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Western Copper Corporation
2060 - 1111 West Georgia Street
Vancouver, BC
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ANNUAL INSPECTION – AUGUST 13, 2009
CARMACKS COPPER PROJECT
CARMACKS, YUKON

Dear Mr. Clegg:

Golder Associates Ltd. (Golder) inspected the Carmacks Copper project site of Western Copper Corporation on August 13, 2009. The inspection of the proposed future copper mine project site was completed as part of the requirement of the Quartz Mining License (QML – 0007) for an annual inspection. The inspection was to evaluate the stability of the heap leach facility, the open pit mine area, the waste rock storage area, the processing facilities, any ore preparation facilities and any water diversion structures and/or other related operations or facilities. The inspection was limited in that there are no structures on site except the mine exploration camp. An inspection was however, completed of the entire project area.

1.0 SUMMARY OF INSPECTION REPORT

The inspection by Golder was completed by Mr. John Hull along with Scott Casselman – a representative of Western Copper Corporation. The inspection was focused on the existing site conditions and the limited site infrastructure. The project is in the advanced exploration stage and final permitting for the proposed future mine. The only infrastructure on site at present is the exploration camp and a series of access roads to the proposed open pit mine area. The access roads were developed to provide access for site exploration.

The inspection of the camp area indicated the camp is well maintained and there is no erosion of sediments from the pad area into the surrounding natural area. The slope behind or west of the camp is stable and is not impacting or causing any safety issues with the camp structures or operations. There is minor slumping of small sections of the slope, but these are not impacting camp safety nor would they represent an issue to workers on the project.

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The inspection included the area proposed for the heap leach facility, the associated events pond structure and the heap leach sediment pond area. This portion of the site also includes the area planned for the process plant west of the heap leach embankment and the events pond. None of these structures have been developed and site preparation in these areas has been limited to the clearing of trees and organic soils (complete in 1997-1998) and development of a series of access roads which cross the area. Since the initial clearing, re-growth has been occurring. Within the area there are several small sediment catch basins. The inspection indicated that there has been some erosion of sediments along the access roads and that the sediment basins are full of trapped sediment. Photographs of these areas are presented in Appendix A. The erosion and sediment control measures completed during September 2008 will be inspected and maintained this year. This work was completed in September 2009 as documented in the Golder technical memorandum dated September 30, 2009, document number 123.

The area where the open pit would be developed was inspected. The excavation slopes of the trenches developed as part of the effort to obtain bulk samples are in reasonable condition and there was no observed slumping of the excavation slopes or failures of these slopes. There was also no erosion area noted around the areas. Several of the closed drill pads were inspected and there did not appear to be any erosion noted from these areas that required attention.

The area of the proposed waste rock storage area and the present access road crossing at North Williams Creek were inspected. The waste rock storage area is still tree covered and the drill pads in the area of the proposed waste storage area did not have any signs of sediment movement into the surrounding area. The small sediment catch basins at the drill pads still have capacity to manage more sediment, if required.

The process plant and the crusher / truck shop areas were also inspected. The process plant site is partially cleared and the crusher / truck shop site is still tree covered. There was no apparent erosion along any of the access roads in these two areas or at the weather station located just to the west of the crusher / truck shop area.

The new camp site was inspected and it is still tree covered. The site adjacent to the camp where the new water wells were installed was also inspected and there is no apparent movement of sediment off the work pads around the wells.

The general site development has not started yet so there are no permanent water diversion structures in place. There are however, water management diversion structures (i.e. ditches and sediment catch basins) in place that are appropriate for the exploration stage of the operation Minor erosion was observed along some of the site access roads and in the cleared area of the future events pond. Mitigation of these areas was completed in September 2009 and is considered adequate at this time.

2.0 SUMMARY AND COMMENTS

The Carmacks Copper project site is still in the advanced exploration stage and as such the only infrastructure on site is the exploration camp. None of the facilities that would be developed for the mining operation have been constructed. Thus, there are no maintenance issues with the proposed / planned features.

Geochemical testing of the rinsed spent ore and neutralized spent ore to determine rinsing criteria is on going. In addition, geochemical tests have been completed on the waste rock that would be placed in the waste rock storage area. The full summary of the results of the testing will be presented under separate cover, but a summary of the testing indicates the whole rock major element composition of the waste rock and spent ore samples show that the bulk chemistries are slightly elevated in concentrations of iron, calcium, sodium and magnesium. The trace element chemistries from supplemental waste rock samples (testing in 2008) were enriched in silver, chromium, copper and molybdenum. The trace element chemistries of the 2007 waste rock samples tested show enrichment in copper and molybdenum. The trace element chemistries of the neutralized spent ore samples are enriched in silver, cadmium, chromium, copper and molybdenum.

The results of the static test work for the 2008 waste rock samples from the shallow footwall beneath the ore zone are consistent with the results observed for equivalent rock types tested during the 2007 test work and suggest that the waste rock has low acid generating and metals leaching potential. In addition, results of the humidity cell testing completed in 2007 which maintained a neutral pH during the test and showed no evidence of the onset of pyrite oxidation or acid generation, suggesting that over the long term the waste rock mined from the shallow footwall will, like other waste rock from the deposit, satisfy the MMER authorized levels.

Kinetic testing for the two spent ore samples begun in March 2008 and for the spent ore sample begun in February 2009 are currently on-going. Results of the kinetic tests to date show that the leachate derived from the neutralized spent ore samples are neutral to alkaline and within MMER guideline limits, while the pH of the leachate from the rinsed ore sample is slightly acidic and less than or equal to the minimum MMER guideline. MMER metals concentrations in the humidity cell leachate are all below the MMER - Maximum Monthly Mean concentration (the minimum guideline) and appear to be declining over time.

The testing will be completed by the end of 2009 and the results along with recommendations for additional testing will be presented in a complete geochemistry report.

3.0 RECOMMENDED ACTIONS

The inspection of the proposed mine site for the Carmacks Copper was completed on August 13, 2009 and indicated that as the site development has not been started yet, there is limited infrastructure to inspect or to require maintenance or further investigations. The required maintenance to manage some minor erosion items in the area of the events pond and the future heap leach sediment pond was completed successfully in mid September 2009. There is no further maintenance work required this year.

We trust that this is satisfactory for your present needs.

Yours very truly,

GOLDER ASSOCIATES LTD.

ORIGINAL SIGNED AND SEALED

John A. Hull, P.Eng. (BC, NWT, NU, YK)
Principal

ORIGINAL SIGNED

John Cunning, P.Eng (BC)
Associate

JAH/JCC/mrb

CC: Fiona Esford
Attachments: Photographs
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Description: Sediment basins full of sediments, near the proposed HLF sediment pond and Events Pond

Date of Photographs: August 13, 2009

Golder Associates	CARMACKS COPPER PROJECT SITE INSPECTION		
Drawn: JU	App'd:	Date: August 13, 2009	Figure: 1

Project No.: 0714130077 Revision No.: 0

FILE LOCATION: O:\Active_2007\1413\07-1413-0077 Carmacks-Field Investigation\7400 Erosion and Sediment Control Measures\2009 Work

Description: Erosion on road in proposed Events Pond area
Date of Photograph: August 13, 2009

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Slope Behind Camp Area

Exploration Camp Infrastructure

Camp Area

Date of Photographs: August 13, 2009

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FILE LOCATION: O:\Active_2007\1413\07-1413-0077 Carmacks-Field Investigation\7400 Erosion and Sediment Control Measures\2009 Work

Description: Internal Road
Date of Photograph: August 13, 2009

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Drawn: JU	App'd:	Date: August 13, 2009	Figure: 4

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FILE LOCATION: O:\Active_2007\1413\07-1413-0077 Carmacks-Field Investigation\7400 Erosion and Sediment Control Measures\2009 Work

Description: Waste Rock Storage Area
Date of Photograph: August 13, 2009

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Drawn: JU	App'd:	Date: August 13, 2009	Figure: **5**
Project No.: 0714130077			Revision No.: 0