



Burnt River  
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## WESTERN COMPLETES WINTER DRILLING PROGRAM ON BURNT RIVER PROPERTY

Vancouver, B.C., May 7, 2002-- Western Canadian Coal Corp. ("Western" TSX Venture :WTN) announced today that it has successfully completed a winter drilling program as part of a feasibility study on the development of a 750,000 tonne per year mine on its Burnt River coal property located 50 km south of Chetwynd, British Columbia. The results of winter program have enhanced the prospect of early mine development.

### Key highlights from the program include:

- ❖ 28 drill holes completed totaling 1,323 metres.
- ❖ Program confirms seam thickness, structure, and low strip ratio settings.
- ❖ Initial laboratory results confirm low in-seam ash contents.
- ❖ Confirms the southeast extension of the coal measures in the Dillon Anticline.

The drill program successfully tested the northwest trend of the coal measures on the Burnt River property. Results to date continue to support significant tonnage of "low ratio" coal that requires the removal of 3 to 4 tonnes of overburden to mine one tonne of coal. Of particular interest were the results obtained from surface mapping and the completion of two drill holes on the south east portion of the Dillon Anticline which indicate the existence of a low strip ratio anticline structure. The drilling results have increased the confidence level in the previous geological interpretation; the enhanced database will form the basis for a revised estimate of Burnt River's resources and will enable completion of feasibility studies.

Western's immediate objective is to define 8 million tonnes of low strip ratio coal within the proposed mining area. Most of this tonnage is contained in a 33 million tonne, higher ratio resource reported by a previous operator. The seam thickness results are favourable and contribute to the development of low ratio resources. The combined thickness of the Upper and Lower seams in the Dillon area is 7 m to 9 m and 6 m to 8 m in the North Brule area. A detailed geological report providing updated geological assessments and resource estimates is planned for completion in June.

The Burnt River coals have low volatile contents and high calorific values making them attractive as pulverized coal injection (PCI) coal. Significantly, the low raw ash content of the coal seams will allow production of a direct shipping product in the initial years, with a small wash plant phased in later to process material with a higher ash content. The primary coal product will be well suited to the growing market for pulverized coal injection (PCI) coals in the steel industry and compares favourably with PCI coals currently being mined in Australia.

Australia is the main source of the Burnt River type of low volatile PCI coals in the sea-borne trade in coal. Steel industry demand increased Australian exports of this product from 0.5 million tonnes in 1990 to 12.4 million tonnes in 2000. Both demand and production continue to grow.

The fastest growing source of low volatile PCI in Australia is the Copabella mine in central Queensland. MacArthur Coal Ltd, a 43% shareholder in Copabella, made a public offering in mid-2000 which capitalized the company at the equivalent of \$C109 million and is currently trading at the equivalent of a \$C164 million market capitalization. Macarthur's share of Copabella production is currently 1,887,000 tonnes per year, giving Macarthur a market capitalization of about \$C87.00 per tonne of annual marketable coal production.

Western expects to complete a feasibility study in the 3<sup>rd</sup> quarter of 2002 and to conclude the regulatory process in the 1<sup>st</sup> quarter 2003. Western has initiated an environmental assessment program and the mine permitting process associated with obtaining the key development approvals. Based on having a positive feasibility study and receipt of regulatory approvals, construction is planned for the 3<sup>rd</sup> quarter 2003, with production beginning in the 4<sup>th</sup> quarter.

With feasibility and permitting work now underway on both its Burnt River and Wolverine projects, Western expects to have further announcements on progress and results over the next two months.

#### **About Western Canadian Coal Corp.**

Western Canadian Coal Corp. is a Vancouver, BC based resource company focused on the acquisition, exploration and development of favourably located coal deposits in northeast British Columbia that are amenable to low cost mining techniques. Western is advancing two of its key northeast projects – Wolverine and Burnt River.

Contact Barry Girling or David Fawcett at 604-608-2692 or [info@westerncoal.com](mailto:info@westerncoal.com) for further information.

**ON BEHALF OF THE BOARD OF DIRECTORS OF WESTERN CANADIAN COAL CORP.**

*“David Fawcett”*

**David Fawcett, President**

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The TSX Venture Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.