



Western Exploration
A Legacy of Discovery

WESTERN EXPLORATION AMENDS ARTICLES TO CHANGE NAME OF LISTED SHARES TO "VARIABLE VOTING SHARES"

Vancouver, British Columbia – October 24, 2022 – Western Exploration Inc. (the "**Corporation**" or "**Western Exploration**") (TSXV: WEX) (OTCQX: WEXPF) today announces that, in response to regulatory feedback, it has amended its notice of articles to change the identifying name of its outstanding class of shares from "Common Shares" to "Variable Voting Shares" (the "**Amendment**"). The Amendment will not have any impact on the rights of shareholders of the Corporation and the Variable Voting Shares will continue to be listed and posted for trading on the TSX Venture Exchange under the symbol "WEX".

The purpose of the Amendment is to clarify to current and prospective shareholders of Western Exploration that the outstanding class of listed shares of the Corporation is subject to a Voting Reduction (as defined herein), which Voting Reduction is necessary to ensure that the Corporation can preserve its status as a foreign private issuer (a "**FPI**") under United States securities law, thereby allowing the Corporation to significantly reduce compliance costs in the United States. See below under the heading "*Background on Voting Reduction*" for additional information.

Background on Voting Reduction

In order to preserve its status as a FPI, the Corporation must, among other things, ensure that not more than 50% of the outstanding voting securities of the Corporation (the "**FPI Threshold**") are held, directly or indirectly, by residents of the United States ("**U.S. Residents**"). Therefore, as a mechanism to preserve the Corporation's status as a FPI, shareholders of the Corporation adopted new articles on December 15, 2021, which became effective in conjunction with the "reverse take-over" transaction that resulted in the "go-public" of Western Exploration, to implement its variable voting structure whereby the aggregate voting power of the shares held of record by U.S. Residents can be reduced in the event the FPI Threshold is exceeded (the "**Voting Reduction**").

If the Voting Reduction is triggered, then the Variable Voting Shares held by U.S. Residents (which, for the avoidance of doubt, are the only shares subject to the Voting Reduction) will be treated as a separate series of Variable Voting Shares only for the purposes of voting, and will be called the "**Restricted Voting Shares**". The Restricted Voting Shares will be voted, together with the Variable Voting Shares, as a single class, on all matters, and will have the same rights in respect of distribution on dissolution and dividends as any Variable Voting Shares, except that the vote attached to each Restricted Voting Share held by U.S. Residents will be reduced proportionately in accordance with the Voting Reduction. The Voting Reduction will not be in effect at such time as no more than 50% of all outstanding Variable Voting Shares are held by U.S. Residents. For the avoidance of doubt, Restricted Voting Shares are a notional concept and may not be purchased by investors or listed on any recognized stock exchange. To that end, the Restricted Voting Shares will only be deemed to exist for the purpose of maintaining the Corporation's FPI status, with the Voting Reduction being measured at various points in time, including certain specified dates for reporting purposes and as at the record date for determining which shareholders are entitled to receive notice of and vote at the Corporation's shareholders' meetings.

Based on the Corporation's most recent review of U.S. Resident shareholdings, the Voting Reduction has been triggered and is currently effective as an estimated (i) 23,371,969 Variable Voting Shares are held by U.S. Residents (collectively, the "**U.S. Shareholders**"), representing approximately 76.2% of the aggregate voting power of all outstanding Variable Voting Shares, and (ii) 7,294,323 Variable Voting Shares are held by Canadian residents or residents of other international jurisdictions other than the United States (collectively, the "**Non-U.S. Shareholders**"), representing approximately 23.8% of the aggregate voting power of all outstanding Variable Voting Shares. As such, in order to preserve the Corporation's status as a FPI, the Voting Reduction has the effect of proportionally reducing the voting power attached to each Variable Voting Share held by a U.S. Resident to 0.312 of one vote such that the aggregate voting power of all outstanding Variable Voting Shares held by such U.S. Residents will be reduced from 23,371,969 votes to 7,292,054 votes. In other words, a holder of 100 Variable Voting Shares has 31.2 votes after giving effect to the Voting Reduction.

For greater certainty, the Voting Reduction is not intended to limit the proportionate voting power of Non-U.S. Shareholders, however, any reduction in the proportionate voting power of U.S. Residents by operation of the Voting Reduction will result in a corresponding increase in the proportionate voting power of Non-U.S. Shareholders in accordance with the FPI definition under United States securities laws.

Voting Reduction Procedures

In order to determine whether the Voting Reduction has been triggered and, if so, the voting power attaching to each Restricted Voting Share at certain specified dates, the Corporation will obtain geographic reports and a register of shareholders from its transfer agent (collectively, the "**Geographical Reports**"). Such Geographical Reports will, among other things, provide the Corporation with the information needed to determine the number and percentage of Variable Voting Shares held by U.S. Residents and Non-U.S. Shareholders.

If the Voting Reduction has been triggered (i) Non-U.S. Shareholders will continue to be entitled to one vote for each Variable Voting Share held, and (ii) U.S. Shareholders will be entitled to a reduced voting power in respect of each Restricted Voting Share held, to be determined, using the information contained in the Geographical Reports, by the quotient obtained when (x) the total number of Variable Voting Shares held by non-U.S. Residents, is divided by (y) the total number of Restricted Voting Shares held by U.S. Residents.

At each shareholders' meeting of the Corporation, Geographical Reports will be obtained as at the record date for such meeting to determine whether a Voting Reduction has been triggered and for purposes of the above-noted calculation. Furthermore, to administer the Voting Reduction for a shareholders' meeting where the Voting Reduction has been triggered, the Corporation will determine which shares are Variable Voting Shares (i.e., held by Non-U.S. Shareholders) and Restricted Voting Shares (i.e., held by U.S. Shareholders) by soliciting information about the jurisdiction of residence of each voting shareholder by including a residency question in the form of proxy, voting instruction form or ballot, as the case may be.

Lastly, to provide shareholders with continuous disclosure about the status of the Voting Reduction, including whether a Voting Reduction would then be triggered, the above-noted calculations will be determined as at the last day of each period covered by a MD&A of the Corporation, and included in such MD&A of the Corporation, which will be available on SEDAR (www.sedar.com) under the Corporation's issuer profile.

About Western Exploration

Western Exploration is Nevada-focused precious metals exploration company, aiming to be a premier gold and silver development company in North America. The Corporation was born out of a 25-year history of advancing exploration projects in Nevada as a private company. Its principal asset is the Aura gold-silver project, located in Elko County, Nevada, approximately 120 kilometers north of the city of Elko, Nevada. Additional information regarding the Corporation and the Aura gold-silver project is available on the Corporation's website at www.westernexploration.com or on SEDAR (www.sedar.com) under the Corporation's issuer profile.

For more information please contact:

Darcy Marud
Chief Executive Officer
Telephone: (775) 329-8119
Email: dmarud@westernexploration.com

Nichole Cowles
Investor Relations
Telephone: (775) 240-4172
Email: nicholecowles@westernexploration.com

Cautionary Note Regarding Forward-Looking Information

Certain statements contained in this news release may be deemed "forward-looking statements" within the meaning of applicable Canadian and U.S. securities laws. These forward-looking statements, by their nature, require Western Exploration to make certain assumptions and necessarily involve known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied in these forward-looking statements. Forward-looking statements are not guarantees of performance. Words such as "may", "will", "would", "could", "expect", "believe", "plan", "anticipate", "intend", "estimate", "continue", or the negative or comparable terminology, as well as terms usually used in the future and the conditional, are intended to identify forward-looking statements. This forward-looking information is based on reasonable assumptions and estimates of management of the Corporation at the time such assumptions and estimates were made, and involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation to be materially different from any future results, performance or achievement expressed or implied by such forward-looking information. Such factors include, among others, risks relating to the ability of exploration activities (including drilling results), to accurately predict mineralization; errors in management's geological modelling; the ability of Western Exploration to complete further exploration activities, including drilling; to obtain additional financing for exploration or development activities on favorable terms; to continue operations and to expand operations; to identify additional resources and reserves and to exploit such resources and reserves on an economic basis; to main Western Exploration's property interests in the Aura Project; the results of exploration activities; risks relating to mining activities; the global economic climate; metal prices; environmental risks; community and non-governmental actions; the ability to accurately determine the number and percentage of Variable Voting Shares held by U.S. Residents; the ability to preserve its status as a FPI. Although the forward-looking information contained in this news release is based upon what management believes, or believed at the time, to be reasonable assumptions, Western Exploration cannot assure shareholders and prospective

purchasers of securities of the Corporation that actual results will be consistent with such forward-looking information, as there may be other factors that cause results not to be as anticipated, estimated or intended, and neither Western Exploration nor any other person assumes responsibility for the accuracy and completeness of any such forward-looking information. Further, Western Exploration does not undertake, and assumes no obligation, to update or revise any such forward-looking statements or forward-looking information contained herein to reflect new events or circumstances, except as may be required by law.

For additional information with respect to these and other factors and assumptions underlying the forward-looking statements made in this news release concerning Western Exploration, see the management information circular dated November 12, 2021, available electronically under Western Exploration's issuer profile on SEDAR (www.sedar.com). The forward-looking statements set forth herein concerning Western Exploration reflect management's expectations as at the date of this news release and are subject to change after such date. Western Exploration disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by law.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.