INSIDER TRADING POLICY

A. INTRODUCTION AND PURPOSE

The shares of Western Copper and Gold Corporation (together with its subsidiaries, the "Company") are listed on the Toronto Stock Exchange (the "TSX") and the NYSE American (the "NYSE"), and are registered with the U.S. Securities and Exchange Commission (the "SEC"). As such, purchases and sales of the Company's securities are regulated by the rules under Canadian securities legislation, the rules and policies of the TSX, NYSE, and US securities laws.

Violations of insider trading and tipping laws carry severe consequences both for the Company and the individuals involved. Compliance with this Insider Trading Policy (the "Policy") is a condition of office or employment with the Company. A violation of this Policy may be grounds for discipline, up to and including immediate dismissal. The violation of the Policy may also violate Canadian and/or United States securities laws. If it appears that a director, officer, consultant or employee may have violated such securities laws, the Company may refer the matter to the appropriate regulatory authorities, which could lead to penalties, fines or imprisonment.

Under Canadian and US securities laws, persons who trade securities while in possession of material non-public information (as defined in this Policy below) may face liability as further described in this Policy.

The directors, officers and employees of the Company and others are prohibited by securities laws from purchasing or selling the Company's securities while having access to undisclosed material information about the Company. They are also prohibited from informing others of any undisclosed material information about the Company. The purpose of this Policy is to ensure that the directors, officers and employees of the Company avoid any improper securities transactions and disclosures.

B. APPLICATION

This Policy applies to and outlines obligations of all persons as may be determined from time to time bound under Canadian and United States securities legislation including the following persons irrespective of the size of his, her or its holding or interest (collectively, the "Designated Persons").

a. All directors (including any person who acts as a director whether or not formally appointed) and officers of the Company;

b. All employees of the Company and other persons who, because of their employment with the Company may have possession of or access to material non-public information concerning the Company;

c. The spouse and each child under 18 years of age of the persons contemplated in (a) and (b), above; or

d. Any trust in which the persons contemplate in (a), (b), or (c) above are trustees or beneficiaries and any company over which such persons have control or more than 20% of such company's

equity or voting rights in a general meeting of shareholders (excluding any employee share or pension scheme where such persons are beneficiaries rather than trustees).

C. MATERIAL NON-PUBLIC INFORMATION

It is not possible to define all categories of material information. Material information has the same meaning as set out in the applicable securities laws and regulations. However, information should generally be regarded as material if there is a reasonable likelihood that it would be considered important to an investor in making an investment decision regarding the purchase or sale of the Company's securities.

Outside parties privy to undisclosed material information concerning the Company must be informed that they must not disclose such information to anyone else, other than in the necessary course of business and that they may not trade in the Company's securities until the information is publicly disclosed by the Company. These outside parties are to confirm their commitment to non-disclosure in the form of a written confidentiality agreement.

D. TRADING IN SECURITIES OF THE COMPANY

A Designated Person or person in a "special relationship" (as defined below) with the Company shall not trade in securities of the Company if such person possesses material non-public information about the Company, during any period commencing with the date that he or she possesses material non-public information on the Company and ending at the close of business one trading day after the public disclosure of that information. "Trading day" shall mean a day on which the TSX is open for trading.

A "trade" (as used in this Policy) includes, but is not limited to, a purchase or sale of securities, an offer or solicitation to purchase or sell securities or an exercise of an option, warrant or other convertible security.

The "special relationship" definition is broad. Persons in a "special relationship" include, but are not limited to:

a. Designated Persons;

b. Insiders as defined under applicable securities legislation;

c. Persons engaging in professional or business activities for or on behalf of the Company; and

d. Anyone (a "tippee") who learns of material information from someone that the tippee knows or should know is a person in a special relationship with the Company.

In addition, a Designated Person or person in a "special relationship" with the Company may not disclose ("tip"), material non-public information to any other person (including family members), including where such information may be used by such person to his or her benefit by trading in the securities of companies to which such information relates, nor shall such insider or related person make recommendations or express opinions on the basis of material non-public information as to trading in securities of the Company.

There is a "necessary course of business" defense that may be available in certain circumstances in connection with the disclosure of material non-public information. However, persons in possession of material non-public information must always obtain the approval of senior management or the Board of Directors of the Company before disclosing any material non-public information to any person.

E. SPECIFIC TRADING PROHIBITIONS

The Company may from time to time impose the suspension of trading by certain persons (a) because of developments known to the Company and not yet disclosed to the public (the "Material Development Trading Blackout"), and (b) during the period of time when the quarterly and annual financial statements are being prepared but results have not yet been publicly disclosed (the "Quarterly Trading Blackout"). The Quarterly Trading Blackout will commence on the day that is two days prior to the date scheduled for the meeting of the Audit Committee to review the quarterly or annual results and end at the open of the market on the day that is two full Trading Days following the public release of the Company's quarterly or annual financial statements, to allow the market time to absorb the information. Once the Company has material revenues, the Board of Directors of the Company will have discretion to extend the Quarterly Trading Blackout. The Material Development Trading Blackout decisions will be made by the Chairman, the Chief Executive Officer, President and the Chief Financial Officer, and communicated via email by the Chief Financial Officer to directors, officers and employees of the Company. In such an event, all such persons will be considered to be Designated Persons during such period and shall not disclose to others the fact of such suspension of trading or any material information known to the persons.

Where the Company is involved in an undisclosed material transaction with another entity, each Designated Person is considered to be in a special relationship with such other entity and, therefore, cannot trade in securities of such other entity where material non-public information about such other entity was obtained as a result of such Designated Person's service as a director, officer, or employee of the Company or as a consultant or provider of services to the Company.

Notwithstanding the absence of a suspension of trading imposed by the Company because of developments known to the Company and not yet disclosed to the public, before effecting any trade in securities of the Company, all Designated Persons must provide a written request and consult with, and receive formal written approval from, the Chairman, the Chief Executive Officer, President, and the Chair of the Corporate Governance and Nominating Committee prior to effecting any trades in securities of the Company. Any such approval shall be effective for five Trading Days; if any approved trade does not occur within such timeframe, the Designated Person must again provide a written request and consult with, and receive formal written approval from, the Chairman, the Chief Executive Officer, President, and the Chair of the Corporate Governance and Nominating Committee prior to effecting such trade. For certainty, any determination with respect to suitability of such trade will be made solely on the basis of whether there could be impending developments which would make such a trade illegal or harmful to reputation based on potentially material information not yet disclosed. Any such approval will not be unduly withheld.

F. OTHER OBLIGATIONS

All insiders of the Company must file insider reports with the appropriate securities regulatory authorities. It is the personal obligation of each director, officer, and other insider to file insider reports following any trade or other change in holdings of securities of the Company in accordance with applicable securities laws. The Company may assist certain directors and officers with filing procedures by providing administrative support. This administrative support does not relieve individuals of their personal responsibility to file insider reports in a timely and accurate fashion.

G. PROCEDURES

In order to prevent the misuse or inadvertent disclosure of material information, the procedures set forth below should be observed at all times:

a. Documents and files containing confidential information should be kept in a safe place to which access is restricted to individuals who "need to know" that information in the necessary course of business and code names should be used if necessary. Confidential documents should not be accessible through technology. Access to confidential electronic data should be restricted through the use of passwords.

b. Confidential matters should not be discussed openly in places where the discussion may be overheard, such as elevators, hallways, restaurants, airplanes or taxis, wireless telephones or other wireless devices. Confidential documents should not be read or displayed in public places and should not be discarded where others can retrieve them.

c. Employees must ensure they maintain the confidentiality of information in their possession outside of the office as well as inside the office.

d. Transmission of documents by electronic means, such as by fax or directly from one computer to another, should be made only where it is reasonable to believe that the transmission can be made and received under secure conditions.

e. Unnecessary copying of confidential documents should be avoided and documents containing confidential information should be promptly removed from conference rooms and work areas after meetings have concluded. Extra copies of confidential documents should be shredded or otherwise destroyed.

H. POTENTIAL CRIMINAL AND CIVIL LIABILITY AND/OR DISCIPLINARY ACTION

Persons who engage in insider trading and/or tipping by participating in any of the above-noted prohibited activities may be subject to:

a. sanctions under securities legislation, such as fines or penalties, or imprisonment, or both;

b. administrative sanctions under securities legislation, such as "cease trading orders", denial of exemptions under securities legislation and prohibitions from acting as a director or officer of a company; and

c. civil sanctions in which the securities regulatory authority applies to court for any order the court deems appropriate.

The person may be subject to the sanctions even where he or she did not profit financially from the insider trading and/or tipping. In addition to the above sanctions, civil actions can be brought against the trader or tipper for damages.

Employees of the Company who violate this policy may be subject to disciplinary action by the Company, which may include ineligibility for future participation in the Company's stock option plans, termination of employment for just cause, or other sanctions as the Company may deem appropriate.

I. DUTY TO REPORT

Each Designated Person who violates the prohibitions against insider trading, or knows of such violation by any other person, must report the violation immediately to a member of the Corporate Governance and Nominating Committee or by using the Whistleblower Hotline.

J. MODIFICATIONS AND WAIVERS

The Company reserves the right to amend or modify the policies and procedures set forth herein at any time. Waiver of the provision of these policies and procedures in a specific instance may be authorized in writing by the Board of Directors or the Corporate Governance and Nominating Committee.