



# Western Copper Corporation

## NEWS RELEASE

June 24, 2008

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### **WESTERN COPPER ANNOUNCES POSITIVE RESULTS OF PRE-FEASIBILITY STUDY ON CASINO COPPER-GOLD-MOLYBDENUM PROJECT**

**Pre-feasibility study projects 30 year mine life with 20.4% pre-tax IRR, \$7.5 billion undiscounted NPV and 3.8 year payback period.**

*Western Copper will hold a conference call on Wednesday, June 25 at 10 am Pacific Time.*

#### **SUMMARY**

VANCOUVER, B.C. Western Copper Corporation (“Western Copper” or the “Company”) (TSX:WRN) announces that its wholly-owned Casino copper-gold-molybdenum deposit in central Yukon Territory can be developed economically as an open pit mine. The independent pre-feasibility study, prepared by M3 Engineering & Technology Corporation of Tucson, Arizona (“M3”), estimates an initial capital cost of \$2.1 billion. The project will produce 3.6 billion pounds of copper, 320 million pounds of molybdenum and 5.1 million ounces of gold over a 30 year mine life.

The financial highlights are shown in Table 1 and are based on London Metal Exchange (“LME”) three-year historical rolling average metal prices. *(All amounts are in Canadian dollars unless otherwise stated).*

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**Table 1 – FINANCIAL HIGHLIGHTS**

<b>Payback period</b>	3.8 years
<b>Initial Capital Investment</b>	\$2.1 billion
<b>IRR pre-tax (100% equity)</b>	20.4%
<b>NPV pre-tax (0% discount)</b>	\$7.5 billion
<b>NPV pre-tax (8% discount)</b>	\$1.8 billion
<b>Mine life</b>	30 years
<b>Total ore processed</b>	991 million tonnes
<b>Mill throughput (sulphide ore)</b>	90,000 tonnes per day
<b>Copper Price</b>	US\$2.95 / pound
<b>Molybdenum Price</b>	US\$30.97 / pound
<b>Gold Price</b>	US\$647.40 / ounce
<b>Foreign Exchange</b>	US\$1 = CAN\$1

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“We are extremely pleased and satisfied with the results of M3’s pre-feasibility study on the Casino deposit and we believe this will be a great project for the Yukon”, says Western Copper’s chairman and CEO, Dale Corman.

“We have engaged Gartner Lee, who is a well regarded international environmental consulting firm, to assist us



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in the permitting of Casino. Over the last two years Western Copper has worked closely with the Yukon Environmental and Socio-economic Assessment Board and Yukon Energy, Mines and Resources in permitting our Carmacks project and have found them to be fair and professional. We look forward to working with them again on the Casino Project.”

## FINANCIAL EVALUATION

The independent pre-feasibility study reports that development of the Casino deposit will produce a pre-tax Internal Rate of Return (“IRR”) of 20.4% and an undiscounted Net Present Value (“NPV”) of \$7.5 billion, based on 100% equity. After-tax figures indicate an IRR of 14.9% and an undiscounted NPV of \$4.5 billion.

This base case financial evaluation uses LME three-year historical rolling average prices as of the end of May 2008. This approach is considered to be an industry standard and consistent with the guidance of the United States Securities and Exchange Commission.

The payback of initial capital investment is achieved in 3.8 years due to the significant cash flow generated by higher ore grades and plant throughput during the early years of production.

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**Table 2 – KEY FINANCIAL DATA**

	<b>BASE CASE PRICES</b>	<b>SPOT PRICE May 31, 08</b>
<b>Copper</b> (US\$/lb)	2.95	3.67
<b>Molybdenum</b> (US\$/lb)	30.97	33.70
<b>Gold</b> (US\$/oz)	647.40	885.75
<b>IRR pre-tax</b> (100% equity)	20.4%	28.7%
<b>NPV pre-tax</b> (0% discount)	\$7.5 B	\$11.7 B
<b>NPV pre-tax</b> (8% discount)	\$1.8 B	\$3.3 B
<b>IRR after-tax</b> (100% equity)	14.9%	21.4%
<b>NPV after-tax</b> (0% discount)	\$4.5 B	\$7.1 B
<b>NPV after-tax</b> (8% discount)	\$0.9 B	\$1.8 B
<b>Payback period</b> (years)	3.8	2.8

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Further sensitivity analyses may be found in the pre-feasibility study executive summary.

## CAPITAL and OPERATING COSTS

Total initial capital investment in the project is estimated to be \$2.1 billion, which represents the total direct and indirect cost for the complete development of the project. Of this figure \$1.56 billion represents mine direct and indirect costs and costs for the full development of transportation and port infrastructure. The remaining \$550 million represents the cost of a complete mine site power plant as estimated by Kerr Wood Leidal Associates Ltd.



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The life-of-mine sustaining capital for the processing plant is estimated at \$420 million and for the mine is estimated at \$440 million.

Operating costs are estimated to be \$9.72 per tonne of sulphide ore over the life of mine.

These operating costs are based on an estimated power rate of \$ 0.095 per kWh as concluded in the power plant study.

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**Table 3 – SULPHIDE OPERATING COSTS**

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<b>Mining</b>	\$3.24 / tonne
<b>Milling</b>	\$6.01 / tonne
<b>General &amp; Administration</b>	\$0.47 / tonne
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<b>Total Operating costs</b>	\$9.72/ tonne

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## DEVELOPMENT PLAN

The pre-feasibility study recommends 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 in doré form. The main sulphide deposit will be processed using a conventional concentrator to produce copper-gold and molybdenum concentrates.

The mill will have a nominal production rate of 90,000 tonnes of sulphide ore per day (averaged over the life of mine). The heap leach will nominally process up to 30,000 tonnes per day for 7 years.

Including low grade and stockpile ore, the average annual stripping ratio is estimated at 1:1 over the life of mine and 0.7:1 for years 1 - 6.

Over a projected mine life of 30 years, the mill will produce 3.6 billion pounds of copper, 320 million pounds of molybdenum and 4.59 million ounces of gold contained in concentrates. The heap leach will add a further 540 thousand ounces of gold produced as doré.

Initial permits to support commencement of construction are assumed to be obtained in 2012. Based on this assumption, production of gold doré from the heap leach is anticipated in mid 2013 and production of concentrate from the sulphide mill is estimated in late 2015.

## RESOURCE & RESERVE ESTIMATE

The February 2004 resource estimate was re-classified for the purpose of the pre-feasibility study. A small portion of the measured resources were re-classified into indicated resources. The combined measured and indicated resource remains unchanged.

The pre-feasibility study estimates an NI 43-101 compliant proven and probable mill ore reserve of 914 million tonnes grading 0.21% copper, 0.024% molybdenum and 0.24 g/t gold. The compliant proven and probable heap leach ore reserve is estimated at 78 million tonnes grading 0.43 g/t gold.



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Table 4 details the mineral reserve estimate for the project.

### OPPORTUNITIES

M3 notes that the economics in the pre-feasibility study do not take into account opportunities for improvement based on:

- Inclusion of revenue from the recovery of silver
- Conversion of inferred resource into measured and indicated
- Increasing the overall resource
- Sharing of infrastructure development costs with other parties
- Refined engineering during feasibility study
- Investigation of local sources of lime

### NEXT STEPS

Gartner Lee Limited has been retained to prepare the permitting documentation and has commenced collection of baseline monitoring data. As part of this process Western Copper and Gartner Lee intend to commence a program of community consultation in support of the development and permitting of the project.

Western Copper is preparing an exploration drilling plan to increase the measured and indicated resource and anticipates commencing drilling this year.

Refinement of pre-feasibility level engineering will continue in support of permitting and the development of a full feasibility study.

### CONFERENCE CALL

Western Copper Corporation will hold a conference call on **Wednesday, June 25, 2008 at 10 am Pacific Time** (1 pm Eastern Time) to discuss the Casino Pre-Feasibility Study Report. To access the conference call, please dial:

Canada & USA Toll Free: **1-800-319-4610**  
Outside of Canada & USA: **+1-604-638-5340**

An archived recording of the conference call will be available on the Company's website at [www.westerncoppercorp.com](http://www.westerncoppercorp.com)

### QUALIFIED PERSONS

M3, a full service Engineering, Procurement, Construction & Management (EPCM) firm, is recognized for its experience in copper processing and capabilities in the development and construction of mines and mineral processing plants. The executive summary of the M3 pre-feasibility study will be posted on the Company's website ([www.westerncoppercorp.com](http://www.westerncoppercorp.com)) as well as Sedar and Edgar in the near future.



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Timothy S. Oliver, P. Eng. of M3 is the qualified person responsible for the scientific and technical information in this news release in accordance with NI 43-101. Michael G. Hester, FAusIMM of IMC is the qualified person responsible for the preparation of the reserve estimate in this news release in accordance with NI 43-101.

The following companies also contributed to the pre-feasibility study:

- Knight Piésold and Co.: water supply, geotechnical, tailings management facility and heap leach
- Associated Engineering Group Ltd.: offsite roads, transportation and ports
- Kerr Wood Leidal Associates Ltd: power generation
- Gartner Lee Limited: environmental and permitting
- Independent Mining Consultants Inc.: mining and reserves
- G&T Metallurgical Services Ltd., SGS Minerals Services, Metcon Research: metallurgical test work
- Rebagliati and Giroux: geology and resources

### ABOUT WESTERN COPPER

Western Copper Corporation is a publicly-traded mineral exploration company focused on exploration and development of copper properties in the Americas. The Company has 100% ownership of one of the world's largest open-pittable copper deposits at Casino, central Yukon, an area with an established mining culture and low political risk. Western Copper also owns the Carmacks Copper Project in the Yukon and has an interest in the Hushamu deposit on Vancouver Island, the Redstone property in the Northwest Territories, and the Sierra Almoloya project in Mexico.

On behalf of the board,

"Dale Corman"  
F. Dale Corman  
President & CEO

### For more information, please contact:

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*This press release includes certain "Forward-Looking Statements" within the meaning of section 21E of the United States Securities Exchange Act of 1934, as amended. All statements, other than statements of historical fact, included herein, including without limitation, statements regarding potential mineralization and reserves, exploration results and future plans and objectives of Western Copper Corp. are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.*

### Cautionary Note to U.S. Investors:

The United States Securities and Exchange Commission permits U.S. mining companies, in their filings with the SEC, to disclose only those mineral deposits that a company can economically and legally extract or produce. We use certain terms on this news release, such as "measured," "indicated," and "inferred" "resources," that the SEC guidelines strictly prohibit U.S. registered companies from including in their filings with the SEC. U.S. investors are urged to consider closely the disclosure in Western's Form 20-F, File No. 000-52231, which may be secured from the Company, or from the SEC's website at <http://www.sec.gov/edgar.shtml>.



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**Table 4 - MINERAL RESERVE ESTIMATE**  
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MILL ORE	ORE k tonnes	COPPER %	GOLD g/t	MOLY %
<b>PROVEN</b>				
Direct Mill Feed	143,804	0.284	0.354	0.0311
<b>TOTAL PROVEN</b>	<b>143,804</b>	<b>0.284</b>	<b>0.354</b>	<b>0.0311</b>
<b>PROBABLE</b>				
Direct Mill Feed	613,571	0.208	0.225	0.0255
Low Grade Stockpile	156,171	0.163	0.177	0.0095
<b>TOTAL PROBABLE</b>	<b>769,742</b>	<b>0.199</b>	<b>0.215</b>	<b>0.0223</b>
<b>PROVEN + PROBABLE</b>				
Direct Mill Feed	757,375	0.222	0.249	0.0266
Low Grade Stockpile	56,171	0.163	0.177	0.0095
<b>TOTAL PROVEN + PROBABLE</b>	<b>913,546</b>	<b>0.212</b>	<b>0.237</b>	<b>0.0236</b>
<b>HEAP LEACH ORE</b>				
HEAP LEACH ORE	ORE k tonnes	COPPER %	GOLD g/t	MOLY %
<b>PROVEN</b>				
	34,498	0.074	0.545	n.a.
<b>PROBABLE</b>				
	43,419	0.053	0.333	n.a.
<b>TOTAL PROVEN + PROBABLE</b>	<b>77,917</b>	<b>0.062</b>	<b>0.427</b>	<b>n.a.</b>

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**TABLE 5 – KEY PARAMETERS (Base Case Prices)**  
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<b>Mine life</b>	30 years
<b>Total ore processed</b>	991 million tonnes
<b>Mine throughput</b> (sulphide ore)	90,000 tonnes per day
<b>Average stripping ratio</b>	1:1
<b>Power consumption</b>	100 MW
<b>Power rate</b>	\$0.0945 per KWh
<b>Initial capital cost</b>	\$2.1 billion
<b>Sustaining capital</b>	\$862 million
<b>Mill Operating Costs</b>	\$9.72 per tonne
<b>Heap Operating Costs</b>	\$3.19 per tonne
<b>Taxes</b> (including Yukon Royalty)	\$2.9 billion
<b>Life of mine revenue from metal sales</b>	\$21.9 billion
<b>Life of mine total operating cost</b>	\$11.0 billion

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**TABLE 6 – INITIAL PRODUCTION HIGHLIGHTS (Base Case Prices)**

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	<b>YEARS 1-6</b>	<b>LIFE of MINE</b>
<b>Average Annual Pre-tax Cashflow</b>	\$571 million	\$219 million
<b>Cumulative Pre-tax Cashflow</b>	\$1,465 million	\$7,462 million
<b>Average Annual After-tax Cashflow</b>	\$448 million	\$132 million
<b>Cumulative After-tax Cashflow</b>	\$707 million	\$4,481 million
<b>Average NSR (sulphide ore)</b>	\$29.66 / tonne	\$21.54 / tonne
<b>Average Annual Metal Production</b>		
Copper (M lb)	193	124
Gold (k oz)	263	158
Molybdenum (k lb)	13,415	10,899
<b>Average Annual Mill Feed Grade</b>		
Copper (%)	0.325%	0.212%
Gold (g/t)	0.380	0.237
Molybdenum (%)	0.028%	0.024%
<b>Recovery</b>		
Copper (%)	83%	84%
Gold (%)	66%	66%
Molybdenum (%)	68%	66%
<b>Annual Concentrate Production</b>		
Copper (dry k tonnes)	313	201
Molybdenum (dry k tonnes)	11	9
<b>Average Concentrate Grade</b>		
Copper (%)	28%	28%
Gold (g/t)	26	25
Molybdenum (%)	56%	56%

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