

BC FORM 51-901F

Quarterly Report

Incorporated as part of:

Schedule A

Schedules B & C

ISSUER DETAILS:

For Quarter Ended: December 31, 2001

Date of Report: February 22, 2002

Name of Issuer: WESTERN CANADIAN COAL CORP.

Issuer's Address: #900 – 580 Hornby Street
Vancouver, B.C. V6C 3B6

Issuer's Fax Number: (604) 684-0642

Issuer's Phone Number: (604) 608-2692

Contact Name: Robert G. McMorran

Contact Position: Chief Financial Officer

Contact Telephone Number: (604) 608-2692

Contact Email Address: rgm@malaspinaconsultants.com

Website Address: www.westerncoal.com

CERTIFICATE

The three schedules required to complete this Report are attached and the disclosure contained therein has been approved by the Board of Directors. A copy of this Report will be provided to any shareholder that requests it.

David Fawcett	<i>“David Fawcett”</i>	02/02/22
Name of Director	Signed (typed)	Date Signed (YY/MM/DD)

David Austin	<i>“David Austin”</i>	02/02/22
Name of Director	Signed (typed)	Date Signed (YY/MM/DD)

WESTERN CANADIAN COAL CORP.

Financial Statements

For the nine months ended December 31, 2001

(Prepared without Audit)

WESTERN CANADIAN COAL CORP.**Consolidated Balance Sheets**

(Prepared without audit)

	December 31, 2001	March 31, 2001
Assets		
Current Assets		
Cash and cash equivalents	\$ 696,348	\$ 295,808
Accounts receivable	160,261	76,748
	<hr/> 856,609	<hr/> 372,556
Reclamation Deposits	71,044	23,000
Capital Assets	44,619	2,461
Coal Properties	262,249	262,249
Deferred Exploration Expenditures	2,533,690	783,701
	<hr/> \$ 3,768,211	<hr/> \$ 1,443,967
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 616,814	\$ 207,365
Advances from officers and directors	-	13,000
	<hr/> 616,814	<hr/> 220,365
Share Capital and Deficit		
Share Capital	4,270,962	1,880,962
Subscriptions received in advance	45,200	-
Deficit	(1,164,765)	(657,360)
	<hr/> 3,151,397	<hr/> 1,223,602
	<hr/> \$ 3,768,211	<hr/> \$ 1,443,967

WESTERN CANADIAN COAL CORP.**Consolidated Statements of Operations and Deficit**

(Prepared without audit)

	Three months ended		Nine months ended	
	Dec. 31, 2001	Dec. 31, 2000	Dec. 31, 2001	Dec. 31, 2000
Revenue				
Interest income	\$ 7,186	\$ 601	\$ 25,726	\$ 3,561
Expenses				
Legal and accounting	29,669	10,807	72,211	21,734
Consulting	71,599	5,000	99,888	17,500
Management fees	50,500	12,000	122,500	33,000
Project management and personnel	27,083	-	27,083	-
Directors' expenses	40,152	-	40,152	-
Rent	14,590	5,200	26,840	14,575
Office and sundry	4,086	2,034	18,736	9,904
Investor relations	9,797	-	30,770	150
Annual Report	-	-	26,892	-
Licenses, dues and fees	1,671	-	2,934	500
Transfer agent and regulatory fees	4,640	3,678	15,279	11,544
Telecommunications	1,262	797	3,596	1,836
Interest and bank charges	154	69	577	224
Amortization	3,235	54	5,372	162
Travel and entertainment	9,418	-	38,841	877
Exploration	-	4,001	1,460	7,072
	267,856	43,640	533,131	119,078
Net loss for the period	(260,670)	(43,039)	(507,405)	(115,517)
Deficit at beginning of period	(904,095)	(555,522)	(657,360)	(483,044)
Deficit at end of period	\$ (1,164,765)	\$ (598,561)	\$ (1,164,765)	\$ (598,561)
Loss per share	\$ (0.02)	\$ (0.01)	\$ (0.04)	\$ (0.02)
Weighted average number of shares outstanding	15,307,397	7,570,212	13,334,906	7,295,816

WESTERN CANADIAN COAL CORP.**Consolidated Cash Flow Statements**

(Prepared without audit)

	Three months ended		Nine months ended	
	Dec. 31, 2001	Dec. 31, 2000	Dec. 31, 2001	Dec. 31, 2000
Cash flows from operating activities				
Net loss	\$ (260,670)	\$ (43,039)	\$ (507,405)	\$ (115,517)
Amortization	3,235	54	5,372	162
	(257,435)	(42,985)	(502,033)	(115,355)
Changes in non-cash working capital				
Accounts receivable	(75,191)	(2,938)	(83,513)	(19,389)
Accounts payable and accrued liabilities	213,527	12,841	409,449	(4,600)
	(119,099)	(33,082)	(176,097)	(139,344)
Cash flows from financing activities				
Repayment of advances from officers and directors	-	-	(13,000)	-
Subscriptions received in advance	45,200	-	45,200	-
Net proceeds from issue of shares	-	-	2,390,000	308,750
	45,200	-	2,422,200	308,750
Cash flows from investing activities				
Reclamation deposits	-	-	(48,044)	-
Capital assets	(13,902)	-	(47,530)	(3,000)
Coal properties	-	-	-	(2,004)
Deferred exploration expenditures	(1,075,471)	(70,681)	(1,749,989)	(247,173)
	(1,089,373)	(70,681)	(1,845,563)	(252,177)
Increase (decrease) in cash and cash equivalents	(1,163,272)	(103,763)	400,540	(82,771)
Cash and cash equivalents at beginning of period	1,859,620	135,657	295,808	114,665
Cash and cash equivalents at end of period	\$ 696,348	\$ 31,894	\$ 696,348	\$ 31,894
Supplementary non-cash financing information				
Shares issued on settlement of accounts payable and shareholder loans	\$ -	\$ -	\$ -	\$ 109,000

WESTERN CANADIAN COAL CORP.

Consolidated Statement of Deferred Exploration Expenditures (Prepared without audit)

Incorporation, April 21, 1997 to December 31, 2001

	Belcourt	Wolverine	Brazion Group	Burnt River	Other	Total
Expenditures						
Balance March 31, 1999	\$ 273,939	\$ -	\$ -	\$ -	\$ 3,626	\$ 277,565
Consultants and valuations	55,366	-	-	10,375	-	65,741
Coal licenses	65,459	-	-	6,249	3,676	75,384
Prefeasibility study	48,000	-	-	-	-	48,000
Geological data base	-	-	-	30,000	-	30,000
Drafting	22,201	-	-	19,829	-	42,030
Field cost	9,618	-	-	214	-	9,832
Expenditures written-off on abandoned properties	(84,504)	-	-	-	-	(84,504)
	116,140	-	-	66,667	3,676	186,483
Balance March 31, 2000	390,079	-	-	66,667	7,302	464,048
Consultants and valuations	7,853	95,065	28,325	4,006	-	135,249
Coal licenses	15,903	4,212	8,482	14,406	5,260	48,263
Prefeasibility study	57,000	-	-	-	-	57,000
Drilling	-	12,942	22,253	-	-	35,195
Drafting	-	228	655	150	-	1,033
Field cost	1,118	9,532	29,381	2,882	-	42,913
	81,874	121,979	89,096	21,444	5,260	319,653
Balance March 31, 2001	471,953	121,979	89,096	88,111	12,562	783,701
Field programs	-	644,718	185,418	165,476	-	995,612
Consultants	-	454,943	11,938	41,893	9,692	518,466
Coal licenses	15,000	53,192	35,891	33,255	-	137,338
Laboratory	-	29,891	-	1,944	-	31,835
Project administration	-	32,775	13,944	17,986	1,505	66,210
Public relations/First Nations	-	528	-	-	-	528
	15,000	1,216,047	247,191	260,554	11,197	1,749,989
Balance December 31, 2001	\$ 486,953	\$ 1,338,026	\$ 336,287	\$ 348,665	\$ 23,759	\$ 2,533,690

WESTERN CANADIAN COAL CORP.

Notes to Consolidated Financial Statements For the Nine Months Ended December 31, 2001 (Prepared without audit)

1. Significant accounting policies

These consolidated interim financial statements have been prepared by the Company in accordance with Canadian generally accepted accounting principles, using the same accounting policies and methods as per the annual financial statements for the year ended March 31, 2001. These consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements and the accompanying notes included in the Company's latest annual report.