

WESTERN COPPER HOLDINGS LTD.

APPROVAL FOR TRADING ON AMERICAN STOCK EXCHANGE

NAME TO CHANGE TO WESTERN SILVER CORPORATION

FURTHER EXPANSION OF PEÑASQUITO SILVER PROJECT

Western Copper Holdings Ltd.’s shares will start trading on the American Stock Exchange, ticker WTZ, on February 5, 2003. The company has also announced that it intends to change its name to Western Silver Corporation. The latest drill results from the company’s 100%-owned Peñasquito silver project indicate both the world-class size of the sulfide deposit and the potential for early development of shallow oxide mineralization.

Corporate Developments

Western’s shares will start trading on the American Stock Exchange, ticker WTZ, on Wednesday, February 5, 2003. The company has selected LaBranche & Co as its Specialist – LaBranche is one of the oldest and largest Specialists on both the New York and the American stock exchanges with a strong focus on precious metals companies, notably those inter-listed with Toronto. We believe that listing on the AMEX will help to raise Western’s profile amongst both domestic U.S. and European investors.

The company has also announced that it will seek shareholder approval to change its name to Western Silver Corporation at the Annual Meeting scheduled for March 20, 2003. The name change reflects the company’s focus on silver.

Developments at Peñasquito

Drilling at the end of 2002 significantly enhances the company’s 100%-owned Peñasquito silver project in Mexico. We believe that Peñasquito is developing into a major, world-class silver project that is likely to be highly economic even at current metal prices. Shallow gold-rich oxide material and wide intercepts of high grade sulfides at depth indicate the potential for early development and better economics than contemplated in our initial Information Memorandum in July 2002.

- The main Chile Colorado zone comprises a thick band of sulfide mineralization trending from the southwest to the northeast – drilling to date has intercepted this mineralization at an average of approximately 500 feet vertically below surface, averaging approximately 480 feet in vertical thickness.
- The sulfide zone is at least partially overlain by oxide starting at the contact between alluvial overburden and bedrock (on average, approximately 120 feet below surface) and averaging more than 140 feet thick.

We will refine our analysis of the Chile Colorado zone once SNC-Lavalin completes its geological resource calculation, due by early March. At that point, we publish a full update of our original report.

Exchange	Amex	Toronto	Shares out. (1.31.03)	(millions)	32.3
Ticker	WTZ	WTC	Float	(%)	76%
Price (2.3.02)	(US\$) 2.61 *	(C\$) 3.95	Options & warrants	(millions)	7.1
52 week: high (7.23.02)	(US\$) 3.13 *	(C\$) 4.74	Average exercise price	(C\$)	1.66
low (2.4.02)	(US\$) 0.40 *	(C\$) 0.61	Cash (1.31.03)	(US\$ mm)	2.76
Average daily trading volume	n/a	96,500	Cash on option/warrant exercise	(US\$ mm)	6.51
Fiscal year: September 30			Market capitalization	(US\$ mm)	83.887
* US Dollar equivalent of Canadian Dollar price					

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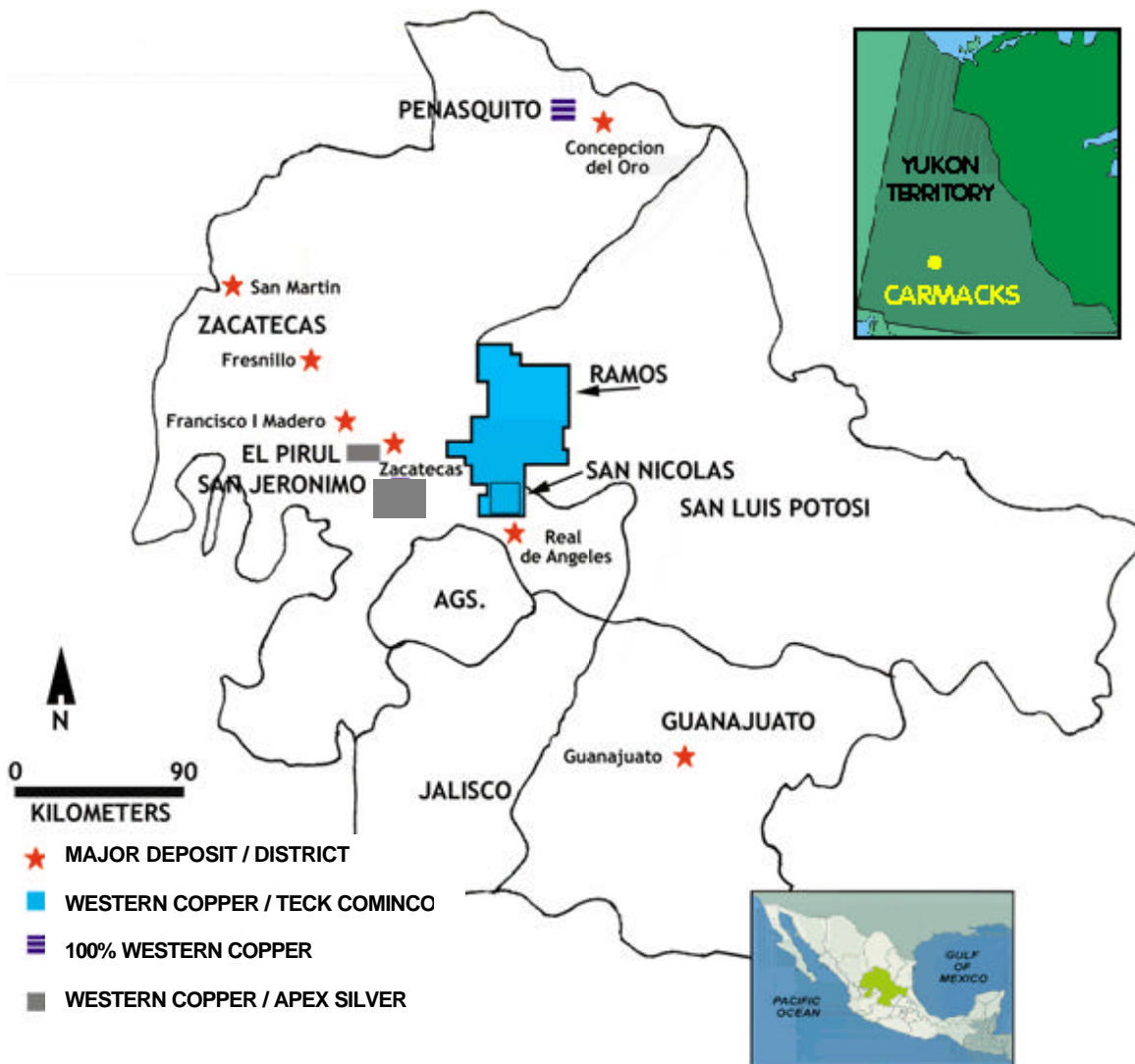
SUMMARY

Western Copper Holdings Ltd. is a Canadian mining company focused on historic mining districts in Zacatecas State in central Mexico. In the early 1990s, Western acquired an option over El Salvador – Western subsequently entered into an exploration joint venture with Teck Cominco Ltd. there. Separately, Kennecott, the North American arm of Rio Tinto plc, started exploring Peñasquito in the early 1990s. In 1998, Western acquired 100% of Peñasquito as part of a strategic alliance with Kennecott.

El Salvador provided Western’s initial success with the discovery of a major copper-zinc ore body at San Nicolas. However, following completion of a feasibility study, the project is currently on hold as a result of low copper and zinc prices and Teck’s own internal priorities.

Meanwhile, Western has been focused on the Chile Colorado zone at Peñasquito, which is now the jewel in its crown. Although Chile Colorado appears to be developing into a major, world-class silver project that is likely to be highly economic even at current metal prices, Peñasquito is a large property with numerous other targets. Furthermore, Western has an extensive portfolio of properties, including El Salvador, as well as several other exploration projects. Put simply, the company is not a one-shot deal.

Property Location Map



PEÑASQUITO

Peñasquito is a large, 150 square mile property in the north of Zacatecas State in central Mexico. The history of most mines can be traced back to discovery of an outcrop of mineralization by old-timers. Only recently have exploration techniques progressed to the point where “blind” deposits with little surface expression can be identified.

In the mid-1990s, Kennecott started exploring Peñasquito looking for a large tonnage copper target using state-of-the-art techniques. It discovered two large mineralized breccias located at the intersection of major structural trends. Kennecott concluded that it had probably found the top of a large porphyry system but that the copper, if present, was too deep to be economic.

That strategic decision opened the door for Western to focus on the silver-zinc-gold-lead “cap”.

There are three key factors that, in our opinion, set Peñasquito apart from most other development-stage properties:

- Strong economics even at current, historically depressed metal prices.
- Potential for major expansions of the currently identified, mineralized zone at Chile Colorado as well as the potential for other deposits at the property.
- Sufficient scale to attract interest from the world’s major mining companies.

There are known to be two distinct mineralized zones at Peñasquito – the Outcrop Zone to the northwest, and a large zone centered on the Azul breccia about a mile to the southeast – the Company is currently focused on the Chile Colorado zone around Azul.

Chile Colorado

Work during 2002 has advanced the company’s understanding of the Peñasquito project, especially the Chile Colorado zone.

- Primary mineralization comprises a thick band of sulfides trending from the southwest to the northeast through which the Azul breccia was explosively emplaced. The mineralized slab plunges gently to the southwest – drilling to date has intercepted this sulfide mineralization at an average of approximately 500 feet vertically below surface and averaging approximately 480 feet in vertical thickness.
- We have outlined an area measuring approximately 1650 feet by 950 feet (500 meters by 300 meters) on the map on the following page. Assuming an average thickness of 480 feet, this area has the potential to host in excess of 100 million tons of sulfide mineralization. The initial scoping economics set out in July 2002 assumed an average minable grade of 1.51 oz/t silver – drill results are consistent with that grade or better.

Drilling outside the marked zone has intercepted significant mineralization more than 1,000 feet (300 meters) to the north – the deposit remains open to the north and southwest.

- Above the sulfide material there is an oxide zone starting at the contact between alluvial overburden and bedrock (on average, approximately 120 feet below surface) and averaging more than 140 feet thick. This zone is shallowest to the northwest of Chile Colorado zone – WC-45 intercepted over 140 vertical feet starting at 43 feet vertically below surface and averaging 0.026 oz/t gold. The company intends to test the extent of the oxides with a program of shallow reverse circulation drilling.





Previous reports can be accessed at:

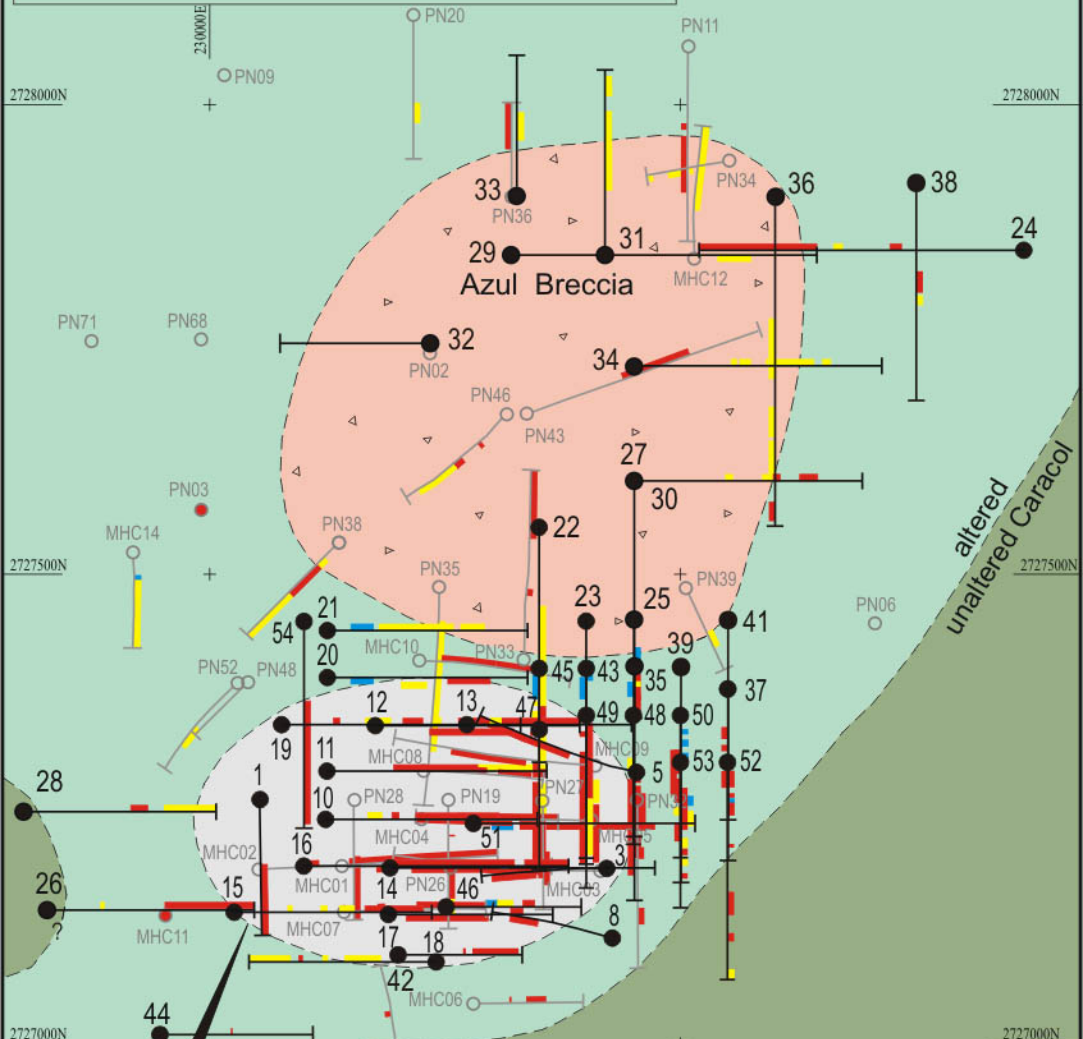
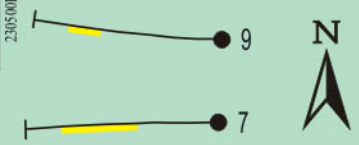
July 2002: www.proteuscapital.com/Company Reports/Western_Copper/Proteus_WTC_InfoMemo_July02.pdf

October 2002: www.proteuscapital.com/Company Reports/Western_Copper/Proteus_WTC_Update_Oct02.pdf

January 2003: www.proteuscapital.com/Company Reports/Western_Copper/Proteus_WTC_Update_Jan03.pdf

LEGEND

-  Drill hole with mineralized intercept
-  Strong mineralization
-  Weak mineralization
-  Oxide
- PN = Kennecott Drill holes
- MHC = Hochschild Drill holes
- Number only = Western Copper Drill holes (no prefix)



Chile Colorado
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