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News Release

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WESTERN COAL ANNOUNCES SALE OF AGD MINING PTY LTD

Vancouver, B.C. September 24, 2009 – Western Canadian Coal Corp (TSX: WTN, WTN.WT and WTN.DB and AIM: WTN) (“Western” or “Company”), announces that it has entered into an agreement (“Disposal”) to sell AGD Mining Pty Ltd (“AGD”) to Mandalay Resources Corporation (TSXV: MND) (“Mandalay”).

Mandalay will purchase all of the issued and outstanding ordinary shares of AGD for proceeds of 24,000,000 common shares of Mandalay at a price of \$0.25 per shares and warrants to purchase 20,000,000 common shares of Mandalay for 5 years at a price of \$0.31 per share, and promissory note (“Promissory Note”) of \$4,000,000.

Mandalay will finance the acquisition from a private placement (“Private Placement”) of up to 46,000,000 units (“Units”) of common shares at a price of \$0.25 per Unit for gross proceeds of up to \$11,500,000. Each Unit will consist of one Mandalay common share and one warrant to acquire one Mandalay common share at a price of \$0.465 per share. The Private Placement will also be used to fund capital expenditures at AGD’s mine, complete the NI 43-101 technical report for Mandalay’s La Quebrada project in Chile and the cost of initial exploration and evaluation of Mandalay’s other properties in Chile, fund other potential acquisitions, and for general working capital purposes.

The Promissory Note will bear interest at 7% per annum, with \$2,500,000 of the Promissory Notes payable upon completion of the Mandalay’s proposed private placement and the balance to be repaid 12 months after the completion of the Disposal.

Prior to completion of the Disposal, Western will provide a \$2.5 million bridge loan to AGD to assist in AGD’s planned capital development in the period prior to completion of the Disposal. The bridge loan will be converted into Units upon completion of the Private Placement.

Western has agreed to subscribe for 20,000,000 units under the Private Placement for an aggregate subscription price of \$5,000,000. The subscription price will be satisfied by the cancellation of the bridge loan Western is making to Mandalay and the \$2,500,000 of the Promissory Notes.

Completion of the Disposal is subject to the satisfaction or waiver of a number of conditions precedent including approval of the TSX Venture Exchange (“TSXV”) and approval by Mandalay’s shareholders.

Completion of the Private Placement is subject to various conditions including TSXV approval and approval by Mandalay's shareholders. Mandalay intends to complete the Private Placement concurrently with the Acquisition.

Upon completion of the Acquisition and Private Placement, Western will own approximately 44,000,000 common shares, which represents approximately 46.5% of the total common shares outstanding in Mandalay. Should all the warrants be exercised, Western would own approximately 84,000,000 common shares, or approximately 62.4% of the total common shares outstanding in Mandalay.

Western's investment in Mandalay is considered to be passive and no further decisions on the investment will be made at this time.

About AGD

AGD Mining Pty Ltd is a wholly owned subsidiary of Western that produces gold and antimony from its Augusta mine in Costerfield, Victoria, Australia. The mine has been in production for over two years. AGD has commissioned a technical report dated May 2009 prepared by AMC Consultants Pty Ltd. For the 12 month period ending June 30, 2009, the unaudited figures (in thousands of AUD) were Revenues of \$10,897, Net Loss before Taxes of \$19,322, and Net Assets of \$4,103.

About Mandalay

Mandalay Resources is a Canadian-based natural resource company with assets in-production. The Company is focused on executing a roll-up strategy which involves aggregation of gold and copper projects, creating critical mass through the acquisition of near-term or in-production assets in Australia and the Americas. For more information visit www.mandalayresources.com

About Western

Western is a producer of high quality metallurgical and thermal coal from mines located in northeast British Columbia (Canada) and West Virginia (USA). The mines have the capacity to produce 7 million tonnes per year and have over 20 years of coal reserves. Western also owns a 50.6% interest Energybuild (EBG: AIM) which produces high quality anthracite and thermal coals in South Wales (UK). Other interests owned include a 45% interest in Xtract Energy (XTR: AIM), 20% interest in NEMI Northern Energy & Mining (NNE.A: TSX) and 100% of a small gold and antimony operation in Australia. The Company is headquartered in Vancouver, BC, Canada, and trades on the AIM and TSX stock exchanges under the symbol "WTN". More information can be found at www.westerncoal.com

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