

Western Canadian Coal Corp.

Board Mandate

The Board of Directors is responsible for the stewardship of the Company and oversees the management of the business and affairs of the Company. The Board may discharge its responsibilities by delegating certain duties to committees of the Board. The specific duties delegated to each committee are outlined in the mandates of those committees.

The Board is specifically responsible for:

- (a) to the extent feasible, satisfying itself as to the integrity of the chief executive officer and other executive officers of the Company and that the chief executive officer and other executive officers create a culture of integrity throughout the organization;
- (b) appointing the chief executive officer and other senior management of the Company and, after considering the recommendation of the Compensation Committee, approving their compensation;
- (c) succession planning, including plans and processes for training and monitoring the performance of senior management;
- (d) adopting a strategic planning process that includes the annual consideration and approval of a strategic plan which takes into account the opportunities and risks of the Company's business;
- (e) identifying the principal risks of the Company's business and ensuring the implementation of appropriate systems to manage these risks;
- (f) overseeing the policies and procedures implemented by management to ensure the integrity of the Company's internal control and management information systems;
- (g) adopting a communication and continuous disclosure policy for the Company;
- (h) reporting annually to shareholders on its stewardship;
- (i) providing for measures that accommodate feedback from shareholders;
- (j) appointing Board committees, including a standing audit committee of the Board, and delegating to those committees any appropriate powers of the Board;
- (k) reviewing the size and composition required of the Board and undertaking, where appropriate, a program to establish a board size and composition which facilitates effective decision making;
- (l) developing the Company's approach to corporate governance, including developing a set of corporate governance principles and guidelines that are specifically applicable to the Company; and
- (m) reviewing annually its mandate and its own performance as a Board and the performance of Board committees and individual Board members to ensure the Board and its committees are operating effectively.

Measures for receiving feedback from stakeholders

Communications with stakeholders are primarily through the President and Chief Executive Officer and the Chief Financial Officer and Corporate Secretary of the Company. All publicly disseminated Company news releases shall provide contact information for these officers. A summary of significant feedback received from stakeholders shall be provided by these officers to the directors, usually at the next Board meeting, but in any event at least semi-annually.

Expectations and Responsibilities of Directors

In exercising the powers and discharging the duties of a director, every director must act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent individual would exercise in similar circumstances.

Directors are expected to:

- attend all regularly scheduled meetings and, to the best of their ability, all other meetings of the Board and of each committee of the Board upon which they sit;
- carefully review and consider in advance the meeting materials provided in order to be able to fully participate in and contribute to all discussions and decision making;
- be knowledgeable with respect to the business and affairs of the Company; and
- disclose any potential conflict of interest that may arise with respect to the business and affairs of the Company and, generally, avoid entering into situations where such conflicts could arise or could reasonably be perceived to arise.

Expectations of Management

The day-to-day management of the Company and its operations is the responsibility of management under the direction of the chief executive officer. The Board expects management to manage and maintain the Company's operations efficiently and safely. The Board has adopted a Code of Business Conduct and Ethics that requires Company personnel to maintain the highest ethical standards of behaviour while conducting the Company's business.

Delegations and Approval Authorities

The Board delegates approval authorities to the chief executive officer and certain other senior management and reviews and revises these delegations as appropriate. The Board considers and, in the Board's discretion, approves financial commitments in excess of delegated approval authorities and all other material matters and transactions proposed by management.

Independent Advice

In discharging its mandate the Board shall have the authority to obtain, at the Company's expense, outside legal or other professional advice if appropriate.

