



## Western Canadian Coal

WTN-09-03

News Release

900 – 580 Hornby Street  
Vancouver, B.C. V6C 3B6  
Phone 604-608-2692

[info@westerncoal.com](mailto:info@westerncoal.com)  
[www.westerncanadiancoal.com](http://www.westerncanadiancoal.com)

### WESTERN CANADIAN COAL PROVIDES OPERATIONS UPDATE

Vancouver, B.C. January 21, 2008 – Western Canadian Coal Corp (TSX: WTN, WTN.WT and WTN.DB and AIM: WTN) (“Company”) announces an update on production and shipments for the third quarter ending December 31, 2008 and the expected shipments and production for the fourth quarter ending March 31, 2009.

<i>Thousands of tonnes</i>	<b>Three months ending Dec 31, 2008 Actual</b>	<b>Three months ending March 31, 2009 Forecast</b>
<b>Shipments</b>		
- Wolverine operations	318	290 – 360
- Brule mine	195	80 – 120
<b>Production</b>		
- Wolverine operations	280	370 – 390
- Brule mine	329	190 - 210

Sales prices in the third quarter averaged US\$280 per tonne. Sale prices for the fourth quarter are expected to average US\$250 per tonne. After March 31, 2009, the Company expects to sell some of the coal in inventory at these price levels.

As a result of the lower than expected sale volumes for the fourth quarter, the Company closed US\$145 million of forward sale contract for a realized gain of C\$4.9 million. As at today, the Company has US\$97 million of forward sale contracts at an average rate of C\$1.237 per US\$1.00. These contracts mature monthly until April 2009.

As previously announced (see January 6, 2009 press release), the Wolverine operation continues to operate at an annual run-rate of 1.6 million tonnes per year and expects to remain at this rate until May 18, 2009. Thereafter, the Wolverine operation, which produces primarily hard coking coal, expects to operate at a rate to match the demand for its coal. The Brule mine, which produces low-vol PCI coal, at the end of January 2009 expects to operate at an annual run rate of 750,000 tonnes per year.

John Hogg, President and CEO of Western Canadian Coal Corp. comments, “With a net working capital position of approximately \$120 million, which includes \$75 million in cash in the bank, no bank debt, and the implementation of the cash preservation plan, the Company is in a strong position to weather the short-term economic uncertainty. We believe once the economic stimulus packages introduced around the world start to work their way into the system, the markets will improve and the demand for will coal increase again.”

### Third Quarter Fiscal 2009 Earnings and Conference Call

The Company expects to release third quarter fiscal 2009 financial and operating results on February 5, 2009 (after market hours). The Company is planning to hold a conference call to discuss the quarter's financial and operating results on February 6, 2009 at 8:00 AM PST.

To participate in the call, please dial one of the following numbers:

**Access:** 416-644-3414  
**Toll-Free Access:** 1-800-733-7571

For Instant Replay Access please dial one of the following numbers and enter Participant Pass Code: 21294040#

**Access:** 416-640-1917  
**Toll-Free Access:** 1-877-289-8525

The call will be webcast live and will be available at [www.westerncanadiancoal.com](http://www.westerncanadiancoal.com).

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

*Western Canadian Coal Corp. produces high quality metallurgical coal from mines 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)*

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

*This news release contains "forward-looking information" within the meaning of applicable securities laws. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". Forward-looking information is based on the opinions and estimates of management at the date the information is made, and is based on a number of assumptions and subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. Many of these assumptions are based on factors and events that are not within the control of Western and there is no assurance they will prove to be correct. Factors that could cause actual results to vary materially from results anticipated by such forward-looking information include changes in market conditions, variations in coal recovery rates, risks relating to operations, fluctuating coal prices and currency exchange rates, changes in project parameters, the possibility of unanticipated costs and expenses, labour disputes and other risks of the mining industry, failure of plant, equipment or processes to operate as anticipated, the business of the companies not being integrated successfully or such integration proving more difficult, time consuming or costly than expected as well as those risk factors discussed in the Annual Information Form for the year ended March 31, 2008 for Western available on [www.sedar.com](http://www.sedar.com). Although Western has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Western undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking information.*

#### **For further information:**

David Jan, Manager, Investor Relations & Corporate Development  
 Phone: 604-608-2692  
 Email: [djan@westerncoal.com](mailto:djan@westerncoal.com)