



Western Coal

Investor Presentation

March 2010



Forward Looking Statement

This presentation contains "forward-looking information" within the meaning of applicable securities laws. Forward-looking information includes, but is not limited to, information concerning the business of Western Coal Corp ("Western") and matters relating thereto. 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. Assumptions upon which such forward-looking information is based include 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 international operations, fluctuating coal prices and currency exchange rates, changes in project parameters, the possibility of project cost overruns or 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, 2009 for Western available on www.westerncoal.com or 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 to not place undue reliance on forward-looking information. The company does not make any guarantee, representation or warranty, express or implied, as to the accuracy or completeness of the information or opinions contained in this presentation, and no reliance should be placed on this presentation.



Overview

Western Opportunity

- Coal market Update
- Strategy Update
- Fiscal year 2011 Operations Update



Western Opportunity

- Stronger company emerging
- Independent metallurgical coal producer
 - Leveraged to rising met coal markets
- Three pillar value accretive growth strategy
 - 4 year production CAGR of 50%
- Strong financial position and cash flow generation
 - Fiscal 2011 growth plans are fully funded



Western Opportunity

- Common shares: “WTN” listed on the TSX and AIM
- Approximately 252 million shares outstanding
- Market cap ~ C\$1.3 billion*
- Average shares traded per day ~ 4.2 million
- Achieved largest gain of any company on the TSX Composite index (~900%)

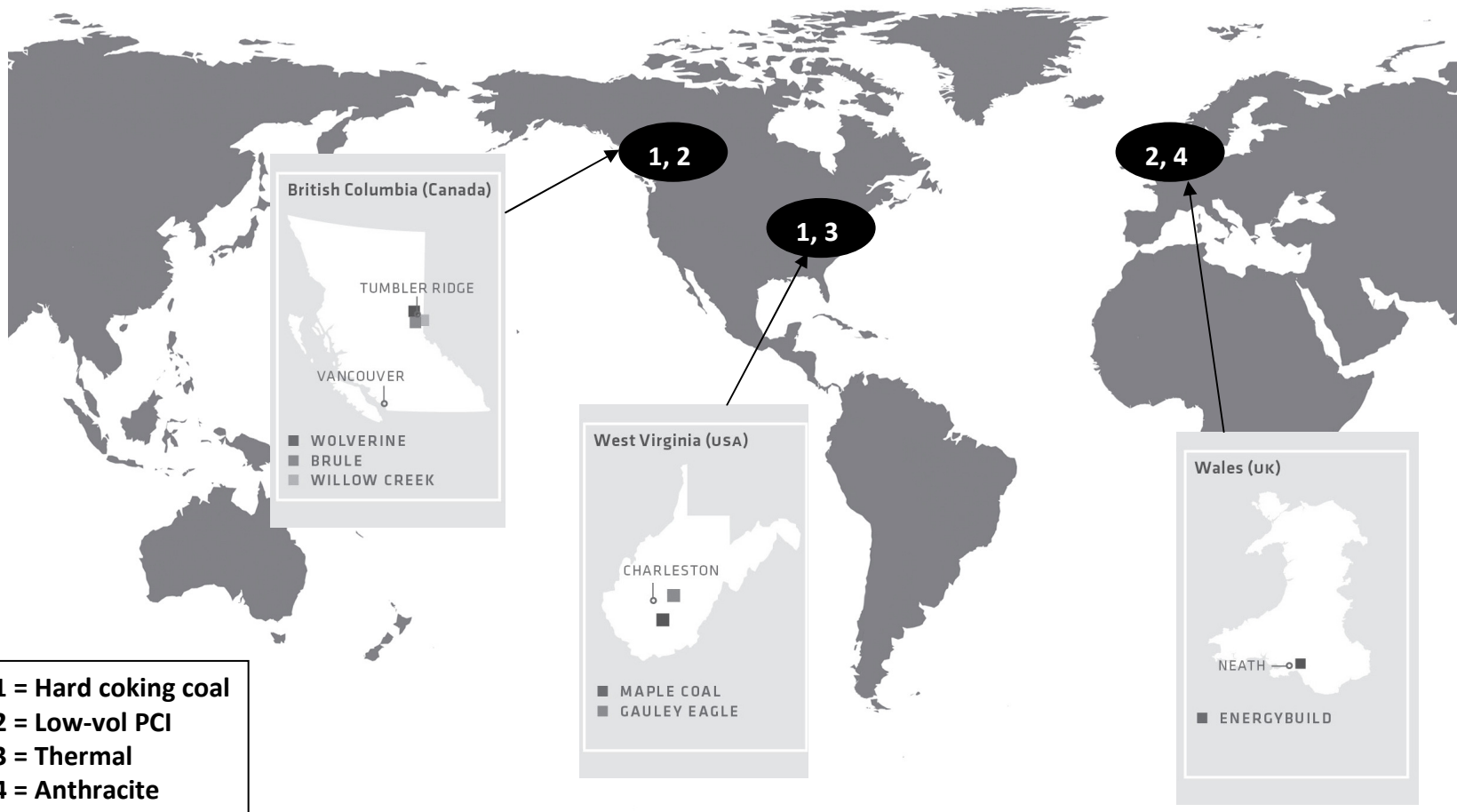
Source: Stockwatch.com



* As at March 18, 2010



Western's Core Assets

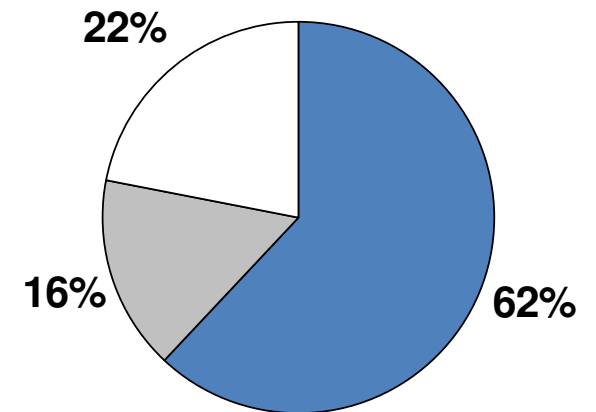




Coal Reserves & Resources

(million tonnes)	Reserves ⁽¹⁾⁽²⁾	Resources ⁽¹⁾⁽³⁾
Wolverine (Canada)	54.1	75.6
Brule (Canada)	21.5	37.1
Willow Creek (Canada) ⁽⁴⁾	15.7	36.0
Belcourt Saxon (Canada) ⁽⁵⁾	43.0	85.5
Maple (USA) ⁽⁶⁾	27.0	37.6
Gauley Eagle (USA) ⁽⁶⁾	15.5	46.0
Energybuild (UK) ⁽⁷⁾	6.8	94.8
TOTAL	183.6	412.6

20+ years of Reserves



■ Coking ■ Low-vol PCI □ Thermal

- (1) Per Technical Reports
- (2) Reserves reflect mining dilution and losses, but do not reflect process recovery
- (3) Resources are inclusive of resources used to develop Reserves
- (4) Under review, possible increase as a result of new drilling
- (5) Western's 50% share
- (6) Converted to metric tonnes from short tons Metric tonne = 1.102 short tons
- (7) Reflects 100%



Seaborne Met Coal Markets

Current prices:

- New contract prices are around US\$200/tonne for top quality coking coal and US\$170/tonne for top quality low-vol PCI
- Western has no fiscal 2010 carry over tonnes to be shipped in fiscal 2011

Current market dynamics:

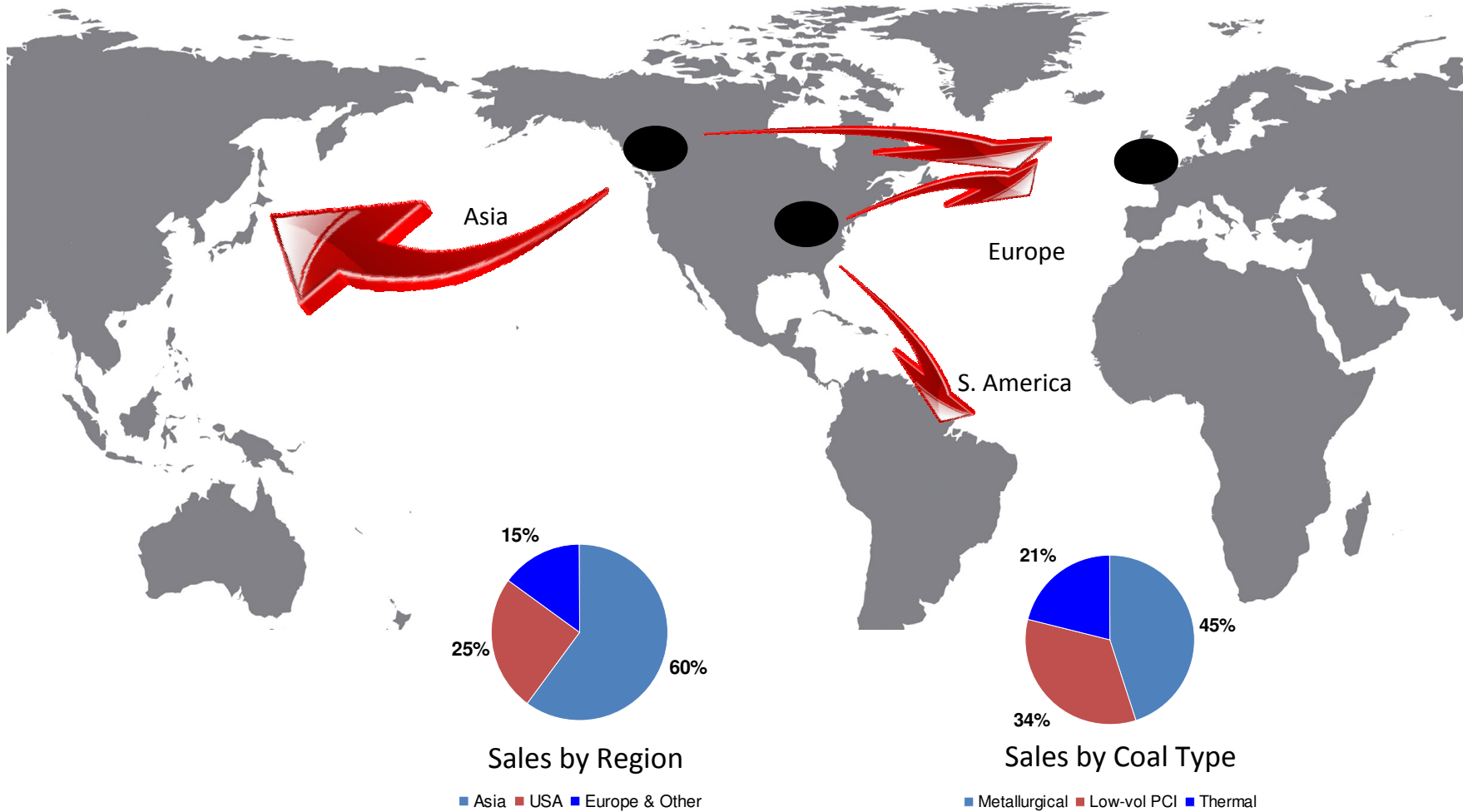
- Increasing demand (China influence)
- Supply constraints
- Quarterly versus Annual pricing

Long-term dynamics:

- Continued demand pressures from emerging economies
- Increasing producer costs to develop and operate mines
- Potential new met coal producing countries face constraints

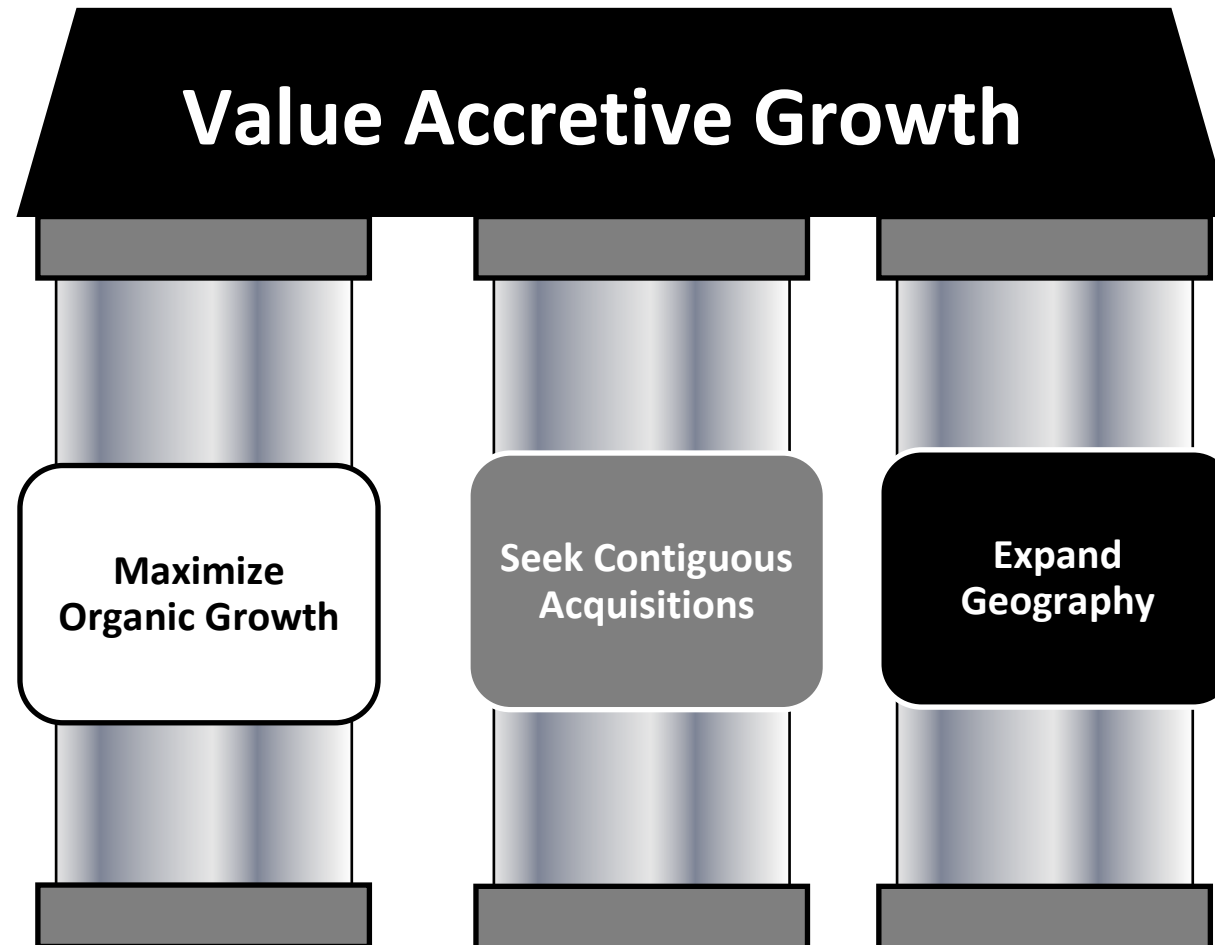


Marketing



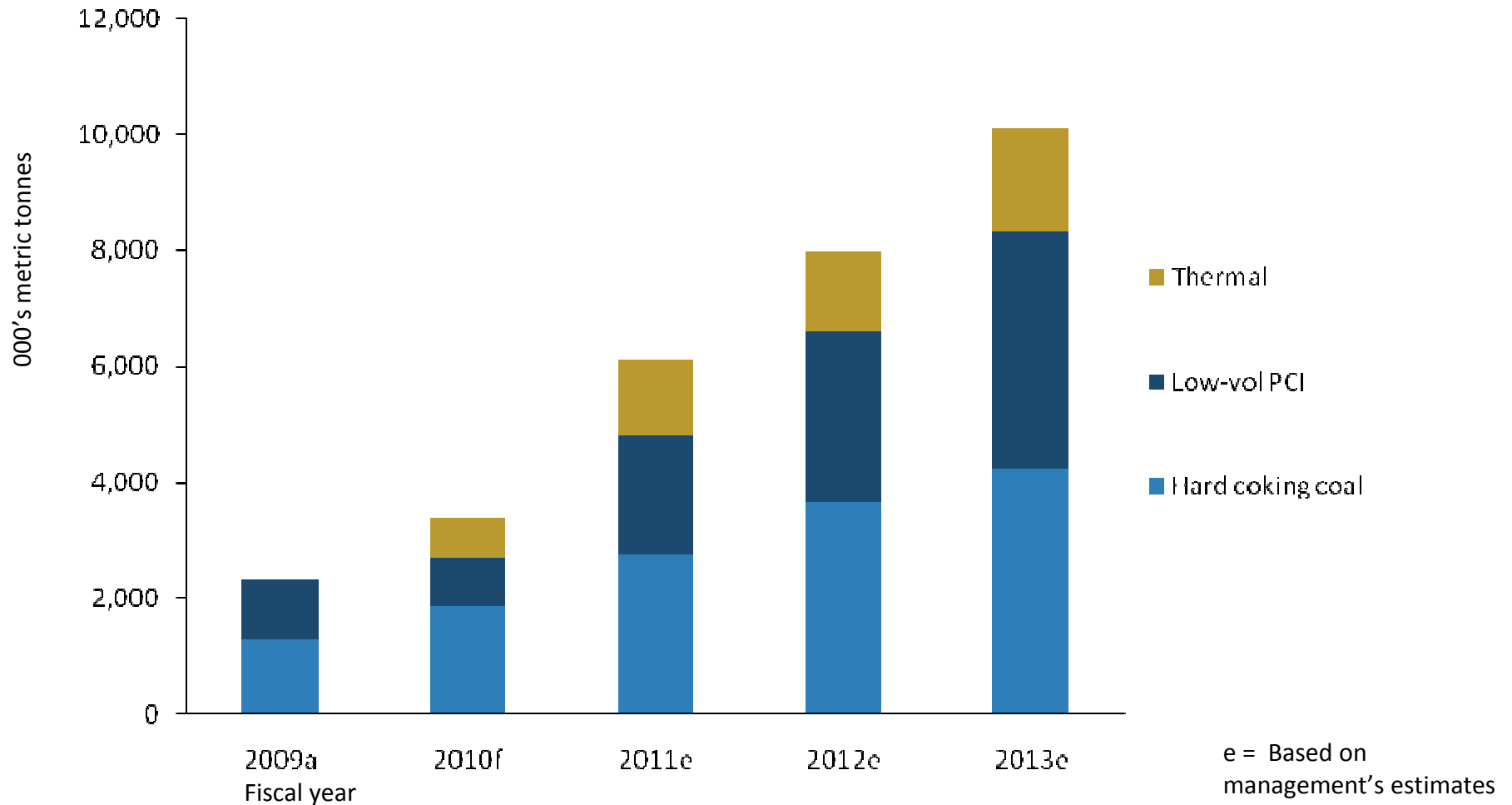


Strategy





Organic Growth





Canadian Operations

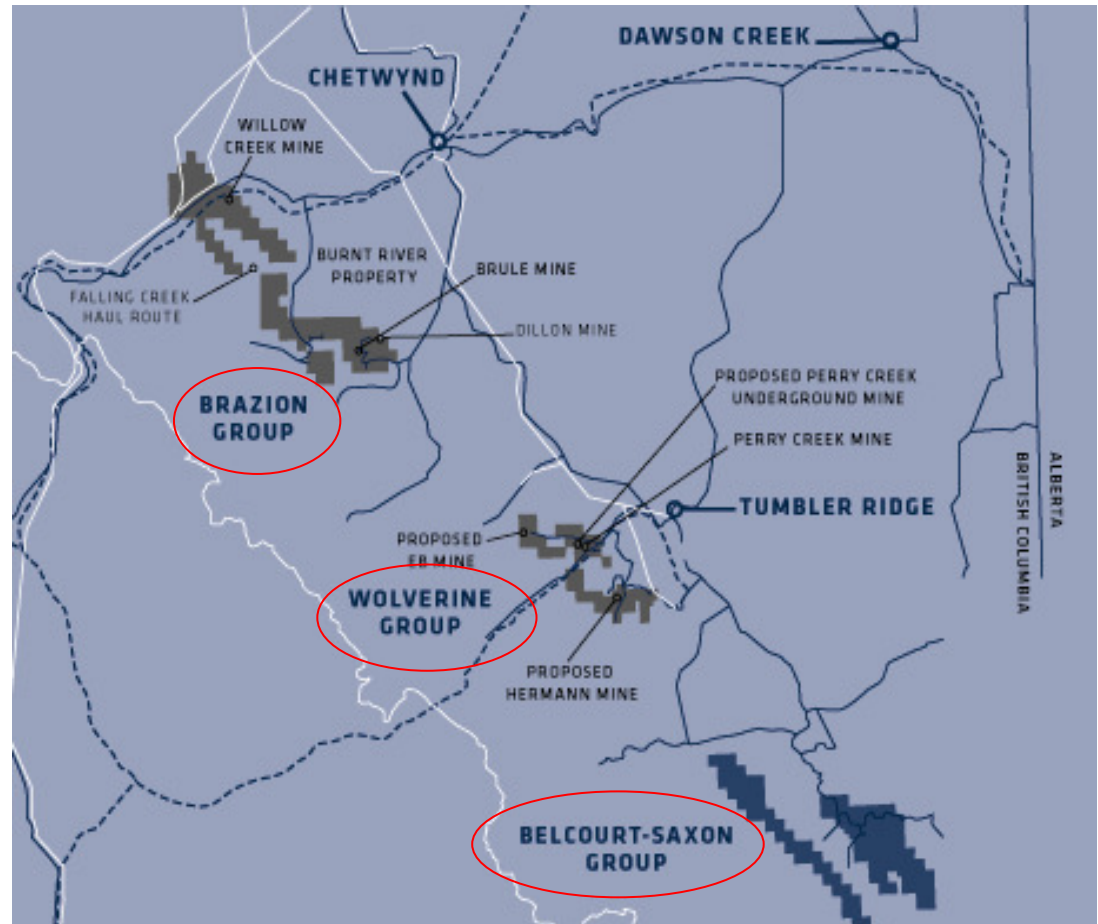
Brazion Property

- Brule Mine
- Willow Creek Mine

Wolverine Property

- Perry Creek Mine
- Perry Creek Underground Project
- EB Project
- Hermann Project

Belcourt-Saxon Joint Venture





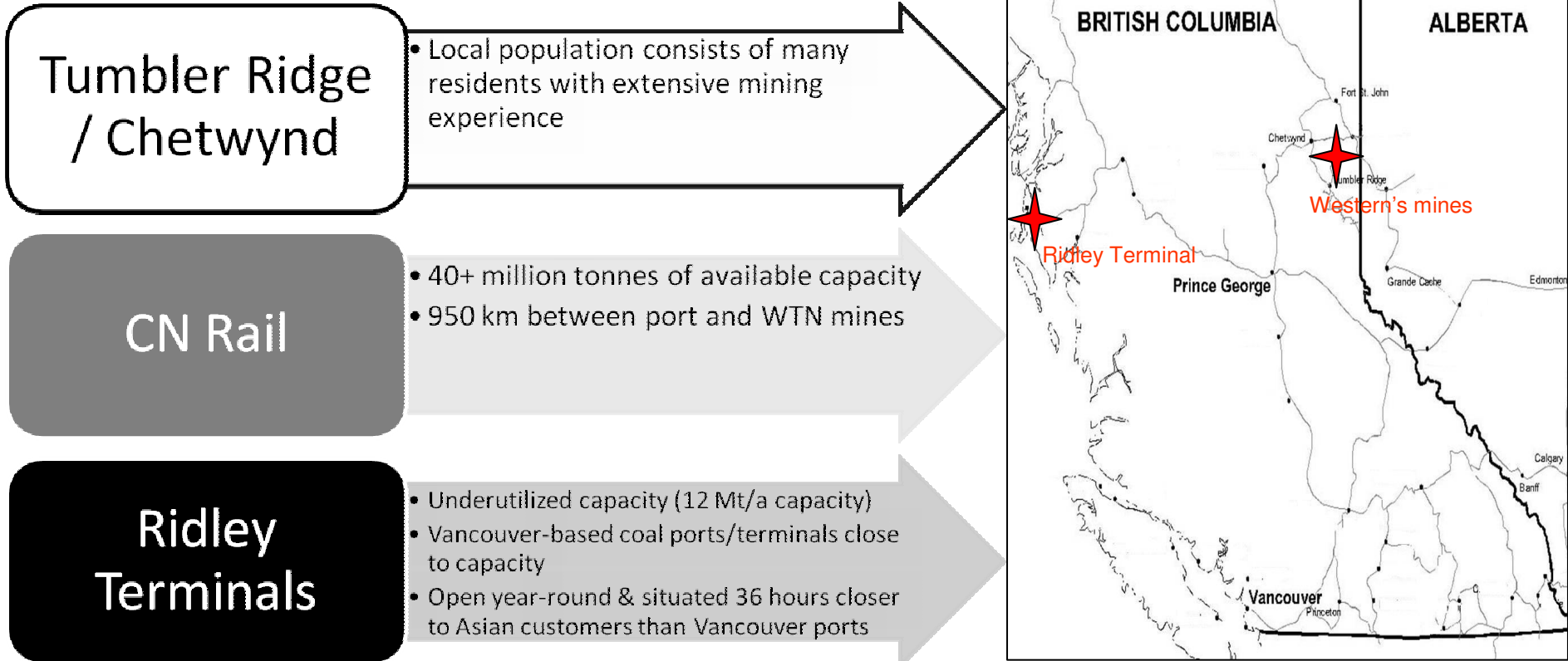
Canadian Operations: fiscal 2011

	Wolverine	Brule	Willow Creek	TOTAL
Coal Type	Hard coking coal	Low-vol PCI	Low-vol PCI*	
Production (mt)	1.7 to 1.8	1.4 to 1.5	0.4	3.5 to 3.7
Sales (mt)	1.8 to 1.9	1.5 to 1.6	0.4	3.7 to 3.9
Cash costs (C\$/t)	\$94 to \$99			
Capex (C\$ millions)				
• Equipment	• 6 – 250t haul trucks	• 40m3 hydraulic shovel	• HD1500 shovel	\$120
• Expansion	• L1350 front-end loader	• 27m3 backhoe	• Diesel drills	\$140
TOTAL		• 10 - 250t haul trucks	• Dozers	\$260
Initiatives	• Equipment optimization	• Complete production in pipeline pit area and commence production in new 2.0 Mt/a pit	• Start mining Q2 • Coal production starts Q3	• Total met coal production grows by ~70% over fiscal 2010

* Initially low-vol PCI production. Life-of-mine expects to produce ~40% coking coal and ~60% low-vol PCI



Underutilized Infrastructure



A competitive advantage not found anywhere else in the world



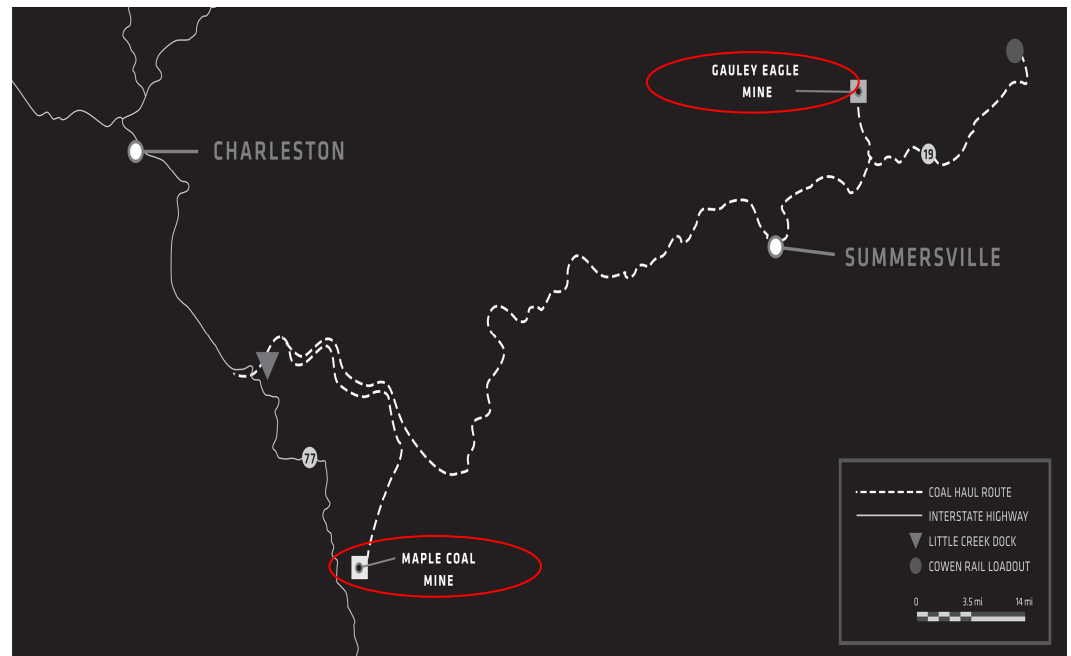
US Operations

Maple Coal Property

- Sycamore surface mine
- Eagle No.1 underground mine
- Katie Prep Plant
- Reserves: 27.0 million tonnes
- Resources: 37.6 million tonnes

Gauley Eagle Property

- Lower Muddlety surface mine
- Black Pearl underground mine
- Gauley Eagle Prep Plant
- Reserves: 15.5 million tonnes
- Resources: 46.0 million tonnes





US Operations: fiscal 2011

	Gauley Eagle	Maple	TOTAL
Production (mt)			
- Metallurgical	0.10 – 0.15	0.60 – 0.65	0.70 – 0.80
- Thermal	<u>0.60 – 0.65</u>	<u>0.30 – 0.35</u>	<u>0.90 – 1.00</u>
TOTAL	0.70 – 0.80	0.90 – 1.00	1.60 – 1.80
Sales (mt)			
- Metallurgical	0.15 – 0.20	0.65 – 0.70	0.80 – 0.90
- Thermal	<u>0.60 – 0.65</u>	<u>0.30 – 0.35</u>	<u>0.90 – 1.00</u>
TOTAL	0.75 – 0.85	0.95 – 1.05	1.70 – 1.90
Cash costs (US\$/t)	\$68 - \$72		
Capex (US\$ millions)			
• Equipment	•16m grader	• Underground rail line	\$7
• Expansion		• Prep plant refuse belt line	\$6
TOTAL		• Continuous miner	\$13

Initiatives:

- Flexible operations that can quickly increase production
- Add 3rd production unit at Maple underground (met coal) in fiscal Q3-2010
- Total met coal production grows by ~175% over fiscal 2010



UK Operations

- Own 55% of Energybuild Group Plc (AIM: EBG)
- Reserves (anthracite and PCI coal):
 - Proven= 6.8 mt; Probable = 12 mt; Inferred = 95 mt
- December 2009 fundraising to expand production to 750,000 t/a
- Fiscal 2011 plans:

Production (000t)	350
Sales (000t)	355
Capital (£ millions)	£13

- Continued Western Coal support



Energybuild's Captive Markets





Western Opportunity

- Stronger company emerging
- Independent metallurgical coal producer
 - Leveraged to rising met coal markets
- Three pillar value accretive growth strategy
 - 4 year production CAGR of 50%
- Strong financial position and cash flow generation
 - Fiscal 2011 growth plans are fully funded



Western Coal Corp.

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Western Coal



Appendix



Western Coal



Experienced Management Team



Keith Calder, President & CEO has nearly 30 years of experience in the mining industry with his most recent experience as Managing Director of Rio Tinto's Copper Projects. After achieving his Mining Engineer degree from Michigan Technical University, Mr. Calder's career progressed through roles such as frontline supervisor, Operations Director, Project Engineer, Project Director through to Managing Director in various global mining operations. He was also task force lead on Rio Tinto's Strategic Mine Planning improvement program.



Braam Jonker, CFO is a Chartered Accountant (South Africa and England and Wales) and has over 15 years of extensive accounting and corporate finance experience, mostly in the mining industry. He has worked as a consultant to the mining sector in Africa, spent time with Mwana Africa Plc, and with the corporate finance departments at Anglo American Corporation and PricewaterhouseCoopers. Most recently, Mr. Jonker was the Chief Financial Officer of Cambrian Mining Plc.



Craig Dirk, COO of Canadian Operations has over 23 years of progressive experience in the mining industry. His expertise includes operations, engineering and maintenance, and includes managing a BHP Billiton coal mine and managing the engineering department for Fording River. Most recently Mr. Dirk was the Managing Partner at MineTeck Associates, a mine consultant firm he founded, the General Manager of Western Canada for P&H MinePro, and a member of P&H MinePro Canada's board of directors.



Dan Stickel, President of Atlantic Development & Coal, a subsidiary of Western Coal, has over 30 years of experience in the coal industry with progressive responsibilities in engineering, operations and senior management. He has a B.Sc. Engineering of Mines from West Virginia University. Mr. Stickel has worked for MEPCO, Drummond, US Steel, Maple Creek, Arch Coal and USX Corporation before becoming President & CEO of Atlantic Development & Coal, which owns the Maple and Gauley Eagle mines in West Virginia.



Who We Are

Mission

Mining coal to maximize shareholder value while respecting the interests of our stakeholders

Vision

To be the premier independent coal mining company, specializing in metallurgical coal, and the supplier of choice to our customers

Values

Safety, stewardship, integrity, employee empowerment, pursuit of excellence

Strategy

Value-accretive
1) Organic growth
2) Acquisition of contiguous assets
3) Geographic expansion



Financial Summary

Maintain a strong financial position

C\$ 000s	As at Dec 31, 2009		As at Dec 31, 2009
Current Assets		Current Liabilities	
-Cash	150,146	-Payables	48,589
-Other current assets	<u>92,016</u>	-Current Portion LT liab.	<u>50,483</u>
	242,162		99,072
PPE	518,420	Debentures	37,382
Deposits	27,992	Long-term debt	7,404
Investments	<u>47,537</u>	Other LT liab.*	115,926
		Shareholders' equity	<u>576,327</u>
TOTAL	836,111	TOTAL	836,111

Current ratio = 2.44

Debt to Equity ratio = 0.40

* Includes Asset Retirement Obligation, Capital Leases, Future Income Taxes, Non-controlling interests & Other items



Financial Summary

	Q3-2010	Q2-2010	Q1-2010	Q4-2009	Q3-2009	Q2-2009	Q1-2009	Q4-2008
<i>\$ millions</i>								
Sales	118.7	107.6	75.7	111.7	176.6	167.5	130.4	75.3
Income (Loss) from Mining	37.8	10.4	19.6	58.8	94.1	81.9	77.4	(15.2)
Net Income (Loss)	24.0	2.2	3.4	47.6	62.5	44.7	59.7	(37.8)
EPS, diluted (\$ per share)	0.09	0.01	0.02	0.23	0.29	0.24	0.27	(0.33)
Shipments								
Canada (000 tonnes)	447	618	435	346	513	600	583	865
US (000 short tons)	346	277						
Production								
Canada (000 tonnes)	533	500	406	501	609	598	614	696
US (000 short tons)	363	304						
Canada (C\$ / tonne)								
Coal price	187	122	174	323	344	279	224	87
Cash costs	96	100	115	136	145	131	120	94
US (US\$ / ton)								
Coal price	86	92						
Cash costs	66	71						
Total Assets (\$ millions)	836.1	790.8	651.9	662.3	628.6	543.7	532.0	453.3
Shares O/S, diluted (millions)	253.8	239.3	211.9	187.9	218.1	184.5	219.9	111.3

Note: US operations were acquired July 13, 2009



Capital Structure

Shares outstanding	324.3 million
Less: Cambrian shares*	<u>(72.1)</u>
Shares, basic	252.2
Plus: Options	11.6
Warrants **	4.9
Debentures ***	<u>10.6</u>
Total, diluted	279.3

* To be cancelled in due course, linked to unwinding Cambrian's complex corporate structure in a tax efficient manner

** Trades on the TSX as WTN.WT. Expires June 2012 and exercisable at \$3.25

*** Trades on the TSX as WTN.DB. Matures March 2011, converts at \$4.00



Belcourt-Saxon Joint Venture

- 50% joint venture with Peace River Coal
- Consists of two properties: Belcourt and Saxon
- Belcourt Property: Completed NI 43-101 early 2009
 - Reserves of 86 million tonnes *
 - Resources of 171 million tonnes *
 - Production potential of 4.0 Mt/a *
 - Requires significant infrastructure
- Saxon Property**
 - Indicated resources of 53 million tonnes *
 - Inferred resources of 167 million tonnes *
- Reviewing opportunities

* Reflects 100%

** Based on work by Qualified Independent Person, John H. Perry's work on previous studies. These estimates are not current and should not be relied upon.



Non-core Assets

To be disposed in the short-term

Xtract Energy (AIM: XTR)

- www.xtractenergy.co.uk
- WCC owns ~ 42% of XTR
- Developing oil and gas properties (Turkey)

Mandalay Resources (TSX.V: MND)

- www.mandalayresources.com
- WCC owns ~ 48% of MND
- Properties: copper/silver in Chile (La Quebrada) and gold in Australia (AGD)