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George Cross News Letter

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WESTERN CANADIAN COAL CORP.

[WTN-CDNX] 6,995,063 SHS.

COAL PROJECTS COMBINED - David Fawcett, president, Western Canadian Coal Corp., reports coal licenses covering coal deposits referred to as West Brazion property and the Mount Spiecker property, 23 km from the town of Tumbler Ridge via existing roads in northeast BC, are under application (as covered in GCNL NO.40, 28Feb2000, P.5).

Western intends to combine its Burnt River property and the West Brazion property into one project because of their close proximity, common infrastructure, and potential application of the same mining systems; the project will be referred to as the Burnt River project. Previous work on the West Brazion property identified a seam with 7.0 metres (true thickness) of coal over an 8.9 metre interval (trench log in 1982 Coal Assessment Report 533). This thickness, in combination with the flat-lying measures in this area, provides potential for a large resource tonnage at low waste-to-coal ratios. The company plans to carry out an initial field program on the West Brazion property as soon as ground conditions permit. The planned field program includes field verification of past work, geological mapping with GPS survey, and trenching to better establish the coal seams and overall structure.

Western has applied for additional coal licenses in the Perry Creek area situated between the Mount Spiecker block and the BC Rail line to the southeast. These areas will be combined into one property and referred to as the Wolverine project.

Previous exploration work, including 65 drill holes, seven adits, and 55 trenches, reported in Coal Assessment Reports, shows potential for open-pit and underground mining on both the rail (within 500 metres) and a possible wash plant locations. The underground prospect is similar to reserve blocks located at Grande Cache, Alberta, where Smoky River Coal has operated underground mines for more than 30 years. Given the size of the flat-lying structure, the company's objective is to develop a minimum resource of 25,000,000 tonnes. Western's management believes this area, together with other known flat-lying coal areas on the property, could provide the resource base to develop underground mining at levels up to 1,200,000 tonnes-per-year. Development of the surface-mineable resources could increase total production from the property.

Both the Wolverine and Burnt River projects offer the opportunity for smaller, lower capital cost projects with potential for development within a shorter time frame, and, as such, the company is placing greater emphasis on these projects. In particular, with the announced closure of Quintette Coal, the Province and Tumbler Ridge have initiated studies on measures to support new development and diversification in the area. The company believes that development of Burnt River and Wolverine projects provide attractive options for all stakeholders.

With respect to the Belcourt project southeast of Tumbler Ridge, NorWest Mine Services Ltd. is finalizing the preliminary feasibility study. Western expects to have the results of the study no later than 15May2000. (SEE GCNL NO.40, 28Feb2000, P.5 FOR PREVIOUS BELCOURT COAL PROJECT INFORMATION)

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