



## Western Canadian Coal

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News Release

### WESTERN CANADIAN COAL PROVIDES OPERATIONS UPDATE

**Vancouver, B.C., October 16, 2008 – Western Canadian Coal Corp. (TSX: WTN, WTN.DB & WTN.WT and AIM: WTN)** (“Company”) announces that mining at the Willow Creek Mine has commenced as planned. Commercial production of low-volatile PCI coal should be available for sale early in 2009.

Coal markets continue to be strong, with all hard coking coal production from the Wolverine operations currently sold at approximately US\$ 300 per tonne and all low-volatile PCI coal at the Brule operation sold at approximately US\$ 248 per tonne. These coal prices are locked in to March 31, 2009. Further evidence of the strong coal markets are the recent 2009 calendar year coking coal contract settlements by the US metallurgical coal producers at prices similar to what other global producers have experienced for the 2008 coal year.

The Company also advises that production for the fiscal year ending March 31, 2009 is now expected to be 3.0 million tonnes consisting of 1.45 million tonnes of hard coking coal and 0.15 million mid-volatile PCI coal from the Wolverine operation and 1.3 million tonnes of low-volatile PCI coal at the Brule operation and 0.1 million tonnes of low-volatile PCI coal at the Willow Creek mine. The temporary lower than expected production at Wolverine is primarily due to production difficulties from continued labour shortages and continued high stripping ratio.

The Company also announces the review of various strategic alternatives (“Strategic Review”) continues, although there is no assurance that the Strategic Review will result in any specific strategic or financial transaction.

John Hogg, President and CEO, comments, “With the strength of the coal markets, along with the 15% weakening of the Canadian dollar, the Company is generating strong cash flows and will continue to build on its strong financial position.”

#### **Forward-Looking Information**

*This release may contain forward-looking statements that may involve risks and uncertainties. Such statements relate to the Company's expectations, intentions, plans and beliefs. As a result, actual future events or results could differ materially from those suggested by the forward-looking statements. Readers are referred to the documents filed by the Company on SEDAR. Such risk factors include, but are not limited to changes in commodity prices; strengths of various economies; the effects of competition and pricing pressures; the oversupply of, or lack of demand for, the Company's products; currency and interest rate fluctuations; various events which could disrupt the Company's construction schedule or operations; the Company's ability to obtain additional funding on favourable terms, if at all; and the Company's ability to anticipate and manage the foregoing factors and risks. Additionally, statements related to the quantity or magnitude of coal deposits are deemed to be forward-looking statements. The reliability of such information is affected by, among other things, uncertainties involving geology of coal deposits; uncertainties of estimates of their size or composition; uncertainties of projections related to costs of production; the possibilities in delays in mining activities; changes in plans with respect to exploration, development projects or capital expenditures; and various other risks including those related to health, safety and environmental matters.*

#### **About Western Canadian Coal**

*Western Canadian Coal Corp. produces high quality metallurgical coal from three mines - Wolverine, Brule and Willow Creek - located in the northeast of British Columbia. The coal is sold to many of the top steelmakers in the world. The Company also has*

*interests in various coal properties in northern and southern British Columbia and a 50% interest to explore and develop the Belcourt and Saxon group of properties in northern BC. Currently, these properties provide the company with an estimated 15 years of coal reserves at current production levels. For more information, please visit [www.westerncanadiancoal.com](http://www.westerncanadiancoal.com)*

**For further information:**

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