company at the price set forth below.

Expiry Date	Number of warrants	Exercise price
December 4, 2012	2,150,000	$2.60
December 22, 2012	4,697,750	$3.45
TOTAL	**6,847,750**	

Pursuant to the Arrangement completed on October 17, 2011, as described under Development of Business, as at the date of this AIF, Western is only entitled to receive 77% of the proceeds from each Warrant exercised.

MARKET FOR SECURITIES

The common shares of the Company are listed on the Toronto Stock Exchange under the symbol “WRN”. During the Company's most recently completed financial year, the Company’s common shares traded as follows:

Month	High	Low	Total Volume
January	4.40	2.65	16,365,929
February	4.20	3.30	11,660,419
March	3.80	2.40	10,734,306
April	4.15	3.14	9,281,397
May	3.66	2.75	7,353,175
June	3.40	2.64	6,376,516
July	3.49	3.05	4,591,586
August	3.39	2.53	3,390,612
September	3.27	2.21	3,956,406
October	2.65	1.85	3,933,303
November	2.51	1.58	2,592,616
December	2.00	1.40	4,043,618

Certain of the Company’s warrants are listed on the Toronto Stock Exchange under the symbol “WRN.WT”. The following table sets forth the trading details of the warrants of the Company during the Company's most recently completed financial year:

Month	High	Low	Volume
January	1.96	0.61	852,127
February	1.85	1.21	494,505
March	1.40	0.56	535,500
April	1.65	0.79	300,824
May	1.25	0.90	128,875
June	1.20	0.77	48,135
July	1.10	0.84	82,900
August	0.91	0.50	43,585
September	0.71	0.35	40,350
October	0.37	0.09	178,600
November	0.50	0.16	126,560
December	0.22	0.11	73,700

PRIOR SALES

The Company issued the following securities which are not listed or quoted on a marketplace during the most recently completed financial year:

Grant Date	Number of Stock Options	Exercise Price[1]
July 6, 2011	1,475,000	$3.11
September 14, 2011	200,000	$3.11

(1) The exercise price of the stock options noted above was modified to $2.84 pursuant to the Arrangement completed on October 17, 2011. No other terms of the stock options was modified.

ESCROWED SECURITIES

None of the Company's securities are held under an escrow or similar arrangement.

DIRECTORS AND OFFICERS

Name, Occupation, and Experience

The following table sets forth all current directors and executive officers as of the date of this AIF, with each position and office held by them in the Company and the period of service as such. Each director's term of office expires at the next annual general meeting.

Name and Position	Province and Country of Residence[(1)]	Director or Officer since
Dale Corman *Chairman, Director, and Chief Executive Officer*	British Columbia, Canada	May 3, 2006
Robert Byford (2) (4) *Director*	British Columbia, Canada	September 22, 2009
Robert Gayton (2) (3) *Director*	British Columbia, Canada	May 3, 2006
Ian Watson (3) (4) *Director*	London, United Kingdom	March 31, 2010
David Williams (2) (4) *Director*	Ontario, Canada	May 3, 2006
Klaus Zeitler (3) *Director*	British Columbia, Canada	May 3, 2006
Paul West-Sells *President and Chief Operating Officer*	British Columbia, Canada	November 20, 2008
Julien François¸ *Chief Financial Officer*	British Columbia, Canada	May 3, 2006
Cameron Brown *Vice President Engineering*	Washington State, USA	July 16, 2010
Corey Dean *Corporate Secretary*	British Columbia, Canada	May 3, 2006

(1) The information as to country of residence and principal occupation has been furnished by the respective individuals.
(2) Denotes member of Audit Committee.
(3) Denotes member of Compensation Committee.
(4) Denotes member of the Corporate Governance and Nominating Committee.

The principal occupation of Robert Byford, Robert Gayton, Ian Watson, David Williams, Klaus Zeitler, and Corey Dean is not acting as Director or Officer of the Company. Information as to the principal occupation of these Directors and Officer is described in the narratives below.

Dale Corman, B.Sc., P.Eng., has served as Chief Executive Officer, Director, and Chairman of the Board Directors since the Company's inception in 2006. From 1995 to 2006, he was Chairman of the Board of Directors and Chief Executive Officer of Western Silver Corporation. He has 30 years' experience as a senior corporate officer of publicly listed companies in Canada and the United States, as well as extensive expertise in mineral and geothermal exploration and development, property evaluation and acquisition, project financing, and corporate management. Mr. Corman received a B.S. in geology from Rensselaer Polytechnic Institute in Troy, New York, in 1961 and obtained Professional Engineer status in Ontario in 1972. Mr. Corman is a Director of Spanish Mountain Gold [TSV:SPA], NorthIsle Copper and Gold Inc. [TSV-V:NCX], and Copper North Mining Corp. [TSV:COL].

Robert M. Byford, FCA**,** has served as Director since 2009. He is a former partner of KPMG LLP and Senior Vice President and Director of KPMG Corporate Finance Inc. He has a background in audit and tax and acquired significant experience with numerous public companies during his 39 years with KPMG and predecessor firms. In 1983, Mr. Byford became Managing Partner of the B.C. Region consulting practice and was a founding partner of the firm's corporate finance practice. Mr. Byford has acted as lead financial adviser on a wide range of finance, divestiture and acquisition transactions in many industry sectors. He was an elected Governor of the Vancouver Stock Exchange and has been a frequent speaker on corporate governance, securities and corporate finance matters. He graduated from Simon Fraser University in 1969 and obtained his professional qualification as a Chartered Accountant in 1971. Mr. Byford is a Director of Goldgroup Mining Inc. [TSX:GGA].

Robert Gayton, B.Comm., Ph.D., FCA, has served as Director, and Chairman of the Audit Committee since the Company's inception in 2006. Dr. Gayton joined the Faculty of Business Administration at the University of British Columbia in 1965, beginning 10 years in the academic world. Dr. Gayton rejoined Peat Marwick Mitchell in 1974 and became a partner in 1976 where he provided audit and consulting services to private and public company clients for 11 years. Dr. Gayton has directed the accounting and financial matters of public companies in the resource and non-resource fields since 1987. Dr. Gayton is a Director of several public companies: Amerigo Resources Ltd. [TSX:ARG], B2 Gold Corp. [TSX:BTO], Eastern Platinum Limited [TSX & AIM:ELR], Nevsun Resources Ltd. [TSX & NYSE Amex:NSU], LNG Energy Ltd. [TSV:LNG], Quaterra Resources Inc. [TSV:QTA], NorthIsle Copper and Gold Inc. TSV:NCX], Copper North Mining Corp. [TSV:COL], and Silvercorp Metals Inc. [TSX & NYSE:SVM]. Dr. Gayton, F.C.A., holds a Bachelor of Commerce degree from the University of British Columbia, earned the chartered accountant designation while at Peat Marwick Mitchell, and holds a Ph.D. in business from the University of California.

Ian Watson has acted as director since March 2010. Mr. Watson began his career in stockbroking and investment banking in Canada where he became one of the five Executive Committee members of Burns Fry (now BMO Nesbitt Burns). He was a director of Northern Dynasty Minerals from 2003 - 2007, a director of UraMin Inc. from 2005 – 2007, and Chairman and Managing Director of Galahad Gold PLC from 2003 – 2008. Mr. Watson is currently Chairman of Spanish Mountain Gold Ltd [TSV:SPA], Genagro Ltd., Agrifirma Brasil Agropecuária S.A., Lancelot Capital Limited and Lancelot Gold Limited.

David Williams, LL.B., MBA, has served as Director since the Company's inception in 2006. Mr. Williams currently manages investments for his family holding company and is involved in a number of charitable organizations. He is a Director of Radiant Energy Corporation [TSV:RDT], Atlantis Systems Corp. [NEX:AIQ.H], Tuckamore Capital Management Inc. [TSX:TX]. Mr. Williams holds a Master of Business Administration Degree from Queens University and a Doctor of Civil Laws Degree from Bishops University.

Klaus Zeitler, Ph.D., has served as Director since the Company's inception in 2006. Dr. Zeitler was the founder and CEO of Inmet from 1987 - 1996. Dr. Zeitler was Senior Vice President of Teck Cominco Limited from 1997 until 2002, and previously was on the Board of Directors of Teck Corp. from 1981 to 1997 and Cominco Limited from 1986 to 1996. Dr. Zeitler is President, CEO, and Director of Amerigo Resources Ltd. [TSX:ARG] and he is the Chairman and a Director of Los Andes Copper Ltd. [TSV:LA], and of Rio Alto Mining Limited [TSX:RIO]. He is also a Director of Vena Resources Inc. [TSX:VEM].

Paul West-Sells, Ph.D., has served as President and Chief Operating Officer since March 2010. He joined the Company in 2006 as its Senior Metallurgist to provide metallurgical support to the Company's projects and to lead the advancement of the Casino Project through pre-feasibility engineering. Dr. West-Sells has 20 years' experience in the mining industry, and was at BHP Billiton, Placer Dome Inc. and Barrick Gold Corporation in a series of increasingly senior roles in research and development and project development. He holds a Ph.D. from the University of British Columbia in metallurgical engineering.

Julien François, CA has served as Vice President, Finance and Chief Financial Officer since the Company's inception in 2006. He became Controller of Western Silver Corporation in 2005 after having worked at PricewaterhouseCoopers LLP since 2000. Mr. François' experience is concentrated in the mining and high tech sectors. He has also worked extensively on internal control design and assessment projects, both as a consultant and as an external auditor. Mr. François received his Bachelor of Commerce from the University of British Columbia in 2000 and his Chartered Accountant designation in 2004 in British Columbia. He is also Chief Financial Officer of Copper North Mining Corp. [TSV:COL].

Cameron Brown, P. Eng., has served as Vice President, Engineering since July 2010. From 2006 to 2010, Mr. Brown acted as Project Manager for the Company. Mr. Brown has 40 years' experience in mineral processing and has been responsible for plant maintenance, project management and engineering of major base and precious metal projects. He was formerly Project Manager for Western Silver Corporation and worked for 22 years for Bechtel Mining & Metals in various capacities including; Project Manager, Project Engineering Manager, and Manager of Engineering for Bechtel Mining &Metals (Global).

Corey Dean, B. Comm., L.L.B has served as Corporate Secretary since the Company's inception in 2006. Mr. Dean has practiced corporate, securities and natural resource law with a focus on corporate finance and mergers and acquisitions since 1981. He was educated at the University of British Columbia where he received his B.Comm. in 1979 and his LL.B. in 1980. Since 1987, he has been a partner of the firm of DuMoulin Black LLP, a law firm focused on corporate finance for public companies, and is currently managing partner of the firm. Mr. Dean has an extensive corporate and securities practice with particular emphasis on mergers and acquisitions as well as public and private financings and corporate governance matters. He has advised numerous clients in listing matters on stock exchanges and in cross border financings. He acts as counsel for corporate clients engaged in various industry sectors but primarily in mineral exploration, development and operations. Mr. Dean is an officer of Bear Creek Mining Corporation [TSV:BCM], Copper North Mining Corp. [TSV:COL], and Rio Cristal Resources [TSVB:RCZ].

Control of Securities

As at March 23, 2012, the directors and executive officers of the Company as a group beneficially owned, directly or indirectly, or exercised control or direction over, and aggregate of 7,450,367 common shares of the Company, representing approximately 8.0% of the issued and outstanding common shares of the Company. In addition, the directors and executive officers of the Company as a group held 2,925,000 stock options for the purchase of common shares of the Company. The stock options are exercisable at prices ranging from $0.55 and $2.84 per common share and expire between 2012 and 2016. Of the total stock options held by directors and executive officers, 1,456,665 stock options had vested as at March 23, 2012. One of the directors also holds 100,000 warrants with an exercise price of $2.60 per common share. The warrants expire December 4, 2012.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Other than as disclosed below, to the knowledge of the Company, none of the Company's directors or executive officers or any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, is, at the date of this AIF, or was within ten years before the date of this AIF, a director, chief executive officer or chief financial officer of any company (including the Company) that:

(i) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or

(ii) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

For the purposes of the disclosure above, an "order" means (a) a cease trade order, including a management cease trade order, (b) an order similar to a cease trade order, or (c) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days.

Other than as disclosed below, to the knowledge of the Company, no director or executive officer of the Company or any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

(i) is, at the date of this AIF, or has been within the ten years before the date this AIF, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(ii) has, within the ten years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

To the knowledge of the Company, no director or executive officer of the Company or any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to:

(i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

1. Robert Gayton was a director of Newcoast Silver Mines Ltd. at the date of a Cease Trade Order by the British Columbia Securities Commission on September 30, 2003 and by the Alberta Securities Commission on October 31, 2003 for failure to file financial statements. The orders were revoked on October 23, 2003 and March 25, 2004, respectively.

2. David Williams was a director of the reporting issuers when the following events occurred:

   On June 30 2010, Roador was delisted from the TSX Venture Exchange for failure to file financial statements. The OSC and BSC issued cease trade orders on Roador in early February 2011. Roador continues as a viable business and is in the process of seeking an alternate exchange listing. The cease trade orders are still in effect.

   On May 29, 2001 a cease trade order was issued against Octagon by the British Columbia Securities Commission for failure to file an annual report for the company's fiscal year ended December 31, 2000, and was revoked on August 28, 2001. The British Columbia Securities Commission issued another cease trade order on June 2, 2004, and the Alberta Securities Commission issued a cease trade order on June 8, 2004, both for being in default of requirements concerning filing financial statements.

   Octagon was suspended from the TSX-Venture on June 3, 2004 as a result of the issuance of the June 2, 2004 cease trade order, and was delisted from the NEX on September 29, 2004 for failure to pay the required sustaining fees.

   On June 12, 2001, Octagon's trustee sent a proposal to unsecured creditors of Octagon (the "Proposal") pursuant to the Bankruptcy and Insolvency Act. A majority of the unsecured creditors approved the Proposal at a general meeting of the unsecured creditors held on June 25, 2001. Octagon has since been dissolved by the British Columbia Ministry of Finance effective August 15, 2003.

Conflicts of Interest

Certain of the Company's directors and officers serve or may agree to serve as directors or officers of other reporting companies or have significant shareholdings in other reporting companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms and such director will not participate in negotiating and concluding terms of any proposed transaction.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Company and its properties are not currently subject to, and were not during the Company's most recently completed financial year subject to, any legal proceedings, nor are any proceedings known to be contemplated that involve a claim for damages in an amount that excluding interest and costs exceeds 10% of the current assets of the Company.

No penalties or sanctions were imposed against the Company by a court relating to securities legislation or by a securities regulatory authority and the Company did not enter into any settlement agreements before a court in respect of securities legislation or with a securities regulatory authority during the most recently completed financial year or prior to the date of this AIF.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed herein, to the knowledge of the Company, none of the following persons has had any material interest, direct or indirect, in any transaction during the Company's three most recently completed financial years or during the current financial year that has materially affected or is reasonably expected to materially affect the Company:

(b) a director or executive officer of the Company;

(c) a person or company that beneficially owns, or controls or directs, directly or indirectly more than 10% of any class or series of the outstanding voting securities of the Company; and\

(d) an associate or affiliate of any of the persons or companies referred to in the above paragraphs (a) or (b).

The Company’s directors and officers may serve as directors or officers of other public resource companies or have significant shareholdings in other public resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. The interests of these companies may differ from time to time. See "Risk Factors – Conflicts of Interest" and "Conflicts of Interest".

TRANSFER AGENTS AND REGISTRARS

The registrar and transfer agent of the Company is Computershare at its offices in Vancouver, British Columbia, at 510 Burrard Street, Vancouver, BC, V6C 3B9, in Toronto, Ontario, and in Denver, Colorado, USA.

MATERIAL CONTRACTS

The Company has entered into the following material contracts, other than in the ordinary course of business:

- Option Agreement dated July 2002 between CRS Copper Resources Corp. and Great Basin Gold Ltd. Refer to “Mineral Properties – Casino Project”.
- Warrant Indenture dated December 22, 2010 between Western Copper and Gold Corporation and Computershare Trust Company of Canada.
- Supplemental Indenture No. 1 dated October 17, 2011 among Western Copper and Gold Corporation, Copper North Mining Corp., NorthIsle Copper and Gold Inc. and Computershare Trust Company of Canada.
- Amended and Restated Arrangement Agreement dated August 30, 2011 between Western Copper Corporation, NorthIsle Copper and Gold Inc., Copper North Mining Corp. and Others.

NAMES AND INTERESTS OF EXPERTS

The information of a scientific or technical nature regarding the Casino Project is based on the technical report entitled, "Casino Project, NI 43-101 Technical Report, Pre-Feasibility Study Update, Yukon Territory, Canada – Revision 1" dated May 17, 2011 and prepared by Conrad E. Huss, P. Eng., Gary Giroux, P. Eng., MASc., and Michael G. Hester, FAus IMM, Scott Casselman, P.Geo., Thomas L. Drielick, P.E., Bruno Borntraeger, P.Eng., and Jesse L. Duke, P. Geo. each of whom is a qualified person pursuant to NI 43-101.

To the best of the Company’s knowledge, none of the above persons, held at the time of preparing the report, received after preparing the report, or will receive any registered or beneficial interests, direct or indirect, in any securities or other property of the Company or of one of the Company's associates or affiliates in connection with the preparation or certification of the report prepared by such person. None of the above persons is or is expected to be elected, appointed or employed as a director, officer or employee of the Company or any associate or affiliate of the Company.

The auditors of the Company are PricewaterhouseCoopers LLP, Chartered Accountants, of Vancouver, British Columbia. PricewaterhouseCoopers LLP report that they are independent of the Company in accordance with the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia, Canada.

AUDIT COMMITTEE INFORMATION

Audit Committee Charter

The Audit Committee Charter, as approved by the Company’s Board of Directors, is included in Schedule A of this AIF.

Audit Committee composition and relevant education and experience

The Audit Committee is comprised of Robert Gayton (Chair), Robert Byford, and David Williams. All three members are independent and are financially literate, as described in National Instrument 52-110 – Audit Committees (**"NI 52-110"**). Please refer to the "Directors and Officers" section of this AIF for a detailed description of each member's education and experience relevant to being a member of the Audit Committee.

Reliance on Certain Exemptions

Since the commencement of 2011, Western's most recently completed financial year, the Company has not relied on:

a. The exemption in section 2.4 of NI 52-110 (De Minimis Non-audit Services);
b. The exemption in section 3.2 of NI 52-110 (Initial Public Offerings);
c. The exemption in section 3.4 of NI 52-110 (Events Outside Control of Member);
d. The exemption in section 3.5 of NI 52-110 (Death, Disability or Resignation of Audit Committee Member); or
e. An exemption from of NI 52-110, in whole or in part, granted from Part 8 (Exemptions).

Reliance on the Exemption in Subsection 3.3(2) or Section 3.6

Since the commencement of 2011, Western's most recently completed financial year, the Company has not relied on the exemption in subsection 3.3(2) of NI 52-110 (Controlled Companies) or section 3.6 of NI 52-110 (Temporary Exemption for Limited and Exceptional Circumstances).

Reliance on Section 3.8

Since the commencement of 2011, Western's most recently completed financial year, the Company has not relied on the exemption in section 3.8 of NI 52-110 (Acquisition of Financial Literacy) as all members of the Audit Committee are financially literate.

Audit Committee Oversight

At no time since the commencement of 2011, Western's most recently completed financial year, has a recommendation of the Audit Committee to nominate or compensate an external auditor, not been adopted by the Board of Western.

Pre-approval policies and procedures

All audit, audit related, tax, and non-audited services to be performed by the external audit firm are pre-approved by the Audit Committee. Before approval is given, the Audit Committee examines the independence of the external auditor in relation to the services to be provided and assesses the reasonableness of the fees to be charged for such services.

External auditor service fees (by category)

The following table sets forth the aggregate professional fees billed to the Company by its external auditor, PricewaterhouseCoopers LLP, during each year ended December 31, 2011 and 2010.

	Year ended December 31,	
	2011	**2010**
Audit Fees	$101,500	$90,000
Audit Related Fees	$97,700	$25,000
Tax Fees	$46,870	$20,620
All Other Fees	-	-
Total	**$246,070**	**$135,620**

Audit Fees are professional fees billed for the audit of the Company's annual consolidated financial statements, reviews of interim financial statements and attestation services that are provided in connection with regular statutory or regulatory filings.

Audit Related Fees are professional fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under "Audit Fees". The total noted in the table above includes amounts billed for assurance services in connection with filings required for the public offering completed in December 2010 and for the Arrangement.

Tax Fees are professional fees billed for tax return preparation and advice related to tax compliance.

All Other Fees include fees billed for services other than disclosed in any other category.

ADDITIONAL INFORMATION

General

Information relating to the Company may be found under the Company's profile on the SEDAR website at www.sedar.com. The information available at www.sedar.com includes copies of the full text of the technical report prepared for the Company in respect to the Casino Project described herein.

Additional financial information is provided in the Company's audited annual consolidated financial statements and management's discussion and analysis as at and for the year ended December 31, 2011. This information is also available under the Company's profile on SEDAR at www.sedar.com.

Schedule A
Audit Committee Charter

A. PURPOSE

The Board of Directors of the Corporation has an overall responsibility to oversee the affairs of the Corporation for the benefit of the shareholders. The Committee is appointed by the Board to assist the Board in fulfilling its financial oversight responsibilities. The Committee's primary duties and responsibilities are to:

- review the effectiveness of the overall process of identifying and addressing material, financial- related business risk and the adequacy of the related disclosure;
- monitor the integrity of the Corporation's financial reporting process and systems of internal controls regarding finance, accounting and legal compliance;
- monitor the independence and the performance of the Corporation's external auditors;
- provide an avenue of communications among the external auditors, management and the Board of Directors;
- encourage adherence to, and continuous improvement of, the Corporation's policies, procedures and practices relating to financial matters at all levels; and
- maintain an effective complaints procedure.

B. COMPOSITION AND MEETINGS

The Committee shall be comprised of a minimum of three or more directors, as determined by the Board, each of whom shall meet the independence requirements of the relevant securities exchanges and regulatory agencies as may apply from time to time. Each member will be independent of management and free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment. All members of the Committee must be financially literate. Financially literate means that the member has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

The Committee members shall be appointed by the Board at its first meeting following each annual shareholders' meeting. If the Committee Chair is not designated by the Board, the members of the Committee may designate a Chair by majority vote of the Committee membership.

The Committee shall meet at least four times annually, or more frequently as circumstances dictate. The Committee Chair shall prepare and/or approve an agenda in advance of each meeting. The Committee meetings may be held in person, by telephone conference or by video conference. A majority of the members of the Committee present in person, by teleconferencing or by videoconferencing will constitute a quorum.

The Committee may invite the Corporation's external auditors, the Chief Financial Officer ("CFO"), and such other persons as deemed appropriate by the Committee, to attend meetings of the Committee. The Committee shall meet at least annually with management and the external auditors to discuss any matters that the Committee or each of these groups believes should be discussed. In addition, a portion of each Committee meeting shall be held, in camera, without any member of management being present.

C. POWER AND AUTHORITY

The Committee shall have:

1. the power to conduct or authorize investigations into any matter within the scope of its responsibilities;

2. the right to engage independent legal, accounting or other advisors as it determines necessary to carry out its duties and the right to set the compensation for any advisors employed by the Committee;

3. the right at any time and without restriction to communicate directly with the CFO, other members of management who have responsibility for the audit process and external auditors; and

4. such other powers and duties as may be delegated to it from time to time by the Board.

D. RESPONSIBILITIES AND DUTIES - DETAIL

Review Procedures

The Committee shall:

1. review with the external auditors, in advance of the audit, the audit process and standards, as well as regulatory or Corporation-initiated changes in accounting practices and policies and the financial impact thereof, and selection or application of appropriate accounting principles;

2. review with the external auditors and, if necessary, legal counsel, any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Corporation and the manner in which these matters are being disclosed in the financial statements; the appropriateness and disclosure of any off-balance sheet matters; and disclosure of related-party transactions;

3. meet at least annually with the external auditors separately from management to review the integrity of the Corporation's financial reporting processes, including the clarity of financial disclosure and the degree of conservatism or aggressiveness of the accounting policies and estimates, performance of internal audit management, any significant disagreements or difficulties in obtaining information, adequacy of internal controls over financial reporting and the degree of compliance of the Corporation with prior recommendations of the external auditors. The Committee shall review with management any matters raised by the external auditors and direct management to implement such changes as the Committee considers appropriate, subject to any required approvals of the Board arising out of the review;

4. discuss with management significant financial or other risk exposures and the steps management has taken to monitor, control and report such exposures;

5. review the Corporation’s annual audited financial statements and management discussion and analysis prior to public disclosure and make recommendations to the Board respecting approval of the audited financial statements;

6. review with management, the Corporation's interim financial results and management discussion and analysis prior to public disclosure. Discuss any significant changes to the Corporation's accounting principles and any items required to be communicated by the external auditors. If the statements are to be reviewed by the auditors, the Committee shall consult with the auditors as required during the process. The Committee shall make recommendations to the Board respecting approval of the interim financial statements or, if authorized to do so by the Board, approve the interim statements and MD&A; and

7. periodically assess the procedures in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, other than the public disclosure of the statements themselves, and satisfy itself that those procedures are satisfactory. If the procedures are not considered satisfactory, the Committee should work with management to revise the procedures appropriately.

External auditors

1. The external auditors shall report and are accountable directly to the Committee. The Committee shall at least annually review the independence and performance of the external auditors. It shall recommend to the Board of Directors the external auditors to be approved at a shareholders' meeting and recommend to the Board any discharge of auditors when circumstances warrant. If the auditors are not to be reappointed, the Committee shall select and recommend a suitable alternative.

2. The Committee is directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting.

3. The Committee is responsible for approving the fees and other significant compensation to be paid to the external auditors, and pre-approving, subject to ratification by the Board, any non-audit services that the auditor may provide. The Committee may delegate certain pre-approval functions for non- audit services to one or more independent members of its Committee if it first adopts specific policies and procedures respecting same and provided such decisions are presented to the full Committee for approval at its next meeting.

4. On an annual basis, the Committee should review and discuss with the external auditors all significant relationships they have with the Corporation that could impair the auditor's independence.

5. The Committee shall review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation.

6. The Committee shall obtain from the external auditors confirmation that the external auditors are a 'participating audit' firm for the purpose of National Instrument 52-108 Auditor Oversight and are in compliance with governing regulations.

E. DUTIES AND RESPONSIBILITIES - GENERAL

The Committee shall:

1. on at least an annual basis, review with the Corporation's counsel, any legal matters that could have a significant impact on the organization's financial statements, the Corporation's compliance with applicable laws and regulations, and inquiries received from regulators or governmental agencies;

2. annually prepare a report to shareholders to be included in the Corporation's annual information circular as required by applicable securities laws. The Chairman of the Committee, or other member appointed by the Chair, will review all disclosure documents to be issued by the Corporation relating to financial matters, including news releases, annual information forms and information circulars;

3. review and assess the adequacy of this Charter at least annually and submit it to the Board for approval;

4. annually evaluate the Committee's performance and report its findings to the Board;

5. maintain minutes of meetings and periodically report to the Board on significant results of the Committee's activities; and

6. perform any other activities consistent with this Charter, the Corporation's documents, and governing law, as the Committee or the Board deems necessary or appropriate.

F. COMPLAINTS PROCEDURE

Complaints regarding accounting, internal accounting controls, or auditing matters may be submitted to the Committee, attention: The Chair. Complaints may be made anonymously and, if not made anonymously, the identity of the person submitting the complaint will be kept confidential. Upon receipt of a complaint, the Chair will conduct or designate a member of the Committee to conduct an initial investigation. If the results of that initial investigation indicate there may be any merit to the complaint, the matter will be brought before the Committee for a determination of further investigation and action. Records of complaints made and the resulting action or determination with respect to the complaint shall be documented and kept in the records of the Committee for a period of three years.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2011

The following management discussion and analysis of Western Copper and Gold Corporation ("Western" or the "Company") is dated March 22, 2012, and provides an analysis of the Company's results of operations for the year ended December 31, 2011.

This discussion is intended to provide investors with a reasonable basis for assessing the financial performance of the Company as well as certain forward looking statements relating to its potential future performance. The information should be read in conjunction with the Western Copper and Gold Corporation audited consolidated financial statements for the year ended December 31, 2011 and the notes thereto. Western's accounting policies are described in note 3 of the audited consolidated financial statements for the year ended December 31, 2011. All of the financial information presented herein is expressed in Canadian dollars, unless otherwise indicated.

Western is listed on the Toronto Stock Exchange ("TSX") and the New York Stock Exchange Amex ("Amex") under the symbol 'WRN'. As at the date of this report, the Company had 93,282,503 common shares outstanding.

Additional information on the Company can be found in the Company's Annual Information Form ("AIF"), filed with Canadian regulators on SEDAR at www.sedar.com and with the United States Securities and Exchange Commission (the "SEC") at www.sec.gov on Form 40-F.

The operations of the Company are highly speculative due to the high-risk nature of the mining industry. Western faces risks that are generally applicable to its industry and others that are specific to its operations. Certain key risks affecting the Company's current and future operations are discussed in its AIF and Form 40-F. This list is not exhaustive. Additional risks not currently known to the Company, or that the Company currently deems immaterial, may also impair the Company's operations. Such risk factors could materially affect the value of the Company's assets, and future operating results of the Company and could cause actual results to differ materially from those described in the forward looking statements contained in this management discussion and analysis. Reference is made to the discussion of forward-looking statements at the end of this document.

DESCRIPTION OF BUSINESS

Western Copper and Gold Corporation is a Canadian-based publicly-traded mineral exploration company with a primary focus of advancing its Casino deposit towards production. The Casino deposit contains large amounts of gold, copper, and molybdenum in its one billion tonnes of reserves. Located in the Yukon, the Casino deposit is one of the largest undeveloped porphyry deposits in Canada.

On October 17, 2011, Western Copper Corp. ("Western Copper") completed a plan of arrangement (the "Arrangement") involving Western Copper and two of its subsidiaries formed on August 3, 2011 for the purposes of the Arrangement: Copper North Mining Corp. ("Copper North"), and NorthIsle Copper and Gold Inc. ("NorthIsle"). Pursuant to the Arrangement, Western Copper transferred the Carmacks Copper Project, the Redstone Project, and $2 million in cash to Copper North and the Island Copper property and $2.5 million in cash to NorthIsle in consideration for common shares of each respective company. Western Copper then changed its name to Western Copper and Gold Corp. ("Western") and distributed the common shares of Copper North and NorthIsle to Western's shareholders.

For each common share of Western Copper held as at the effective date of the Arrangement, each shareholder of Western Copper received one common share of Western, 0.5 of a common share of Copper North, and 0.5 of a common share of NorthIsle. Upon closing of the Arrangement, Copper North and NorthIsle were owned exclusively by existing Western Copper shareholders.

Holders of outstanding Western Copper warrants ("Warrants") immediately prior to the effective date are entitled to receive, upon exercise of each such Warrant at the same original exercise price and in accordance with the terms of such Warrant, one common share of Western, 0.5 of a common share of Copper North, and 0.5 of a common share of NorthIsle; all in lieu of the one Western Copper common share that was issuable upon exercise of such Warrant immediately prior to the effective date. Western is entitled to receive 77% of the proceeds from each Warrant exercised. Upon the exercise of each Warrant, 13% of the proceeds will be payable to Copper North and 10% of the proceeds will be payable to NorthIsle.

Each Western Copper stock option outstanding on the effective date ("Old Option") was exchanged for one Western stock option ("New Option"), 0.5 of a NorthIsle stock option, and 0.5 of a Copper North stock option. The exercise price of a New Option equals that of an Old Option less the exercise price allocated to the Copper North and NorthIsle stock options. Other than the exercise price, the New Options have the same terms as the Old Options. The stock options granted by Copper North and NorthIsle as part of the Arrangement vested immediately. The expiry dates remain the same as the Old Options unless the stock option holder does not continue to participate in the respective company; in which case the stock options will expire on October 17, 2012.

The restructuring is expected to unlock the value of Western Copper's non-core assets while allowing Western to focus on developing its large-scale Casino deposit.

PROPERTY OVERVIEW

Casino (Yukon, Canada)

In April 2011, Western announced the results of the updated pre-feasibility study on its Casino deposit. The study recommends that the project be built as an open pit mine and a mill processing 120,000 tonnes per day ("tpd") producing an estimated average of 435,000 ounces of gold, 234 million pounds of copper, 13 million pounds of molybdenum, and 1.6 million ounces of silver per year over the first four years of production. The project is estimated to process ore over 23 years ("Life of Mine").

The study is a major update from the one released by Western in June 2008. The new study incorporates the updated resource announced in November 2010, a 33% increase in throughput to 120,000 tpd, the use of natural gas as a power source, the recovery of silver, and improved gold recoveries. These modifications are significant factors to the study indicating an after-tax net present value ("NPV") of $1.0 billion using a discount rate of 8% and an after-tax internal rate of return ("IRR") of 16.2% using Long-Term metal prices.

The following disclosure summarizes the technical report entitled "Casino Project Pre-Feasibility Study Update (Revision 1)" dated May 17, 2011 prepared in accordance with National Instrument 43-101 by M3 Engineering & Technology Corporation and certain disclosures made in Western's April 7, 2011 news release announcing the results of the pre-feasibility study which was also prepared in accordance with National Instrument 43-101.

The financial results of the study were developed under three different metal price scenarios. Long-term prices ("Long-Term") were based on a representative sample of analyst projections of long metal prices and Canadian to US dollar exchange rates, and adjusted to the current study's Canadian to US dollar exchange rate of 1.0. SEC prices ("SEC") use LME three-year historical rolling average month-end prices as at the end of March 2011. This approach is consistent with the guidance of the United States Securities and Exchange Commission and was used as the base case in the technical report. Spot prices ("Spot") are based on spot prices on March 31, 2011.

Variation in commodity price has the most impact on the Casino Project's IRR. The impact of variation of operating cost, variation of mill recovery, and variation of capital cost is approximately equal.

PRODUCTION AND FINANCIAL RESULTS

The following table summarizes the estimated production and financial results and provides sensitivity analysis under three commodity price scenarios. Commodity price is the only assumption that varies under each scenario presented below.

	Long-Term	**SEC**	**Spot**
Copper (US$/lb)	2.78	3.04	4.30
Molybdenum (US$/lb)	15.56	17.58	17.25
Gold (US$/oz)	1,222.22	1,061.34	1,439.00
Silver (US$/oz)	18.89	17.80	37.87
Exchange Rate (C$:US$)	1.0	1.0	1.0
IRR pre-tax (100% equity)	19.6%	19.8%	32.2%
NPV pre-tax (8% discount, $millions)	1,566	1,647	3,927
IRR after-tax (100% equity)	16.2%	16.4%	26.8%
NPV after-tax (8% discount, $millions)	963	1,018	2,621
Payback period (years)	3.3	3.3	2.1
Net Smelter Return ($/t milled)	19.33	19.80	26.84
Copper Cash Cost[1] (US$/lb)	0.06	0.21	(0.49)

Note 1 - Net of byproduct credits

More detailed sensitivity analyses may be found in the pre-feasibility study executive summary which is available on SEDAR, EDGAR, and the Company's website.

Higher grade ore is expected to be fed to the concentrator during the first four years of the concentrator operation. This, combined with the concurrent heap leach facility operation, should result in higher yearly cash flows and other metrics during this period and contributes significantly to the project's financial performance. The following table highlights this effect using SEC prices.

	Years 1-4	**Life of Mine**
Average Annual Pre-tax Cash Flow ($millions)	631	337
Average Annual After-tax Cash Flow ($millions)	576	261
Average NSR ($/t ore milled)	27.51	19.80

CAPITAL AND OPERATING COSTS

Total initial capital investment in the project is estimated to be $2.13 billion, which represents the total direct and indirect cost for the complete development of the project, including associated infrastructure and power plant. The following table shows how the initial capital is distributed between the various components. Sustaining capital for the project is estimated to be an additional $575 million over the life of the mine.

	Estimated cost (in millions)
Mine Capital (Mine, Mill, Heap Leach, etc.)	$1,750
Power Capital (Power Plant, LNG Facility)	$260
Infrastructure Capital (Road, Port Upgrade, Airstrip)	$120
Total Initial Capital	**$2,130**

Mining and milling operating costs were calculated to average $9.70/tonne of ore processed over the life of mine and heap leach operating costs were calculated to average $2.96/tonne of ore leached over the life of mine.

RESOURCES AND RESERVES

The November 2010 resource estimate was used unmodified for this pre-feasibility study.

The pre-feasibility study estimates a NI 43-101 compliant proven and probable mill ore reserve of 976 million tonnes and a proven and probable heap leach ore reserve of 82 million tonnes as outlined below. Total contained metal in the combined proven & probable reserve is equal to 4.4 billion pounds of copper, 8.4 million ounces of gold, 490 million pounds of molybdenum, and 61 million ounces of silver.

	Tonnes (millions)	Copper %	Gold (g/t)	Moly (%)	Silver (g/t)
Mill Reserve					
Proven Mineral Reserve	91	0.337	0.438	0.0276	2.23
Probable Mineral Reserve	885	0.189	0.217	0.0225	1.68
Total Proven & Probable (Mill)	**976**	**0.202**	**0.238**	**0.0229**	**1.73**
Heap Leach Reserve					
Proven Mineral Reserve	30	0.052	0.494	n/a	2.88
Probable Mineral Reserve	52	0.035	0.299	n/a	2.37
Total Proven & Probable (Heap)	**82**	**0.041**	**0.370**	**n/a**	**2.55**

DEVELOPMENT PLAN

The pre-feasibility study evaluates the development of the Casino deposit as a conventional, electrified truck-shovel open pit mine. The initial development will focus on the deposit's oxide cap as a heap leach operation to recover gold and silver in doré form. The main sulphide deposit will be processed using a conventional concentrator to produce copper-gold and molybdenum concentrates. Additionally, a pyrite rich stream from the concentrator will be leached in a Carbon in Leach (CIL) circuit for recovery of gold and silver. Key metrics of the processing plant are shown below:

	Years 1-4	**Life of Mine**
Strip ratio	0.51	0.72
Average Annual Metal Production		
Copper (M lbs)	234	157
Gold (k ozs)	435	262
Silver (k ozs)	1,558	1,369
Molybdenum (M lbs)	13	12
Average Annual Mill Feed Grade		
Copper (%)	0.310%	0.202%
Gold (g/t)	0.377	0.238
Silver (g/t)	2.113	1.727
Molybdenum (%)	0.025%	0.023%

INFRASTRUCTURE

The pre-feasibility study recommends that power be provided by a natural gas power plant, and that the natural gas be supplied to the plant by transport of liquefied natural gas ("LNG"). The study assumes that LNG is sourced from the Kitimat LNG facility scheduled to begin shipping LNG in 2015.

Transportation of concentrate and material will require extending the existing Freegold Road to the east of the mine. Concentrates are expected to be stored and loaded on ships via upgraded facilities provided by the Port of Skagway, Alaska. The project operating cost estimate includes the anticipated concentrate handling service charges based on use of the upgraded facilities.

OPPORTUNITIES

The economics of the pre-feasibility study do not take into account these opportunities for improvement:

- Conversion of the 1.7 billion tonnes of inferred resource to the measured and indicated category;
- Increasing the overall resource;
- Third party ownership/operation of the power plant; and
- Shared costs on the Freegold Road extension and other infrastructure.

Based on the positive results of the Casino pre-feasibility study, Western has initiated work towards a full feasibility study, including metallurgical work and power supply studies. The feasibility study is expected to be completed near the end of 2012.

Western is working towards submitting its application for environmental assessment under the Yukon Environmental and Socioeconomic Assessment Act, the first step required to permit the Casino project.

Should Western make a production decision on the property, it is required to make a cash payment of $1 million to a third party. Production on the claims is also subject to a 5% net profits interest.

SELECTED ANNUAL FINANCIAL INFORMATION

The following annual information has been extracted from the Company's audited annual consolidated financial statements.

As at and for the year ended	31-Dec-11 $	31-Dec-10 $	31-Dec-09[1] $
Loss and comprehensive loss	22,005,813	4,037,115	1,860,157
Loss per share – basic and diluted	0.24	0.05	0.02
Exploration and evaluation assets	42,114,531	73,402,621	72,790,644
Cash, cash equivalents, and short-term investments	9,465,568	23,636,895	13,667,179
Total assets	52,114,445	97,449,751	86,876,176

Note 1: Information for 2009 is presented in accordance with Canadian GAAP and was not required to be restated to IFRS.

The discussion below analyzes the fluctuations in the annual figures presented. Because figures reported under Canadian GAAP (i.e. 2009) may not be comparable to the results reported under IFRS, they have been excluded from the discussion.

Loss and comprehensive loss

The significant increase in loss and comprehensive loss reported for the year ended December 31, 2011, as compared to the previous year, is largely due to the $19.7 million loss on distribution recorded as a result of the plan of arrangement completed on October 17, 2011 (the "Arrangement"). Refer to Results of Operations, below, for more details.

Exploration and evaluation assets

The decrease in exploration and evaluation assets is due to the Arrangement noted above. Pursuant to the Arrangement, Western transferred the Carmacks Copper Project and the Redstone Project to Copper North and the Island Copper property to NorthIsle. As a result, the Company reduced the carrying value of its exploration and evaluation assets by the carrying value of the transferred properties.

Cash, cash equivalents, and short-term investments

Cash decreased significantly during the year ended December 31, 2011 because the Company continues to spend cash to fund ongoing operations that increase the carrying value of its exploration and evaluation assets. In addition, pursuant to the Arrangement, the Company transferred $2 million to Copper North and $2.5 million to NorthIsle on October 17, 2011. The cash, cash equivalents and short-term investment balances were larger than usual on December 31, 2010 because the Company received gross proceeds of approximately $23 million from a public financing completed on December 22, 2010.

SELECTED QUARTERLY FINANCIAL INFORMATION

The following quarterly information has been extracted from the Company's unaudited interim consolidated financial statements.

As at and for the quarter ended	**31-Dec-11**	**30-Sep-11**	**30-Jun-11**	**31-Mar-11**
	$	**$**	**$**	**$**
Loss and comprehensive loss	19,096,053	1,473,417	748,943	687,400
Loss per share – basic and diluted	0.21	0.02	0.01	0.01
Exploration and evaluation assets	42,114,531	81,619,696	76,515,156	74,414,221
Cash, cash equivalents, and short-term investments	9,465,568	16,821,163	21,915,277	22,080,673
Total assets	52,114,445	99,185,859	99,092,973	96,875,640

As at and for the quarter ended	**31-Dec-10**	**30-Sep-10**	**30-Jun-10**	**31-Mar-10**
	$	**$**	**$**	**$**
Loss and comprehensive loss	665,986	573,719	775,448	2,021,962
Loss per share – basic and diluted	0.01	0.01	0.01	0.03
Exploration and evaluation assets	73,402,621	72,379,788	68,966,311	63,449,304
Cash, cash equivalents, and short-term investments	23,636,895	3,728,713	8,232,576	10,798,525
Total assets	97,449,751	76,573,391	77,760,883	75,075,934

Loss and comprehensive loss

Of the figures noted above, only the loss for the three months ended December 31, 2011, September 30, 2011 and March 31, 2010 are significantly different than what would be expected.

For the three months ended December 31, 2011 Western reported a net loss of $19.1 million. The loss was greater than in other quarters presented because the Company incurred a loss on distribution of $19.7 million as a result of the Arrangement. This loss was somewhat offset by an income tax recovery of $1.95 million. Other higher than normal costs include $161,000 in plan of arrangement costs and $686,000 in share-based payments. The amount allocated to share-based payments was larger than usual during the quarter as a result of the amount and valuation of stock options granted in the July 2011.

The losses incurred during the three months ended September 30, 2011 are due to share-based payments and costs relating to Arrangement. The Company recorded $473,000 in share-based payments as a result of the stock option grant in July 2011. The Company also incurred $520,000 relating to the plan of arrangement during the three months ended September 30, 2011. There were no such costs in previous quarters.

During the quarter ended March 31, 2010, the Company reported a net loss of $2.02 million because of a significant income tax expense. During the quarter in question, Western renounced exploration expenditures relating to flow-through shares issued in 2009. As a result, the Company recorded an income tax expense of $1.26 million. This turned a loss of $762,000 into a loss of $2.02 million. If it were not for the income tax expense, the loss figure for the three months ended March 31, 2010 would have been comparable to the other quarterly loss figures.

Exploration and evaluation assets

As of December 31, 2011 Western no longer held the Carmacks Copper Project, the Redstone Project or the Island Copper property due to a plan of arrangement completed on October 17, 2011. The decrease in exploration and evaluation assets is a result of the distribution of these assets at their carrying value. The Company will now focus its efforts on advancing the Casino Project.

Prior to the three months ended December 31, 2011 the Company incurred expenditures that increased the carrying value to its mineral properties. As a result, the carrying value of exploration and evaluation assets increased in every quarter presented above. Because most of the field work relating to Western's Yukon assets is performed from April to October, the carrying value of exploration and evaluation assets typically sees larger increases during the second and third quarters of each year.

Cash, cash equivalents, and short-term investments

Cash decreased significantly during the three months ended December 31, 2011 as a result of the plan of arrangement where the Company transferred $2 million to Copper North and $2.5 million to NorthIsle. Cash continues to fund ongoing operations that increase the carrying value of the Company's exploration and evaluation assets. This has led to a decrease in cash, cash equivalents and short-term investments in the quarters presented above with the exception of the three months ended December 31, 2010. Cash, cash equivalents and short-term investments increased in that quarter because the Company received gross proceeds of approximately $23 million from a public financing completed on December 22, 2010.

Total assets

Total assets decreased significantly during the three months ended December 31, 2011 due to the plan of arrangement completed on October 17, 2011. As a result of the transaction, Western transferred certain assets to other companies. Consequently exploration and evaluation assets decreased by $41 million and cash decreased by $4.5 million.

Because most dollars spent in all other quarters presented are capitalized to exploration and evaluation assets, there is no significant impact on total assets other than financings. Total assets increased during the three months ended December 31, 2010 when the Company completed a public financing. Otherwise, the total assets figure has remained relatively constant in the quarters presented.

RESULTS OF OPERATIONS

	Year Ended December 31,		Three Months Ended December 31,	
	2011	**2010**	**2011**	**2010**
	$	**$**	**$**	**$**
CORPORATE EXPENSES				
Accounting and legal	328,142	173,422	62,063	34,644
Filing and regulatory fees	246,569	80,882	19,500	4,552
Office and administration	2,617,657	2,116,235	961,109	541,119
Shareholder communication	584,790	462,391	138,975	99,662
LOSS BEFORE TAXES AND OTHER ITEMS	**3,777,158**	**2,832,930**	**1,181,647**	**679,977**
OTHER ITEMS				
Plan of arrangement costs	681,036	-	161,400	-
Foreign exchange	3,180	1,735	797	430
Interest income	(245,054)	(57,686)	(37,284)	(14,421)
Loss on distribution	19,734,629	-	19,734,629	-
LOSS BEFORE TAXES	**23,950,949**	**2,776,979**	**21,041,189**	**665,986**
Income tax expense (recovery)	(1,945,136)	1,260,136	(1,945,136)	-
LOSS AND COMPREHENSIVE LOSS	**22,005,813**	**4,037,115**	**19,096,053**	**665,986**

Western incurred a loss of $22 million ($0.24 per common share) for the year ended December 31, 2011 compared to a loss of $4.0 million ($0.05 per common share) over the same period in 2010. The scale and nature of the Company's administrative activity have remained consistent throughout 2010 and 2011, but a number of significant items led to the difference in the loss figures.

The large loss figure reported for the year ended December 31, 2011 is in large part due to the $19.7 million loss on distribution recorded as a result of the plan of arrangement completed on October 17, 2011 (the "Arrangement"). Pursuant to the Arrangement, the Company transferred certain assets to Copper North and NorthIsle. The transaction was recorded as a distribution of assets with the fair value of the common shares distributed representing the proceeds and the carrying value of the distributed assets representing the cost of the distribution.

The fair value was determined by multiplying the amount of common shares distributed by the closing price of those common shares on October 24, 2011, the first day that NorthIsle and Copper North traded on the TSX Venture Stock Exchange.

The following summary provides further information on the determination of the loss on distribution:

	Copper North	NorthIsle	Total
Number of common shares distributed	46,501,281	46,501,281	46,501,281
Closing price on October 24, 2011	$ 0.335	$ 0.22	$ 0.555
Fair value of common share distribution	**$ 15,577,929**	**$ 10,230,282**	**$ 25,808,211**
Distributed assets:	$	$	$
Carmacks	17,143,325	-	17,143,325
Redstone	9,346,398	-	9,346,398
Island Copper	-	14,553,117	14,553,117
Cash	2,000,000	2,500,000	4,500,000
Carrying value of distributed assets	**28,489,723**	**17,053,117**	**45,542,840**
LOSS ON DISTRIBUTION	**12,911,794**	**6,822,835**	**19,734,629**

The Company also incurred $681,000 in costs related to the Arrangement during 2011. These expenses consisted primarily of legal and other professional fees. There was no such cost in 2010.

Western recorded income tax expense of $1.26 million in 2010 as a result of renouncing exploration expenditures related to the two flow-through unit financings that the Company completed in 2009. In 2011, the Company eliminated its deferred income tax liability balance as a result of the Arrangement. As a result, it recorded an income tax recovery of $1.95 million during the year.

Accounting and legal expenses have increased significantly for the year ended December 31, 2011 as compared to the previous year because of professional fees incurred in 2011 to investigate the benefits of completing the Arrangement. The Company also incurred increased legal fees relating to listing on the NYSE Amex, as well as increased auditor fees relating to the transition to International Financial Reporting Standards.

Filing and regulatory fees have substantially increased in 2011 as compared to 2010 because Western listed on the NYSE Amex in February 2011. The listing fees associated with the NYSE Amex in 2011 totaled $103,000. The Company also experienced higher TSX fees in the current year as a result of an increase in market capitalization in 2010.

The Company's office and administration expenses increased by $514,000 in 2011 as compared to the previous year. Share-based payments allocated to this line item were $853,000 greater than in 2010. The increase in share-based payments was offset by a decrease in wages and benefits of $137,000 and the fact that Western made a share donation valued at $118,000 in early 2010. Wages and benefits decreased due to reduced head count. There was no share donation in 2011.

In 2011, Western's shareholder communication costs increased by $122,000 over the prior year. This was in large part due to an increase in share-based payment.

Interest income has increased significantly during the year ended December 31, 2011 as compared to 2010 as a result of larger cash, cash equivalent, and short-term investment balances. The increase in interest bearing balances was due in large part to the $23 million financing that the Company completed in December 2010.

Western incurred a net loss of $19.1 million ($0.21 per common share) for the three months ended December 31, 2011 compared to a net loss of $666,000 ($0.01 per common share) for the three months ended December 31, 2010. A number of significant items led to the difference in the loss figures.

Western recorded the loss on distribution of $19.7 million, discussed above, in the fourth quarter. In addition, the Company incurred $161,000 in costs relating to the Arrangement during the three months ended December 31, 2011. These amounts were offset by the $1.95 million income tax recovery which resulted from the Arrangement.

Office and administration expenses have increased by $420,000 during the three months ended December 31, 2011 as compared to the same period in the previous year. The primary reason for this increase is that share-based payments for the three month ended December 31, 2011 was $521,000 higher than it was during the same quarter in 2010 as a result of the stock option grant to employees and directors in July 2011. The increase in share-based payments was partially offset by a decrease in rent and general administrative expenses.

Western's shareholder communication costs increased by $40,000 for the three months ended December 31, 2011 over 2010. This was in large part due to increases in share-based payments. Travel also increased in the fourth quarter of 2011 as the Company promoted the plan of arrangement.

LIQUIDITY AND CAPITAL RESOURCES

	Year Ended December 31,		Three Months Ended December 31,	
	2011	**2010**	**2011**	**2010**
	$	**$**	**$**	**$**
CASH PROVIDED BY (USED IN)				
Operating activities	(2,975,224)	(2,339,148)	(476,546)	(506,619)
Financing activities	(2,089,631)	24,784,204	(4,500,000)	21,866,778
Investing activities	4,797,293	(24,250,489)	4,543,861	(21,457,733)
DECREASE IN CASH AND CASH EQUIVALENTS	**(267,562)**	**(1,805,433)**	**(432,685)**	**(97,574)**
Cash and cash equivalents – beginning	1,630,698	3,436,131	1,795,821	1,728,272
CASH AND CASH EQUIVALENTS	**1,363,136**	**1,630,698**	**1,363,136**	**1,630,698**

In addition to its cash and cash equivalents, the Company had $8.1 million in short-term investments as at December 31, 2011. As at December 31, 2010, cash, cash equivalents, and short-term investments totaled $23.6 million. The decrease in working capital is mostly due to the Company's continued permitting and exploration work on its mineral properties as well as general administrative expenses and costs and transfers relating to the plan of arrangement completed in the fourth quarter of 2011.

Cash and cash equivalents comprise cash deposits held at banks. Short-term investments consist of Guaranteed Investment Certificates ("GIC") from Canadian chartered banks that are cashable at the Company's discretion without penalty.

Western is an exploration stage enterprise. As at December 31, 2011, the Company has not earned any production revenue. It depends heavily on its working capital balance and its ability to raise funds through capital markets to finance its operations.

Based on its current estimates, management expects that Western will have sufficient working capital to fund its anticipated corporate expenses and exploration and evaluation costs for at least the next 12 months. The Company will have to raise significant additional capital in order to build any of its projects.

The financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company's ability to continue as a going concern is substantially dependent on its ability to raise funds necessary to acquire assets, perform exploration and development activities, and conduct its corporate affairs primarily through the issuance of its common shares. There is a risk that in the future the Company may not be able to raise the capital required to fund operations.

Operating activities

The significant components of operating activities are discussed in the Results of Operations section above.

Financing activities

During the three months ended December 31, 2011, the Company completed a plan of arrangement that resulted in Western, among other things, transferring $2 million to Copper North and $2.5 million to NorthIsle.

For the year ended December 31, 2011 Western received $2.7 million from the exercise of stock options compared to $695,000 received for the year ended December 31, 2010. The amount of stock options exercised during the year ended December 31, 2011 increased compared to 2010 because employees exercised a large number of stock options that were set to expire in May 2011.

There were no proceeds from warrant exercises during the year ended December 31, 2011. For the year ended December 31, 2010 the Company received $2.5 million from the exercise of warrants relating to the July 2009 financing.

During the three months ended December 31, 2010 the Company raised gross proceeds of $23 million by issuing 9,395,500 units at $2.45. Each unit consisted of one common share and one-half warrant. Each full warrant is exercisable for a period of two years at an exercise price of $3.45 per common share.

Investing activities

Investing activities include both mineral property expenditures and purchases and redemptions of short-term investments. During the three months ended December 31, 2011, the Company redeemed $6.8 million from short-term investments to pay for operating expenses and exploration and evaluation expenditures. For the year ended December 31, 2011, Western has redeemed $13.9 million from short-term investments for the same purpose.

The Company expended $2.3 million on mineral property expenditures during the fourth quarter of 2011. This compares with $1.5 million during the same period in 2010. Year-to-date in 2011, Western has spent $9.1 million on exploration and evaluation expenditures as compared to $12.5 million over the same period in 2010. The majority of the costs in both years relate to work on the Casino project. In 2010, Western completed an intensive exploration program at Casino. Work in 2011 concentrated on obtaining information for inclusion in the feasibility study expected to be completed near the end of 2012.

A summary of activities relating to the Casino project is available under the Property Overview section at the beginning of this report.

CONTRACTUAL OBLIGATIONS

The Company leases office space in Vancouver, British Columbia. The future minimum lease payments by calendar year are approximately as follows:

Year	**$**
2012	242,000
2013	247,000
2014	259,000
2015	271,000
2016	113,000
Thereafter	-
TOTAL	**1,132,000**

Western has no debt and does not pay dividends.

The Company has no off-balance sheet arrangements, no capital lease agreements and no long term obligations other than those described above or in the description of mineral properties contained in the consolidated financial statements.

Neither the Company nor any of its subsidiaries has any externally imposed capital requirements.

RELATED PARTY TRANSACTIONS

The Company had related party transactions with Ravenwolf Resource Group Ltd. ("Ravenwolf"), a private company owned equally by Western, NorthIsle, and Copper North. Ravenwolf provides administration, accounting and other office services to its owners on a cost-recovery basis. The related party transactions incurred during the year were in the normal course of operations.

Amounts charged by Ravenwolf were categorized as follows:

For the year ended December 31,	2011 $	2010 $
Office and administration	172,005	-
Shareholder communication	19,457	-
Exploration and evaluation assets	59,462	-
	250,924	**-**

Other assets of the Company include amounts receivable of $130,400 from Ravenwolf for advances made by Western to fund Ravenwolf's working capital. This amount is non-interest bearing, unsecured and payable on demand.

The Company's related parties also include its directors and officers. The remuneration of directors and officers during the period was as follows:

For the year ended December 31,	2011 $	2010 $
Salaries and director fees	896,259	1,027,497
Share-based payments	1,238,971	425,902
	2,135,230	**1,453,399**

Share-based payments represent the fair value of stock options previously granted to directors and officers that was recognized during the periods presented above.

SIGNIFICANT ACCOUNTING ESTIMATES

Use of estimates

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities and disclosures of contingent assets and contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Actual results could differ from those estimates. Significant accounts that require estimates as the basis for determining the stated amounts include exploration and evaluation assets, share-based payments, the fair value of assets distributed pursuant to the plan of arrangement, allocation of financing proceeds, and income and mining taxes. Differences may be material.

Exploration and evaluation asset

The carrying amount of the Company's exploration and evaluation asset represents costs net of write-downs to date and does not necessarily reflect present or future values. Recovery of capitalized costs is dependent on successful development of economic mining operations or the disposition of the related mineral properties.

The Company's asset are reviewed for indication of impairment at each balance sheet date. If indication of impairment exists, the asset's recoverable amount is estimated.

The estimated cash flows used to assess recoverability of the Company's exploration and evaluation asset carrying value are developed using management's projections for long-term average copper, gold and molybdenum prices, recoverable reserves, operating costs, capital expenditures, reclamation costs, and applicable foreign currency exchange rates. Management makes estimates relating to current and future market conditions. There are inherent uncertainties related to these factors and management's judgment when using them to assess mineral property recoverability.

The Company believes that the estimates applied in the impairment assessment are reasonable; however such estimates are subject to significant uncertainties and judgments. Although management has made its best estimate of these factors based on current conditions, it is possible that the underlying assumptions can change significantly and impairment charges may be required in future periods. Such charges could be material.

Environmental rehabilitation

Minimum standards for site reclamation have been established by various governmental agencies that affect certain operations of the Company. The determination of reclamation costs requires assumptions with respect to future expected costs and legislation in effect at that time. Changes in these assumptions could have a material effect on the amount required to be recognized as an environmental rehabiliation provision.

Share-based payments

The fair value of share-based payments and warrant issuances is calculated using the Black-Scholes option pricing model. Option pricing models require the input of highly subjective assumptions including the expected price volatility of the Company's shares and the expected life of the option. Changes in the subjective input assumptions can materially affect the fair value estimate.

RECENT ACCOUNTING PRONOUNCEMENTS

Unless otherwise stated, the following revised standards and amendments are effective for annual periods beginning on or after January 1, 2013 with earlier application permitted. The Company has not yet assessed the impact of these standards and amendments or determined whether it will adopt them earlier than the effective dates.

IFRS 9 - *Financial instruments: Classification and Measurement* is the first part of a new standard on classification and measurement of financial assets that will replace IAS 39 - *Financial Instruments: Recognition and Measurement*. IFRS 9 has two measurement categories: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through the statement of loss. This standard is effective for years beginning on or after January 1, 2015.

IFRS 10 – *Consolidated Financial Statements* builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess.

IFRS 11 – *Joint Arrangements* requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation, the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionally consolidate or equity account for interest in joint ventures. IFRS 11 supersedes IAS 31 – Interest in Joint Ventures and SIC 13 – *Jointly Controlled Entities – Non-monetary Contributions by Venturers*.

IFRS 12 – *Disclosure of Interests in Other Entities* establishes disclosure requirements for interests in other entities, such as subsidiaries, joint arrangement, associates, and unconsolidated structured entities. The standard carries forward existing disclosures and also introduces significant additional disclosure that address the nature or, and risks associated with, an entity's interests in other entities.

IFRS 13 – *Fair Value Measurement* is a comprehensive standard for fair value measurement and disclosure for use across all IFRS. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and does not always reflect a clear measurement basis or consistent disclosures.

There have been amendments to existing standards, including IAS 27 – *Separate Financial Statements* ("IAS 27"), and IAS 28 – *Investments in Associates and Joint Ventures* ("IAS 28"). IAS 27 addresses accounting for subsidiaries, jointly controlled entities and associates in non-consolidated financial statements. IAS 28 has been amended to include joint ventures in its scope and to address the changes in IFRS 10 to 13.

INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS")

Effective January 1, 2011 Canadian publicy listed entities were required to prepare their financial statements in accordance with IFRS. Due to the requirement to present comparative financial information, the effective transition date is January 1, 2010.

Western has compared its accounting policies under Canadian Generally Accepted Accounting Principles ("GAAP") to IFRS and has identified differences between the two standards. The Company has also analyzed its historical transactions to determine adjustments required to its financial statements as a result of the transition to IFRS.

The adjustments recorded upon the transition to IFRS had significant impacts on the financial statements, but had no effect on the Company's cash balance, its cash flow or its operations. The explanation and quantitative impact of each reconciling item are set out in note 16 to the December 31, 2011 audited consolidated financial statements. The most significant transitional adjustment related to deferred income tax liability.

Under IFRS, deferred taxes cannot be recognized for the acquisition of assets that do not constitute a business combination. There is no similar prohibition under Canadian GAAP. Under Canadian GAAP, all of the Company's deferred income tax liability balance as at January 1, 2010 related to Western's purchase of the Casino, Island Copper, and Redstone properties through the Company's acquisition of Lumina Resources Corp. in 2006. As a result of implementing IFRS, the Company eliminated the deferred income tax liability recorded on the acquisition, including any adjustments to the deferred income tax liability balance since it was first recorded. Accordingly, Western also reduced the carrying value of its exploration and evaluation assets by $11.9 million. Although the transitional adjustment significantly decreased the carrying value of the Company's exploration and evaluation assets, it did not affect the fair value of the underlying mineral properties.

The transition to IFRS has not had, nor is it expected to have, a significant impact on the Company's information technology and data systems, internal control over financial reporting, or disclosure controls and procedures. Employees who have accounting responsibilities have received IFRS specific training.

DISCLOSURE CONTROLS AND PROCEDURES

Management is responsible for designing, establishing, and maintaining a system of disclosure controls and procedures. Disclosure controls and procedures are designed to provide reasonable assurance that material information relating to the Company is made known to management, particularly during the period in which the annual filings are being prepared and that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation.

The Chief Executive Officer and the Chief Financial Officer evaluated the effectiveness of the Company's disclosure controls and procedures as of December 31, 2011. As a result of the material weakness identified during the assessment of internal control over financial reporting, as described below, management has also concluded that its disclosure controls and procedures were not effective as at December 31, 2011.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for designing, establishing, and maintaining a system of internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in Canada.

The Company designed its system of internal control based on the Internal Control-Integrated Framework established by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

The Chief Executive Officer and the Chief Financial Officer assessed the design and the operating effectiveness of the Company's internal control over financial reporting as of December 31, 2011.

Based on that assessment, management concluded that, as at December 31, 2011, the Company's internal control over financial reporting was not effective due to the existence of a material weakness. A material weakness existed in the design of internal control over financial reporting caused by a lack of adequate segregation of duties in the financial close process. The Chief Financial Officer is responsible for preparing, authorizing, and reviewing information that is key to the preparation of financial reports. He is also responsible for preparing and reviewing the resulting financial reports. This weakness has the potential to result in material misstatements in the Company's financial statements, and should also be considered a material weakness in its disclosure controls and procedures.

Management has concluded, and the audit committee has agreed that taking into account the present stage of Western's development, the Company does not have sufficient size and scale to warrant the hiring of additional staff to correct the weakness at this time.

There has been no significant change in internal control over financial reporting or in disclosure controls and procedures from October 1 to December 31, 2011 that has materially affected, or is reasonably likely to affect, the Company's its internal control over financial reporting or its disclosure controls and procedures.

FINANCIAL INSTRUMENT RISK

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has exposure to credit, liquidity, currency, interest rate and market risks from the use of financial instruments. Financial instruments consist of cash and cash equivalents, short-term investments, other receivables, reclamation bonds, and accounts payable and accrued liabilities.

Market risk

The Company does not generate cash from its operating activities. Its principal source of funds is the issuance of common shares. It uses the capital raised from the issuance of its common shares to explore and develop its mineral properties with the goal of increasing the price of the Company's common shares. Western's common shares are publicly traded. As such, the price of its common shares is susceptible to factors beyond management's control including, but not limited to, fluctuations in commodity prices and foreign exchange rates and changes in the general market outlook. Should Western require funds during a time when the price of its common shares is depressed, the Company may be required to accept significant dilution to maintain enough liquidity to continue operations or may be unable to raise sufficient capital to meet its obligations.

Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they come due. The Company uses cash forecasts to ensure as far as possible that there is sufficient cash on hand to meet short-term business requirements. Cash is invested in highly liquid investments which are available to discharge obligations when they come due. The Company does not maintain a line of credit.

Credit risk

Financial instruments that potentially subject the Company to credit risk consist primarily of cash and cash equivalents and short-term investments. These financial instruments are at risk to the extent that the institutions issuing or holding them cannot redeem amounts when they are due or requested. To limit its credit risk, the Company uses a restrictive investment policy. It deposits cash and cash equivalents in Canadian chartered banks and purchases short-term investments that are guaranteed by Canadian governments or by Canadian chartered banks.

Currency risk

Currency risk is the risk that the Company will lose significant purchasing power to operate its business as a result of changes in currency rates. The Company raises funds in Canadian dollars. The majority of the Company's expenditures are incurred in Canadian dollars. To limit its exposure to currency risk, the Company maintains the majority of its cash and cash equivalents and short-term investments in Canadian dollars. The Company did not have a material amount of financial instruments denominated in foreign currencies as at December 31, 2011 or December 31, 2010.

Interest rate risk

The Company is exposed to interest rate risk on its cash and cash equivalents and its short-term investments to the extent that the institutions that hold or issue those instruments cannot pay the interest earned on them by Western. Potential losses in interest income are not material.

FORWARD-LOOKING STATEMENTS

This Management's Discussion and Analysis contains certain forward-looking statements concerning anticipated developments in Western's operations in future periods. Statements that are not historical fact are forward-looking statements as that term is defined in the United States Private Securities Litigation Reform Act of 1995 and forward looking information as that term is defined in National Instrument 51-102 ("NI 51-102") of the Canadian Securities Administrators. Certain forward looking information should also be considered future-oriented financial information ("FOFI") as that term is defined in NI 51-102. The purpose of disclosing FOFI is to provide a general overview of management's expectations regarding the anticipated results of operations and capital expenditures. Forward-looking statements and information (referred to herein together as "forward-looking statements") are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible" and similar expressions, or statements that events, conditions or results "will", "may", "could" or "should" occur or be achieved. These forward-looking statements are set forth principally under the heading "Property Overview" and elsewhere in Management's Discussion and Analysis and may include statements regarding perceived merit of properties; mineral reserve and resource estimates; capital expenditures; feasibility study results, exploration results at the Company's property; budgets; work programs; timelines; strategic plans; market price of precious and base metals; or other statements that are not statement of fact. The material factors or assumptions used to develop forward-looking statements include prevailing and projected market prices and foreign exchange rates, exploitation and exploration estimates and results, continued availability of capital and financing, and general economic, market or business conditions and as more specifically disclosed throughout this document. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of Western and its subsidiaries may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors.

Western's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made, and Western does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change except as required by law. For the reasons set forth above, investors should not place undue reliance on forward-looking statements. Important factors that could cause actual results to differ materially from Western 's expectations include uncertainties involved in fluctuations in gold, copper and other commodity prices and currency exchange rates; uncertainties relating to interpretation of drill results and the geology, continuity and grade of mineral deposits; uncertainty of estimates of capital and operating costs, recovery rates, production estimates and estimated economic return; the need for cooperation of government agencies and First Nations in the exploration and development of the property and the issuance of required permits; the need to obtain additional financing to develop the property and uncertainty as to the availability and terms of future financing; the possibility of delay in exploration or development programs or in construction projects and uncertainty of meeting anticipated program milestones; uncertainty as to timely availability of permits and other governmental approvals; and other risks and uncertainties disclosed in Western's Annual Information Form, Western's annual report on Form 40-F, and other information released by Western and filed with the applicable regulatory agencies.

Cautionary note to U.S. investors: The terms "measured mineral resource", "indicated mineral resource", and "inferred mineral resource" used in this management discussion and analysis are Canadian geological and mining terms as defined in accordance with National Instrument 43-101, Standards of Disclosure for Mineral Projects ("NI 43-101") under the guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum (the CIM) Standards on Mineral Resources and Mineral Reserves. We advise U.S. investors that while such terms are recognized and required under Canadian regulations, the SEC does not recognize them. "Inferred mineral resources" in particular have a great amount of uncertainty as to their existence, and great uncertainty as to their feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules estimates of inferred mineral resources may not generally form the basis of feasibility or other economic studies. U.S. investors are cautioned not to assume that any part of an inferred mineral resource exists, or is economically or legally mineable. Disclosure of contained metal expressed is in compliance with NI 43-101, but does not meet the requirements of Industry Guide 7 of the SEC, which will only accept the disclosure of tonnage and grade estimates for non-reserve mineralization.

Exhibit 99.3



western
COPPER AND GOLD

Western Copper and Gold Corporation
(Formerly Western Copper Corporation)
(An exploration stage company)

Consolidated Financial Statements
For the years ended December 31, 2011 and 2010

(Expressed in Canadian dollars)

Management's Responsibility for Financial Reporting

The accompanying consolidated financial statements of Western Copper and Gold Corporation (the "Company") have been prepared by management in accordance with International Financial Reporting Standards and contain estimates based on management's judgment.

Management maintains an appropriate system of internal control to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded, and proper records are maintained. Further information on the Company's internal control over financial reporting and its disclosure controls is available in management's report on internal control, which follows.

The Audit Committee of the Board of Directors has met with the Company's independent auditors to review the scope and results of the annual audit and to review the consolidated financial statements and related financial reporting matters prior to submitting the consolidated financial statements to the Board of Directors for approval.

The Company's independent auditors, PricewaterhouseCoopers LLP, have audited the Company's consolidated financial statements on behalf of the shareholders and their report follows.

March 22, 2012

/s/ Julien François
Chief Financial Officer

/s/ Dale Corman
Chief Executive Officer

Management's Report on Internal Control over Financial Reporting

The management of Western Copper and Gold Corporation (the "Company") is responsible for establishing and maintaining adequate internal control over financial reporting. The Securities and Exchange Act of 1934 in Rule 13a-15(f) and 15d-15(f) defines this as a process designed by, or under the supervision of, the Company's principal executive and principal financial officers and effected by the Company's Board of Directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles, and includes those policies and procedures that:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of Company; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisitions, use or disposition of the Company's assets that may have a material effect on the consolidated financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of the Company's internal control over financial reporting as at December 31, 2011. In making this assessment, the Company's management used the criteria established by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in its Internal Control-Integrated Framework.

During the year ended December 31, 2011, and to the date of this report, there has been no change to internal controls that would have a material effect on internal controls over financial reporting.

Based on our assessment, management has concluded that, as at December 31, 2011, the Company's internal control over financial reporting was not effective due to the existence of a material weakness. A material weakness existed in the design of internal control over financial reporting caused by a lack of adequate segregation of duties in the financial close process. The Chief Financial Officer is responsible for preparing, authorizing, and reviewing information that is key to the preparation of financial reports. He is also responsible for preparing and reviewing the resulting financial reports. This weakness has the potential to result in material misstatements in the Company's financial statements, and should also be considered a material weakness in its disclosure controls and procedures.

Management has concluded, and the Audit Committee has agreed that taking into account the present stage of the Company's development, the Company does not have sufficient size and scale to warrant the hiring of additional staff to correct the weakness at this time.

The effectiveness of the Company's internal control over financial reporting has been audited by the independent auditors, PricewaterhouseCoopers LLP, as stated in their attestation report, which is included herein.

March 22, 2012

/s/ Julien François
Chief Financial Officer

/s/ Dale Corman
Chief Executive Officer

March 22, 2012

Independent Auditor's Report

To the Shareholders of Western Copper and Gold Corporation

We have completed an integrated audit of Western Copper and Gold Corporation's (the "Company") December 31, 2011 consolidated financial statements and its internal control over financial reporting as at December 31, 2011 and an audit of its December 31, 2010 consolidated financial statements. Our opinions, based on our audits, are presented below.

Report on the consolidated financial statements
We have audited the accompanying consolidated financial statements of Western Copper and Gold Corporation, which comprise the consolidated balance sheets as at December 31, 2011, December 31, 2010 and January 1, 2010 and the consolidated statements of loss and comprehensive loss, cash flows and changes in shareholders' equity for the years ended December 31, 2011 and December 31, 2010, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards and the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform an audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. Canadian generally accepted auditing standards require that we comply with ethical requirements.

An audit involves performing procedures to obtain audit evidence, on a test basis, about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting principles and policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

PricewaterhouseCoopers LLP Chartered Accountants
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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership, which is a member firm of PricewaterhouseCoopers International Limited, each member firm of which is a separate legal entity.



We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Western Copper and Gold Corporation as at December 31, 2011, December 31, 2010 and January 1, 2010 and its financial performance and its cash flows for the years ended December 31, 2011 and December 31, 2010 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Report on internal control over financial reporting
We have also audited Western Copper and Gold Corporation's internal control over financial reporting as at December 31, 2011, based on criteria established in Internal Control - Integrated Framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Management's responsibility for internal control over financial reporting
Management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in Management's Report on Internal Control over Financial Reporting.

Auditor's responsibility
Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We conducted our audit of internal control over financial reporting in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

An audit of internal control over financial reporting includes obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control, based on the assessed risk, and performing such other procedures as we consider necessary in the circumstances.

We believe that our audit provides a reasonable basis for our audit opinion on the Company's internal control over financial reporting.

Definition of internal control over financial reporting
A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that: (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent limitations
Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Opinion
A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual financial statements will not be prevented or detected on a timely basis. As at December 31, 2011 a material weakness, relating to a lack of segregation of duties in the financial accounting process was identified, as described in Management's Report on Internal Control over Financial Reporting.

We considered this material weakness in determining the nature, timing, and extent of audit tests applied in our audit of the December 31, 2011 consolidated financial statements, and our opinion regarding the effectiveness of the Company's internal control over financial reporting does not affect our opinion on those consolidated financial statements.

In our opinion, the Company did not maintain, in all material respects, effective internal control over financial reporting as at December 31, 2011 based on criteria established in Internal Control - Integrated Framework issued by the COSO.

We do not express an opinion or any form of assurance on management's conclusion as to whether the hiring of additional staff is warranted as included in Management's Report on Internal Control over Financial Reporting.

Signed "PricewaterhouseCoopers LLP"

Chartered Accountants

CONSOLIDATED BALANCE SHEETS

	Note	December 31, 2011 $	December 31, 2010 $	January 1, 2010 $
ASSETS				
Cash and cash equivalents	-	1,363,136	1,630,698	3,436,131
Short-term investments	5	8,102,432	22,006,197	10,231,048
Other assets	-	452,289	188,552	128,547
CURRENT ASSETS		9,917,857	23,825,447	13,795,726
Reclamation bond	-	-	80,300	80,300
Property and equipment	-	82,057	141,383	209,506
Exploration and evaluation	6	42,114,531	73,402,621	60,863,104
ASSETS		**52,114,445**	**97,449,751**	**74,948,636**
LIABILITIES				
Accounts payable and accrued liabilities	-	1,192,197	1,240,539	1,097,409
Flow-through share premium	17	-	-	685,000
CURRENT LIABILITIES		1,192,197	1,240,539	1,782,409
Deferred income tax	14	-	1,945,136	-
LIABILITIES		**1,192,197**	**3,185,675**	**1,782,409**
SHAREHOLDERS' EQUITY				
Share capital	7	103,747,315	99,352,358	77,772,857
Contributed surplus	-	29,348,559	29,271,320	25,715,857
Deficit	-	(82,173,626)	(34,359,602)	(30,322,487)
SHAREHOLDERS' EQUITY		**50,922,248**	**94,264,076**	**73,166,227**
LIABILITIES AND SHAREHOLDERS' EQUITY		**52,114,445**	**97,449,751**	**74,948,636**

Commitments 11

Approved by the Board of Directors

/s/ Robert J. Gayton Director *</s/ Robert Byford>* Director

CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

For the year ended December 31,	Note	2011 $	2010 $
CORPORATE EXPENSES			
Accounting and legal	-	328,142	173,422
Filing and regulatory fees	-	246,569	80,882
Office and administration	-	2,617,657	2,116,235
Shareholder communication	-	584,790	462,391
LOSS BEFORE TAXES AND OTHER ITEMS	**10**	**3,777,158**	**2,832,930**
OTHER ITEMS			
Plan of arrangement costs	4	681,036	-
Foreign exchange	-	3,180	1,735
Interest income	-	(245,054)	(57,686)
Loss on distribution	4	19,734,629	-
LOSS BEFORE TAXES		**23,950,949**	**2,776,979**
Income tax expense (recovery)	14	(1,945,136)	1,260,136
LOSS AND COMPREHENSIVE LOSS		**22,005,813**	**4,037,115**
BASIC AND DILUTED LOSS PER SHARE		0.24	0.05
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING		92,505,747	81,128,926

The accompanying notes are an integral part of these financial statements

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the year ended December 31,		2011	2010
		$	$
Cash flows provided by (used in)	**Note**		
OPERATING ACTIVITIES			
Loss and Comprehensive Loss	-	(22,005,813)	(4,037,115)
ITEMS NOT AFFECTING CASH			
Amortization	-	4,616	13,417
Donation of common shares	7	-	117,900
Income tax expense (recovery)	14	(1,945,136)	1,260,136
Share-based payments	9	1,374,832	416,877
Loss on distribution	4	19,734,629	-
ITEMS NOT AFFECTING CASH		19,168,941	1,808,330
Change in non-cash working capital items	-	(138,352)	(110,363)
OPERATING ACTIVITIES		**(2,975,224)**	**(2,339,148)**
FINANCING ACTIVITIES			
Issuance of common shares and warrants	7	-	23,018,975
Share issuance costs	7	(317,715)	(1,384,514)
Exercise of warrants	8	-	2,455,000
Exercise of stock options	8	2,728,084	694,743
Distribution pursuant to plan of arrangement	4	(4,500,000)	-
FINANCING ACTIVITIES		**(2,089,631)**	**24,784,204**
INVESTING ACTIVITIES			
Redemption (purchase) of short-term investments	-	13,900,000	(11,775,000)
Mineral property expenditures	-	(9,102,707)	(12,475,489)
INVESTING ACTIVITIES		**4,797,293**	**(24,250,489)**
DECREASE IN CASH AND CASH EQUIVALENTS		**(267,562)**	**(1,805,433)**
Cash and Cash Equivalents – Beginning		**1,630,698**	**3,436,131**
CASH AND CASH EQUIVALENTS - ENDING		**1,363,136**	**1,630,698**

The accompanying notes are an integral part of these financial statements

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

	Number of Shares	Share Capital $	Contributed Surplus $	Deficit $	Shareholders' Equity $
JANUARY 1, 2010	**79,275,036**	**77,772,857**	**25,715,857**	**(30,322,487)**	**73,166,227**
Common share donation	90,000	117,900	-	-	117,900
Share issuance costs	-	(2,217)	-	-	(2,217)
Public financing	9,395,500	23,018,975	-	-	23,018,975
Share issuance costs	-	(1,700,012)	-	-	(1,700,012)
Warrants	-	(4,476,983)	4,476,983	-	-
Exercise of warrants	1,964,000	2,455,000	-	-	2,455,000
Transfer of warrant value	-	736,400	(736,400)	-	-
Exercise of stock options	763,300	694,743	-	-	694,743
Transfer of stock option value	-	735,695	(735,695)	-	-
Share-based payments	-	-	550,575	-	550,575
Loss and comprehensive loss	-	-	-	(4,037,115)	(4,037,115)
DECEMBER 31, 2010	**91,487,836**	**99,352,358**	**29,271,320**	**(34,359,602)**	**94,264,076**
Exercise of stock options	1,514,667	2,728,084	-	-	2,728,084
Transfer of stock option value	-	1,666,873	(1,666,873)	-	-
Share-based payments	-	-	1,744,112	-	1,744,112
Fair value of distributed assets	-	-	-	(25,808,211)	(25,808,211)
Loss and comprehensive loss	-	-	-	(22,005,813)	(22,005,813)
DECEMBER 31, 2011	**93,002,503**	**103,747,315**	**29,348,559**	**(82,173,626)**	**50,922,248**

The accompanying notes are an integral part of these financial statements

1. NATURE OF OPERATIONS

Western Copper and Gold Corporation ("Western" or the "Company"), formerly Western Copper Corporation, is an exploration stage company that is directly engaged in exploration and development of the Casino mineral property located in Yukon, Canada.

The Company is incorporated in British Columbia, Canada. Its head office is located at Suite 2050, 1111 West Georgia Street, Vancouver, British Columbia.

The Company may have to raise additional funds to complete the exploration and development of its mineral property. While it has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future.

2. BASIS OF PRESENTATION

a. Summary of significant accounting policies

The Company prepares its financial statements in accordance with Canadian generally accepted accounting principles as defined in the Handbook of the Canadian Institute of Chartered Accountants ("CICA Handbook"). In 2010, the CICA Handbook was revised to incorporate International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS") and to require publicly accountable enterprises to apply these standards effective for years beginning on or after January 1, 2011. Accordingly, these are the Company's first annual consolidated financial statements prepared in accordance with IFRS as issued by the IASB. In these financial statements, the term "Canadian GAAP" refers to Canadian GAAP before the adoption of IFRS.

These consolidated financial statements have been prepared in compliance with IFRS. Subject to certain transition elections and exceptions disclosed in note 17, the Company has consistently applied the accounting policies used in the preparation of its opening IFRS balance sheet as at January 1, 2010 throughout all periods presented, as if these policies had always been in effect. Note 17 discloses the impact of the transition to IFRS on the Company's reported financial position, financial performance and cash flows, including the nature and effect of significant changes in accounting policies from those used in the Company's consolidated financial statement for the year ended December 31, 2010 prepared under Canadian GAAP.

The policies applied in these annual consolidated financial statements are based on IFRS issued and outstanding as of March 22, 2012, the date the Board of Directors approved these financial statements.

b. Accounting estimates

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities and disclosures of contingent assets and contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Actual results could differ from those estimates. Significant accounts that require estimates as the basis for determining the stated amounts include exploration and evaluation assets, share-based payments, the fair value of assets distributed pursuant to the plan of arrangement, allocation of financing proceeds, and income and mining taxes. Differences may be material.

The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the existence of economically recoverable reserves and the Company's ability to secure and maintain title and beneficial interest in the properties, to obtain the necessary financing to continue the exploration and future development of the properties, or to realize the carrying amount through a sale or partial disposal.

The estimated cash flows used to assess recoverability of the Company's exploration and evaluation asset carrying value are developed using management's projections for long-term average copper, gold and molybdenum prices, recoverable reserves, operating costs, capital expenditures, reclamation costs, and applicable foreign currency exchange rates. Management makes estimates relating to current and future market conditions. There are inherent uncertainties related to these factors and management's judgment when using them to assess mineral property recoverability.

3. ACCOUNTING POLICIES

a. Summary of significant accounting policies

These consolidated financial statements have been prepared under the historical cost convention. The Company's principal accounting policies are outlined below:

(i) Basis of consolidation

These consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All significant intercompany transactions and balances have been eliminated.

(ii) Presentation currency

The Company's presentation currency is the Canadian dollar ("$"). The functional currency of Western and its significant subsidiaries is the Canadian dollar.

(iii) Foreign currency translation

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency ("foreign currencies") are recorded at the rates of exchange prevailing at the dates of the transactions. At each balance sheet date, monetary assets and liabilities are translated using the period end foreign exchange rate. Non-monetary assets and liabilities are translated using the historical rate on the date of the transaction. All gains and losses on translation of these foreign currency transactions are included in the statement of loss.

(iv) Share-based payments

The Company grants stock options to buy common shares of the Company to directors, officers, employees and service providers. The fair value of stock options granted by the Company is treated as compensation costs in accordance with IFRS 2 - *Share-based Payments*. The fair value of such awards is calculated using the Black-Scholes option pricing model. These costs are charged to the statement of loss or, if appropriate, are capitalized to exploration and evaluation assets over the stock option vesting period with an offsetting entry to contributed surplus. The Company's allocation of share-based payments is consistent with its treatment of other types of compensation for each recipient.

If the stock options are exercised, the value attributable to the stock options is transferred to share capital.

(v) Income taxes

Income tax expense consists of current and deferred tax expense. Income tax expense is recognized in the statement of loss.

Current tax expense is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to the previous year.

Deferred taxes are recorded using the liability method. Under the liability method, deferred tax assets and liabilities are recognized for future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases (i.e. timing differences). Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that the substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on either the same taxable entity or different entities that intend to settle their current tax assets and liabilities on a net basis or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(vi) Loss per share

Basic loss per share is computed by dividing the net loss available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted loss per share is computed similar to basic loss per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of all stock options and warrants, if dilutive.

(vii) Long-lived assets

1. Exploration and evaluation assets

Direct costs related to the acquisition and exploration of mineral properties held or controlled by the Company are capitalized on an individual property basis until the property is put into production, sold, abandoned, or determined to be impaired. Administration costs and general exploration costs are expensed as incurred. When a property is placed into commercial production, deferred costs will be depleted using the units-of-production method.

The Company classifies its mineral properties as exploration and evaluation assets until technical feasibility and commercial viability of extracting a mineral resource are demonstrable. At this point, the exploration and evaluation assets are transferred to property and equipment.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers, or title may be affected by undetected defects.

2. Property and equipment

Property and equipment are depreciated using the straight-line method based on their estimated useful lives, which range from three to five years.

Where an item of plant and equipment comprises major components with different useful lives, the components are accounted for as separate items of plant and equipment.

The depreciation method, useful life and residual values of property and equipment are assessed annually.

3. Impairment

The Company's assets are reviewed for indication of impairment at each balance sheet date. If indication of impairment exists, the asset's recoverable amount is estimated.

An impairment loss is recognized when the carrying amount of an asset, or its cash- generating unit, exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit.

A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Impairment losses are recognized on the statement of loss.

4. Reversal of impairment

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.

(viii) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, deposits in banks and highly liquid investments with an original maturity of three months or less.

(ix) Short-term investments

Short-term investments are investments which are transitional or current in nature, with an original maturity date greater than three months, but no more than one year from the date of acquisition.

(x) Related party transactions

Related party transactions are measured at fair value.

(xi) Valuation of equity units issued as part of a financing

The Company has adopted a pro-rata basis method for the measurement of shares and warrants issued as units in financing arrangements. The pro-rata basis method requires that gross proceeds and related share issuance costs be allocated to the common shares and the warrants based on the relative fair value of each component.

The fair value of the common shares is based on the closing price on the closing date of the transaction and the fair value of the warrants is determined on the closing date of the transaction using the Black-Scholes option pricing model.

The fair value attributed to the warrants is recorded as contributed surplus. If the warrants are exercised, the value attributable to the warrants is transferred to share capital.

(xii) Flow-through common shares

The issuance of flow-through common shares of the Company results in the tax deductibility of the qualifying resource expenditures funded from the proceeds of the sale of such shares being transferred to the purchasers of the shares. Under IFRS, on issuance of such shares, the Company bifurcates the flow-through shares into: a flow-through share premium, equal to the estimated premium investors pay for the flow-through feature, which is recognized as a liability, and share capital. As the related exploration expenditures are incurred, the Company derecognizes the liability and recognizes a related income tax recovery.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period.

(xiii) Distribution of non-cash assets to shareholders

Any gain or loss on the distribution of non-cash assets to shareholders is determined as the difference between the fair value of the proceeds and the carrying value of the distributed assets on the date of the transaction. The gain or loss is recognized in the statement of loss. The fair value of the proceeds is also charged directly to deficit.

(xiv) Financial instruments

1. Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Loans and receivables are initially recognized at the transaction value and subsequently carried at amortized cost less impairment losses using the effective interest rate method. Interest income is recognized by applying the effective interest rate.

The Company has classified cash and cash equivalents, short-term investments, and its reclamation bond as “Loans and receivables”.

2. Other financial liabilities

Other financial liabilities are initially recognized at fair value, net of transaction costs, and are subsequently measured at amortized cost using the effective interest rate method.

The Company has classified accounts payable and accrued liabilities as other financial liabilities.

(xv) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

b. Recent accounting pronouncements

Unless otherwise stated, the following revised standards and amendments are effective for annual periods beginning on or after January 1, 2013 with earlier application permitted. The Company has not yet assessed the impact of these standards and amendments or determined whether it will adopt them earlier than the effective dates.

(i) IFRS 9 - *Financial instruments: Classification and Measurement* is the first part of a new standard on classification and measurement of financial assets that will replace IAS 39 -

Financial Instruments: Recognition and Measurement. IFRS 9 has two measurement categories: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through the statement of loss. This standard is effective for years beginning on or after January 1, 2015.

(ii) IFRS 10 – *Consolidated Financial Statements* builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess.

(iii) IFRS 11 – *Joint Arrangements* requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation, the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionally consolidate or equity account for interest in joint ventures. IFRS 11 supersedes IAS 31 – Interest in Joint Ventures and SIC 13 – *Jointly Controlled Entities – Non-monetary Contributions by Venturers*.

(iv) IFRS 12 – *Disclosure of Interests in Other Entities* establishes disclosure requirements for interests in other entities, such as subsidiaries, joint arrangement, associates, and unconsolidated structured entities. The standard carries forward existing disclosures and also introduces significant additional disclosure that address the nature of, and risks associated with, an entity's interests in other entities.

(v) IFRS 13 – *Fair Value Measurement* is a comprehensive standard for fair value measurement and disclosure for use across all IFRS. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and does not always reflect a clear measurement basis or consistent disclosures.

(vi) There have been amendments to existing standards, including IAS 27 – *Separate Financial Statements* ("IAS 27"), and IAS 28 – *Investments in Associates and Joint Ventures* ("IAS 28"). IAS 27 addresses accounting for subsidiaries, jointly controlled entities and associates in non-consolidated financial statements. IAS 28 has been amended to include joint ventures in its scope and to address the changes in IFRS 10 to 13.

4. PLAN OF ARRANGEMENT

On October 17, 2011, Western Copper Corp. ("Western Copper") completed a plan of arrangement (the "Arrangement") involving Western Copper and two of its subsidiaries formed on August 3, 2011 for the purposes of the Arrangement: Copper North Mining Corp. ("Copper North"), and NorthIsle Copper and Gold Inc. ("NorthIsle"). Pursuant to the Arrangement, Western Copper transferred the Carmacks Copper Project, the Redstone Project, and $2 million in cash to Copper North and the Island Copper property and $2.5 million in cash to NorthIsle in consideration for common shares of each respective company. Western Copper then changed its name to Western Copper and Gold Corp. ("Western") and distributed the common shares of Copper North and NorthIsle to Western's shareholders.

For each common share of Western Copper held as at the effective date of the Arrangement, each shareholder of Western Copper received one common share of Western, 0.5 of a common share of Copper North, and 0.5 of a common share of NorthIsle. Upon closing of the Arrangement, Copper North and NorthIsle were owned exclusively by existing Western Copper shareholders.

Holders of outstanding Western Copper warrants ("Warrants") immediately prior to the effective date are entitled to receive, upon exercise of each such Warrant at the same original exercise price and in accordance with the terms of such Warrant, one common share of Western, 0.5 of a common share of Copper North, and 0.5 of a common share of NorthIsle; all in lieu of the one Western Copper common share that was issuable upon exercise of such Warrant immediately prior to the effective date. Western is entitled to receive 77% of the proceeds from each Warrant exercised. Upon the exercise of each Warrant, 13% of the proceeds will be payable to Copper North and 10% of the proceeds will be payable to NorthIsle.

Each Western Copper stock option outstanding on the effective date ("Old Option") was exchanged for one Western stock option ("New Option"), 0.5 of a NorthIsle stock option, and 0.5 of a Copper North stock option. The exercise price of a New Option equals that of an Old Option less the exercise price allocated to the Copper North and NorthIsle stock options. Other than the exercise price, the New Options have the same terms as the Old Options. The stock options granted by Copper North and NorthIsle as part of the Arrangement vested immediately. The expiry dates remain the same as the Old Options unless the stock option holder does not continue to participate in the respective company; in which case the stock options will expire on October 17, 2012.

The fair value of the distributed shares was determined by multiplying the amount of common shares distributed by the closing price of those common shares on October 24, 2011, the first day that NorthIsle and Copper North traded on the TSX Venture Stock Exchange.

The following is a summary of the fair value, carrying value, and resulting loss attributed to the transaction.

	Copper North	NorthIsle	Total
Number of common shares distributed	46,501,281	46,501,281	46,501,281
Closing price on October 24, 2011	$ 0.335	$ 0.22	$ 0.555
Fair value of common share distribution	**$ 15,577,929**	**$ 10,230,282**	**$ 25,808,211**
Distributed assets:	$	$	$
Carmacks	17,143,325	-	17,143,325
Redstone	9,346,398	-	9,346,398
Island Copper	-	14,553,117	14,553,117
Cash	2,000,000	2,500,000	4,500,000
Carrying value of distributed assets	**28,489,723**	**17,053,117**	**45,542,840**
LOSS ON DISTRIBUTION	**12,911,794**	**6,822,835**	**19,734,629**

5. SHORT-TERM INVESTMENTS

	December 31, 2011	December 31, 2010	January 1, 2010
	$	$	$
Principal	8,100,000	22,000,000	10,225,000
Accrued interest	2,432	6,197	6,048
	8,102,432	**22,006,197**	**10,231,048**

Short-term investments consist of Guaranteed Investment Certificates held with Canadian chartered banks. All certificates are redeemable in full or in part at the Company's option without penalty. Interest is paid on amounts redeemed subsequent to 30 days from the date of acquisition of the investment. Short-term investments held at December 31, 2011 bear an interest rate of 1.37% .

6. EXPLORATION AND EVALUATION ASSETS

	Canada				
	Yukon		British Columbia	Northwest Territories	
	Casino	Carmacks	Island Copper	Redstone	TOTAL
	$	$	$	$	$
JANUARY 1, 2010	**22,710,511**	**15,786,163**	**13,596,905**	**8,769,525**	**60,863,104**
Advance royalty	-	100,000	-	-	100,000
Claims maintenance	25,151	210	-	65,099	90,460
Detailed engineering	-	48,940	-	-	48,940
Engineering studies	1,251,250	-	-	-	1,251,250
Exploration & camp support	6,187,151	-	29,101	252,643	6,468,895
Permitting	3,255,525	777,806	-	-	4,033,331
Salary & wages	269,290	143,653	-	-	412,943
Share-based payments	97,746	35,952	-	-	133,698
DECEMBER 31, 2010	**33,796,624**	**16,892,724**	**13,626,006**	**9,087,267**	**73,402,621**
Claims maintenance	4,509	3,045	5,219	2,110	14,883
Engineering studies	3,651,970	-	374,880	-	4,026,850
Exploration & camp support	1,744,774	14,905	299,201	243,882	2,302,762
Permitting	2,433,440	260,797	87,740	-	2,781,977
Reclamation obligation	-	(80,300)	-	-	(80,300)
Salary & wages	209,526	28,409	96,363	5,000	339,298
Share-based payments	273,688	23,745	63,708	8,139	369,280
Distributed to shareholders	-	(17,143,325)	(14,553,117)	(9,346,398)	(41,042,840)
DECEMBER 31, 2011	**42,114,531**	**-**	**-**	**-**	**42,114,531**

Casino (100% - Yukon, Canada)

The Casino porphyry copper-gold-molybdenum property is located in Yukon, Canada.

Should it make a production decision, Western Copper is required to make a cash payment of $1 million. Production from the claims is also subject to a 5% net profits interest.

7. SHARE CAPITAL

a. Authorized share capital

Unlimited common shares without par value

Unlimited number of preferred shares without par value

b. Financing

On December 22, 2010, Western issued 9,395,500 units at a price of $2.45. Each unit comprised one common share and half of one warrant. Each whole warrant is exercisable for one common share of the Company at a price of $3.45 and expires on December 22, 2012. The agent was paid a cash commission equal to 6.0% of gross proceeds.

The fair value assigned to the warrants was $4,476,983. The fair value of the warrants was calculated using the Black-Scholes option pricing model and was based on the following assumptions:

Expected stock price volatility	114%
Expected term, in years	2.0
Average risk-free interest rate	1.66%
Expected dividend yield	-

c. Donation of common shares

On February 19, 2010, Western issued and donated 90,000 common shares to the University of British Columbia. Western recorded a total of $117,900 as a donation expense on the donation date.

8. WARRANTS AND STOCK OPTIONS

a. Warrants

A summary of the Company's warrants outstanding and the changes for the years then ended, is presented below:

	Number of Warrants	Weighted average exercise price
		$
JANUARY 1, 2010	4,275,000	1.95
Issued	4,697,750	3.45
Exercised	(1,964,000)	1.25
Expired	(75,000)	1.25
DECEMBER 31, 2010	6,933,750	3.17
Expired	(86,000)	2.50
DECEMBER 31, 2011	**6,847,750**	**3.18**

Warrants outstanding are as follows:

Warrants outstanding, by exercise price	**Number of warrants**	**Average remaining contractual life** years
$2.60	2,150,000	0.93
$3.45	4,697,750	0.98
DECEMBER 31, 2011	**6,847,750**	**0.96**

Pursuant to the Arrangement described in note 4, Western is only entitled to receive 77% of the exercise price from each warrant exercised.

b. Stock options

Based on the stock option plan approved by the Company's shareholders at the annual general meeting held on June 24, 2009, the Company may issue stock options for the purchase of up to 10% of issued capital. The exercise price of the stock options shall be greater than, or equal to, the market value of the Company's common shares on the last trading day immediately preceding the date of grant. Stock options vest over a two year period from the date of grant unless otherwise determined by the directors. The maximum stock option term is 10 years. At December 31, 2011, the Company could issue an additional 4,986,583 stock options under the terms of the plan.

A summary of the Company's stock options outstanding and the changes for the years then ended, is presented below:

	Number of Stock options	**Weighted average exercise price** $
JANUARY 1, 2010	4,136,834	1.39
Granted	970,000	1.05
Exercised	(763,300)	0.91
Expired	(100,000)	1.50
Forfeited	(40,200)	0.60
DECEMBER 31, 2010	4,203,334	1.41
Granted	1,675,000	3.11
Exercised	(1,514,667)	1.80
Expired	(16,666)	0.97
Forfeited	(33,334)	0.89
Cancelled on modification	(4,313,667)	1.94
Granted on modification	4,313,667	1.77
DECEMBER 31, 2011	**4,313,667**	**1.77**

Stock options outstanding are as follows:

Stock options outstanding, by exercise price	**Number of Stock options**	**Weighted average exercise price** $	**Average remaining contractual life** years
$0.55 - 0.79	1,223,667	0.69	3.07
$1.14	695,000	1.14	1.02
$1.50 – 1.85	720,000	1.71	1.63
$2.84	1,675,000	2.84	4.54
DECEMBER 31, 2011	**4,313,667**	**1.77**	**3.07**

Of the total stock options outstanding, 2,050,886 were vested and exercisable at December 31, 2011. The weighted average exercise price of vested stock options is $1.14 and the average remaining contractual life is 1.73 years.

9. SHARE-BASED PAYMENTS

Costs associated with share-based payments have been allocated to the following line items:

For the year ended December 31,	2011 $	2010 $
STATEMENT OF LOSS		
ADMINISTRATIVE EXPENSES		
Office and administration	1,241,257	400,875
Shareholder communication	133,575	16,002
	1,374,832	**416,877**
BALANCE SHEET		
EXPLORATION AND EVALUATION ASSETS		
Casino	273,688	97,746
Carmacks	23,745	35,952
Island Copper	63,708	-
Redstone	8,139	-
	369,280	**133,698**
SHARE-BASED PAYMENTS	**1,744,112**	**550,575**

The fair value of share-based payments is determined at the time of grant using the Black-Scholes option pricing model. Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate.

On October 17, 2011, the Company modified the exercise price of all outstanding stock options pursuant to the Arrangement described in note 4. All other terms remain the same.

The incremental fair value associated with the stock option modification was determined using the Black-Scholes option pricing model. The incremental value is the difference between the fair value of the stock options on October 17, 2011 at the original exercise price and the fair value of the stock options on October 17, 2011 at the new exercise price.

The incremental fair value of $187,923 will be amortized over the vesting period of each stock option. $133,293 was recognized on the transaction date. The remaining $54,630 in incremental fair value will be recognized over the remaining vesting period of each stock option along with the fair value assigned at the time of the original grant. The Company's allocation of the incremental fair value is consistent with its treatment of other types of compensation for each recipient.

The following range of assumptions was used to calculate the incremental fair value of the modified stock options:

Market price per common share	$2.33
Expected option term (years)	0.24 - 4.91
Expected stock price volatility	81 - 101%
Average risk-free interest rate	1.0 – 1.5%
Expected dividend yield	-
Expected forfeiture rate	-

The following is a summary of stock options granted by the Company in 2010 and 2011 and the fair value assigned to each grant. The fair value was calculated using the Black-Scholes option pricing model and the following inputs and assumptions:

Inputs and assumptions	September 14, 2011	July 6, 2011	November 4, 2010	July 16 2010	March 30, 2010
Stock options granted	200,000	1,475,000	100,000	770,000	100,000
Exercise price	$ 3.11	$ 3.11	$ 1.64	$ 0.86	$ 1.90
Market price	$ 2.94	$ 3.11	$ 1.64	$ 0.86	$ 1.90
Expected option term (years)	3.05	3.02	3.12	2.73	5.00
Expected stock price volatility	109%	114%	104%	118%	107%
Average risk-free interest rate	1.10%	1.82%	1.57%	1.82%	2.92%
Expected forfeiture rate	-	-	-	-	-
Expected dividend yield	-	-	-	-	-
FAIR VALUE ASSIGNED	**$ 386,000**	**$ 3,141,750**	**$ 106,747**	**$ 448,430**	**$ 149,335**

10. CORPORATE EXPENSE PRESENTATION

Below is a summary of the Company's corporate expenses presented by nature:

For the year ended December 31,	2011 $	2010 $
Amortization	4,616	13,417
Filing and regulatory	246,569	80,882
Office costs	238,102	268,678
Other	9,588	133,494
Professional fees	328,142	173,422
Rent and utilities	181,374	219,303
Share-based payments	1,374,832	416,877
Shareholder communication and travel	356,465	379,379
Wages and benefits	1,037,470	1,147,478
	3,777,158	**2,832,930**

11. COMMITMENTS

The Company has an agreement to lease its head office space until May 31, 2016. The total amount of payments remaining during the course of the agreement as at December 31, 2011 is $1,132,000. Of this amount, $242,000 is due within the next twelve months.

Commitments related to exploration and evaluation assets are described in note 6.

12. RELATED PARTY TRANSACTIONS

The Company had related party transactions with Ravenwolf Resource Group Ltd. ("Ravenwolf"), a private company owned equally by Western, NorthIsle, and Copper North. Ravenwolf provides administration, accounting and other office services to its owners on a cost-recovery basis. The related party transactions incurred during the year were in the normal course of operations.

Amounts charged by Ravenwolf were categorized as follows:

For the year ended December 31,	2011 $	2010 $
Office and administration	172,005	-
Shareholder communication	19,457	-
Exploration and evaluation assets	59,462	-
	250,924	**-**

Other assets of the Company include amounts receivable of $130,400 from Ravenwolf for advances made by Western to fund Ravenwolf's working capital. This amount is non-interest bearing, unsecured and payable on demand.

The Company's related parties also include its directors and officers. The remuneration of directors and officers during the period was as follows:

For the year ended December 31,	2011 $	2010 $
Salaries and director fees	896,259	1,027,497
Share-based payments	1,238,971	425,902
	2,135,230	**1,453,399**

Share-based payments represent the fair value of stock options previously granted to directors and officers that was recognized during the periods presented above.

13. SEGMENTED INFORMATION

a. Operating segment

The Company's operations are primarily directed towards the acquisition, exploration, and future development of resource properties in Canada.

b. Geographic information

All interest income is earned in Canada and all assets are held in Canada.

14. INCOME TAXES

a. Rate reconciliation

The income tax expense or recovery reported by the Company differs from the amounts obtained by applying statutory rates to the loss before income tax. A reconciliation of the income tax provision computed at statutory rates to the reported income tax provision is provided below:

For the year ended December 31,	2011	2010
Statutory tax rate	26.5%	28.5%
	$	$
Loss before taxes	23,950,949	2,776,979
Income tax recovery calculated at statutory rate	6,347,001	791,439
Non-deductible expenditures	(5,676,695)	(185,910)
Difference in current tax rate in other jurisdictions	1,387	-
Effect of future changes in tax rates	(37,941)	(86,807)
Tax benefits renounced	-	(2,810,655)
Unrecognized tax benefits	1,311,384	1,031,797
INCOME TAX RECOVERY (EXPENSE)	**1,945,136**	**(1,260,136)**

b. Deferred income tax liability

Temporary differences arising from the difference between the tax basis and the carrying amount of the Company's exploration and evaluation assets were eliminated as a result of the Arrangement described in note 4. As a result, the deferred income tax liability as at December 31, 2011 is $nil (December 31 2010 - $1,945,136, January 1, 2010 - $nil).

c. Unrecognized deferred income tax asset

Future potential tax deductions that are not used to offset deferred income tax liabilities are considered to be unrecognized deferred income tax assets. The significant components of the Company's unrecognized deferred income tax asset are as follows:

As at December 31,	2011	2010
	$	$
Mineral property interests	2,376,346	3,261,369
Non-capital losses	148,046	2,029,201
Property and equipment	141,630	78,192
Share issuance costs	332,843	456,466
UNRECOGNIZED DEFERRED INCOME TAX ASSET	**2,998,865**	**5,825,228**

The Company estimates that the realization of income tax benefits related to these deferred income tax assets is uncertain and cannot be considered to be more likely than not. Accordingly, no deferred income tax asset has been recorded.

d. Non-capital losses

The Company has incurred non-capital losses that may be carried forward and used to reduce taxable income of future years. These losses will expire as follows:

Expiry Date	2011 $
2031	590,812
Thereafter	-
NON-CAPITAL LOSSES	**590,812**

15. CAPITAL MANAGEMENT

Western is a mineral exploration company with a primary focus of advancing its Casino Project towards production. Its principal source of funds is the issuance of common shares. The Company considers capital to be equity attributable to common shareholders, comprised of share capital, contributed surplus, and deficit. It is the Company's objective to safeguard its ability to continue as a going concern so that it can continue to explore and develop its projects.

Western manages its capital structure based on the funds available for its operations and makes adjustments for changes in economic conditions, capital markets and the risk characteristics of the underlying assets. To maintain its objectives, the Company may attempt to issue new shares, seek debt financing, acquire or dispose of assets or change the timing of its planned exploration and development projects. There is no assurance that these initiatives will be successful.

To facilitate the management of its capital, Western prepares annual expenditure budgets and updates them as necessary, depending on various factors, many of which are beyond the Company's control. The Board of Directors approves all annual budgets and subsequent updates.

The Company monitors its cash position and its short-term investments on a regular basis to determine whether sufficient funds are available to meet its short-term and long-term corporate objectives. The Company also seeks to provide liquidity and limit credit risk by acquiring investments that are guaranteed by Canadian governments or by a Canadian chartered bank and that are redeemable in portion or in full at the Company's option without penalty.

There was no change in the Company's approach to capital management during the year. Western has no debt and does not pay dividends. Neither the Company nor any of its subsidiaries is subject to externally imposed capital requirements.

16. FINANCIAL INSTRUMENT RISK

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has exposure to credit, liquidity, currency, interest rate and market risks from the use of financial instruments. Financial instruments consist of cash and cash equivalents, short-term investments, other receivables, and accounts payable and accrued liabilities.

a. Market risk

The Company does not generate cash from its operating activities. Its principal source of funds is the issuance of common shares. It uses the capital raised from the issuance of its common shares to explore and develop its mineral properties with the goal of increasing the price of the Company's common shares. Western's common shares are publicly traded. As such, the price of its common shares is susceptible to factors beyond management's control including, but not limited to, fluctuations in commodity prices and foreign exchange rates and changes in the general market outlook. Should Western require funds during a time when the price of its common shares is depressed, the Company may be required to accept significant dilution to maintain enough liquidity to continue operations or may be unable to raise sufficient capital to meet its obligations.

b. Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they come due. The Company uses cash forecasts to ensure as far as possible that there is sufficient cash on hand to meet short-term business requirements. Cash is invested in highly liquid investments which are available to discharge obligations when they come due. The Company does not maintain a line of credit.

c. Credit risk

Financial instruments that potentially subject the Company to credit risk consist primarily of cash and cash equivalents and short-term investments. These financial instruments are at risk to the extent that the institutions issuing or holding them cannot redeem amounts when they are due or requested. To limit its credit risk, the Company uses a restrictive investment policy. It deposits cash and cash equivalents in Canadian chartered banks and purchases short-term investments that are guaranteed by Canadian governments or by Canadian chartered banks.

d. Currency risk

Currency risk is the risk that the Company will lose significant purchasing power to operate its business as a result of changes in currency rates. The Company raises funds in Canadian dollars. The majority of the Company's expenditures are incurred in Canadian dollars. To limit its exposure to currency risk, the Company maintains the majority of its cash and cash equivalents and short- term investments in Canadian dollars. The Company did not have a material amount of financial instruments denominated in foreign currencies as at December 31, 2011 or December 31, 2010.

e. Interest rate risk

The Company is exposed to interest rate risk on its cash and cash equivalents and its short-term investments to the extent that the institutions that hold or issue those instruments cannot pay the interest earned on them by Western. Potential losses in interest income are not material.

17. INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS")

IFRS 1 – *First-time Adoption of IFRS* sets forth guidance for the initial adoption of IFRS. Under IFRS 1, the standards are applied retrospectively at the transitional balance sheet date with all adjustments to assets and liabilities taken to deficit unless certain exemptions are applied. The Company has applied the following exemptions to its opening balance sheet:

a. Business Combinations

IFRS 1 indicates that a first-time adopter may elect not to apply IFRS 3 – *Business Combinations* retrospectively to business combinations that occurred before the date of transition to IFRS. The Company has taken advantage of this election and will apply IFRS 3 to business combinations that occur on or after January 1, 2010.

b. Share-based payments

IFRS 1 permits first-time adopters to apply IFRS 2 – *Share-based Payments* to equity instruments that were granted on or before November 7, 2002, or equity instruments that were granted subsequent to November 7, 2002 and vested before the later of the date of transition to IFRS and January 1, 2005. The Company has elected not to apply IFRS 2 to awards that vested prior to January 1, 2010, its date of transition to IFRS, which have been accounted for in accordance with Canadian GAAP.

IFRS use a conceptual framework that is similar to Canadian GAAP. However, significant differences exist in certain matters of recognition, measurement, and disclosure. While adoption of IFRS has not changed the Company's cash flows, it has resulted in changes to the Company's balance sheet and statement of loss and comprehensive loss. In order to allow the users of the financial statements to better understand these changes, the Company has reconciled its Canadian GAAP balance sheet as at January 1, 2010 and December 31, 2010 and its statement of loss and comprehensive loss for the year ended December 31, 2010 to IFRS. The differences are explained in the analysis below.

c. Deferred tax

Under IFRS, deferred taxes cannot be recognized for the acquisition of assets that do not constitute a business combination. There is no similar prohibition under Canadian GAAP. Under Canadian GAAP, all of the deferred tax liability balance as at January 1, 2010 related to Western's purchase of the Casino, Island Copper, and Redstone properties through the Company's acquisition of Lumina Resources Corp. in 2006. As a result of implementing IFRS, the Company eliminated the deferred tax liability recorded on the acquisition, including any adjustments to the deferred tax liability balance since it was first recorded. Accordingly, Western also reduced the carrying value of its exploration and evaluation assets by $11.9 million.

d. Flow-through common shares and units

Under IFRS, the net proceeds from flow-through shares issued as a part of an equity unit are allocated on a pro-rata basis between the equity instruments issued as part of the financing and the implied premium paid by investors for the tax benefit they receive as a result of acquiring the flow- through shares. The calculated tax benefit is recognized as a liability until the Company incurs the related exploration expenditures, at which point the liability is reversed and recorded as a tax recovery on the statement of loss. Canadian GAAP does not recognize the fair value of any implied tax benefits.

Under IFRS, deferred tax relating to flow-through exploration expenditures is recognized as a tax expense on the statement of loss when those expenditures are incurred. Under Canadian GAAP, the deferred tax calculated on the renouncement of flow-through exploration expenditures reduced share capital.

Upon transition to IFRS, the Company adjusted the allocation of the net proceeds received from the two flow-through unit financings that it completed in 2009. As a result, a flow-through share premium of $685,000 was recognized at January 1, 2010. The allocation of net proceeds to the flow- through share premium decreased the amount allocated to the flow-through shares and to the warrants issued as part of the financing.

The transition to IFRS led to the recognition of a tax expense of $2.8 million during the year ended December 31, 2010 relating to the Company incurring flow-through exploration expenditures. This amount was partly recovered as a result of the recognition of previously unrecognized deferred tax assets.

The Canadian GAAP balance sheet as at December 31, 2010 has been reconciled to IFRS as follows:

		December 31, 2010		
		Canadian GAAP	Effect of transition to IFRS	IFRS
Expressed in Canadian dollars		$	$	$
ASSETS	**Ref**			
CURRENT ASSETS	-	23,825,447	-	23,825,447
RECLAMATION BOND	-	80,300	-	80,300
PROPERTY AND EQUIPMENT	-	141,383	-	141,383
EXPLORATION AND EVALUATION ASSETS	c	85,330,161	(11,927,540)	73,402,621
ASSETS		**109,377,291**	**(11,927,540)**	**97,449,751**
LIABILITIES				
Accounts payable and accrued liabilities	-	1,240,539	-	1,240,539
CURRENT LIABILITIES		1,240,539	-	1,240,539
DEFERRED INCOME TAX	c,d	12,472,501	(10,527,365)	1,945,136
LIABILITIES		13,713,040	(10,527,365)	3,185,675
SHAREHOLDERS' EQUITY				
SHARE CAPITAL	d	97,086,083	2,266,275	99,352,358
CONTRIBUTED SURPLUS	d	29,411,940	(140,620)	29,271,320
DEFICIT	c,d	(30,833,772)	(3,525,830)	(34,359,602)
SHAREHOLDERS' EQUITY		95,664,251	(1,400,175)	94,264,076
LIABILITIES + SHAREHOLDERS' EQUITY		**109,377,291**	**(11,927,540)**	**97,449,751**

The Canadian GAAP balance sheet as at January 1, 2010 has been reconciled to IFRS as follows:

		January 1, 2010		
		Canadian GAAP	Effect of transition to IFRS	IFRS
Expressed in Canadian dollars		$	$	$
ASSETS	**Ref**			
CURRENT ASSETS	-	13,795,726	-	13,795,726
RECLAMATION BOND	-	80,300	-	80,300
PROPERTY AND EQUIPMENT	-	209,506	-	209,506
EXPLORATION AND EVALUATION ASSETS	c	72,790,644	(11,927,540)	60,863,104
ASSETS		**86,876,176**	**(11,927,540)**	**74,948,636**
LIABILITIES				
Accounts payable and accrued liabilities	-	1,097,409	-	1,097,409
Flow-through share premium	d	-	685,000	685,000
CURRENT LIABILITIES		1,097,409	685,000	1,782,409
DEFERRED INCOME TAX	c	9,661,846	(9,661,846)	-
LIABILITIES		**10,759,255**	**(8,976,846)**	**1,782,409**
SHAREHOLDERS' EQUITY				
SHARE CAPITAL	d	78,252,251	(479,394)	77,772,857
CONTRIBUTED SURPLUS	d	25,921,463	(205,606)	25,715,857
DEFICIT	c	(28,056,793)	(2,265,694)	(30,322,487)
SHAREHOLDERS' EQUITY		**76,116,921**	**(2,950,694)**	**73,166,227**
LIABILITIES + SHAREHOLDERS' EQUITY		**86,876,176**	**(11,927,540)**	**74,948,636**

The Canadian GAAP statement of loss and comprehensive loss for the year ended December 31, 2010 has been reconciled to IFRS as follows:

		For the year ended December 31, 2010		
		Canadian GAAP	Effect of transition to IFRS	IFRS
	Ref.	$	$	$
LOSS BEFORE TAXES		**2,776,979**	**-**	**2,776,979**
Income tax expense	c,d	-	1,260,136	1,260,136
LOSS AND COMPREHENSIVE LOSS		**2,776,979**	**1,260,136**	**4,037,115**
BASIC AND DILUTED LOSS PER SHARE		0.03		0.05
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING		81,128,926		81,128,926

Exhibit 99.4

Form 52-109F1
Certification of Annual Filings
Full Certificate

I, Dale Corman, Chief Executive Officer at Western Copper and Gold Corporation certify the following:

1. ***Review:*** I have reviewed the AIF, if any, annual financial statements and annual MD&A, including, for greater certainty, all documents and information that are incorporated by reference in the AIF (together, the "annual filings") of Western Copper and Gold Corporation (the "issuer") for the financial year ended December 31, 2011.

2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the annual filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the annual filings.

3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the annual financial statements together with the other financial information included in the annual filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the annual filings.

4. ***Responsibility:*** The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* , for the issuer.

5. ***Design:*** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer's other certifying officer(s) and I have, as at the financial year end

   (a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that

      (i) material information relating to the issuer is made known to us by others, particularly during the period in which the annual filings are being prepared; and

      (ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

   (b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

5.1 ***Control framework:*** The control framework the issuer's other certifying officer(s) and I used to design the issuer's ICFR is Internal Control-Integrated Framework established by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

5.2 ***ICFR – material weakness relating to design:*** The issuer has disclosed in its annual MD&A for each material weakness relating to design existing at the financial year end

(a) a description of the material weakness;

(b) the impact of the material weakness on the issuer's financial reporting and its ICFR; and

(c) the issuer's current plans, if any, or any actions already undertaken, for remediating the material weakness.

5.3 ***N/A***

6. ***Evaluation:*** The issuer's other certifying officer(s) and I have

(a) evaluated, or caused to be evaluated under our supervision, the effectiveness of the issuer's DC&P at the financial year end and the issuer has disclosed in its annual MD&A our conclusions about the effectiveness of DC&P at the financial year end based on that evaluation; and

(b) evaluated, or caused to be evaluated under our supervision, the effectiveness of the issuer's ICFR at the financial year end and the issuer has disclosed in its annual MD&A

(i) our conclusions about the effectiveness of ICFR at the financial year end based on that evaluation; and

(ii) for each material weakness relating to operation existing at the financial year end

(A) a description of the material weakness;

(B) the impact of the material weakness on the issuer's financial reporting and its ICFR; and

(C) the issuer's current plans, if any, or any actions already undertaken, for remediating the material weakness.

7. ***Reporting changes in ICFR:*** The issuer has disclosed in its annual MD&A any change in the issuer's ICFR that occurred during the period beginning on October 1, 2011 and ended on December 31, 2011 that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

8. ***Reporting to the issuer's auditors and board of directors or audit committee:*** The issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of ICFR, to the issuer's auditors, and the board of directors or the audit committee of the board of directors any fraud that involves management or other employees who have a significant role in the issuer's ICFR.

Date: March 26, 2012

/s/ Dale Corman

Chief Executive Officer

Exhibit 99.5

Form 52-109F1
Certification of Annual Filings
Full Certificate

I, Julien François, Chief Financial Officer at Western Copper and Gold Corporation certify the following:

1. ***Review:*** I have reviewed the AIF, if any, annual financial statements and annual MD&A, including, for greater certainty, all documents and information that are incorporated by reference in the AIF (together, the "annual filings") of Western Copper and Gold Corporation (the "issuer") for the financial year ended December 31, 2011.

2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the annual filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the annual filings.

3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the annual financial statements together with the other financial information included in the annual filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the annual filings.

4. ***Responsibility:*** The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* , for the issuer.

5. ***Design:*** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer's other certifying officer(s) and I have, as at the financial year end

   (a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that

      (i) material information relating to the issuer is made known to us by others, particularly during the period in which the annual filings are being prepared; and

      (ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

   (b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

5.1 ***Control framework:*** The control framework the issuer's other certifying officer(s) and I used to design the issuer's ICFR is Internal Control-Integrated Framework established by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

5.2 ***ICFR – material weakness relating to design:*** The issuer has disclosed in its annual MD&A for each material weakness relating to design existing at the financial year end

(a) a description of the material weakness;

(b) the impact of the material weakness on the issuer's financial reporting and its ICFR; and

(c) the issuer's current plans, if any, or any actions already undertaken, for remediating the material weakness.

5.3 ***N/A***

6. ***Evaluation:*** The issuer's other certifying officer(s) and I have

(a) evaluated, or caused to be evaluated under our supervision, the effectiveness of the issuer's DC&P at the financial year end and the issuer has disclosed in its annual MD&A our conclusions about the effectiveness of DC&P at the financial year end based on that evaluation; and

(b) evaluated, or caused to be evaluated under our supervision, the effectiveness of the issuer's ICFR at the financial year end and the issuer has disclosed in its annual MD&A

(i) our conclusions about the effectiveness of ICFR at the financial year end based on that evaluation; and

(ii) for each material weakness relating to operation existing at the financial year end

(A) a description of the material weakness;

(B) the impact of the material weakness on the issuer's financial reporting and its ICFR; and

(C) the issuer's current plans, if any, or any actions already undertaken, for remediating the material weakness.

7. ***Reporting changes in ICFR:*** The issuer has disclosed in its annual MD&A any change in the issuer's ICFR that occurred during the period beginning on October 1, 2011 and ended on December 31, 2011 that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

8. ***Reporting to the issuer's auditors and board of directors or audit committee:*** The issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of ICFR, to the issuer's auditors, and the board of directors or the audit committee of the board of directors any fraud that involves management or other employees who have a significant role in the issuer's ICFR.

Date: March 26, 2012

/s/ Julien François

Chief Financial Officer

Exhibit 99.6

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

In connection with the Annual Report of Western Copper and Gold Corporation (the "Company") on Form 40-F for the year ended December 31, 2011, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Dale Corman, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

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

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

Date: March 26, 2012

/s/ Dale Corman

Name: Dale Corman
Title: Chief Executive Officer

Exhibit 99.7

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

In connection with the Annual Report of Western Copper and Gold Corporation (the "Company") on Form 40-F for the year ended December 31, 2011, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Julien François, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

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

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

Date: March 26, 2012

/s/ Julien François
Name: Julien François
Title: Chief Financial Officer

Exhibit 99.8



CONSENT OF INDEPENDENT AUDITORS

We hereby consent to the inclusion in Western Copper and Gold Corporation's Annual Report on Form 40-F for the year ended December 31, 2011 of our Auditor's Report dated March 22, 2012 relating to the consolidated financial statements comprising the consolidated balance sheets as at December 31, 2011, December 31, 2010 and January 1, 2010, and the consolidated statements of loss and comprehensive loss, cash flows and changes in shareholders' equity for each of the years of the two year period ended December 31, 2011 and the effectiveness of internal control over financial reporting as at December 31, 2011, which appears in this Annual Report.

Signed "PricewaterhouseCoopers LLP"

Chartered Accountants
Vancouver, Canada
March 22, 2012

PricewaterhouseCoopers LLP, Chartered Accountants
PricewaterhouseCoopers Place, 250 Howe Street, Suite 700, Vancouver, British Columbia, Canada V6C 3S7
T: +1 604 806 7000, F: +1 604 806 7806, www.pwc.com/ca

"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership, which is a member firm of PricewaterhouseCoopers International Limited, each member firm of which is a separate legal entity.

Exhibit 99.9

CONSENT OF EXPERT

I hereby consent to the use and reference to my name and my report entitled “Casino Project Pre-Feasibility Study Update, Yukon Territory, Canada – Revision 1”, dated May 17, 2011, and the information derived therefrom, as contained in Western Copper and Gold Corporation’s Annual Report on Form 40-F for the year ended December 31, 2011.

March 26, 2012

/s/ Conrad E. Huss, P. Eng.
Conrad E. Huss, P. Eng.

Exhibit 99.10

CONSENT OF EXPERT

I hereby consent to the use and reference to my name and my report entitled “Casino Project Pre-Feasibility Study Update, Yukon Territory, Canada – Revision 1”, dated May 17, 2011, and the information derived therefrom, as contained in Western Copper and Gold Corporation’s Annual Report on Form 40-F for the year ended December 31, 2011.

March 26, 2012

/s/ Gary Giroux, P. Eng.
Gary Giroux, P. Eng.

Exhibit 99.11

CONSENT OF EXPERT

I hereby consent to the use and reference to my name and my report entitled “Casino Project Pre-Feasibility Study Update, Yukon Territory, Canada – Revision 1”, dated May 17, 2011, and the information derived therefrom, as contained in Western Copper and Gold Corporation’s Annual Report on Form 40-F for the year ended December 31, 2011.

March 26, 2012

/s/ Michael Hester, F Aus IMM
Michael Hester, F Aus IMM

Exhibit 99.12

CONSENT OF EXPERT

I hereby consent to the use and reference to my name and my report entitled “Casino Project Pre-Feasibility Study Update, Yukon Territory, Canada – Revision 1”, dated May 17, 2011, and the information derived therefrom, as contained in Western Copper and Gold Corporation’s Annual Report on Form 40-F for the year ended December 31, 2011.

March 26, 2012

/s/ Scott Casselman, P.Geo.
Scott Casselman, P.Geo.

Exhibit 99.13

CONSENT OF EXPERT

I hereby consent to the use and reference to my name and my report entitled “Casino Project Pre-Feasibility Study Update, Yukon Territory, Canada – Revision 1”, dated May 17, 2011, and the information derived therefrom, as contained in Western Copper and Gold Corporation’s Annual Report on Form 40-F for the year ended December 31, 2011.

March 26, 2012

/s/ Tom Drielick, PE
Tom Drielick, PE

Exhibit 99.14

CONSENT OF EXPERT

I hereby consent to the use and reference to my name and my report entitled “Casino Project Pre-Feasibility Study Update, Yukon Territory, Canada – Revision 1”, dated May 17, 2011, and the information derived therefrom, as contained in Western Copper and Gold Corporation’s Annual Report on Form 40-F for the year ended December 31, 2011.

March 26, 2012

/s/ Bruno Borntraeger, P.Eng.
Bruno Borntraeger, P.Eng.

Exhibit 99.15

CONSENT OF EXPERT

I hereby consent to the use and reference to my name and my report entitled “Casino Project Pre-Feasibility Study Update, Yukon Territory, Canada – Revision 1”, dated May 17, 2011, and the information derived therefrom, as contained in Western Copper and Gold Corporation’s Annual Report on Form 40-F for the year ended December 31, 2011.

March 26, 2012

/s/ Jesse Duke, P.Geo.
Jesse Duke, P.Geo.