

BC Geological Survey
Coal Assessment Report
947

1.0

**RESOURCE ESTIMATE
FOR THE
SAXON EAST COAL PROPERTY**

LIARD MINING DIVISION

NORTHEAST BRITISH COLUMBIA
Centred at 6,022,000 N and 691,000 E (NAD 83)

Submitted to:
Western Coal Corp.
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Pages 6, 7, 37-44, 48-54, and 60, and Appendix D of this report remain confidential under the terms of the Coal Act Regulation, and have been removed from the public version.

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Added by BC Ministry of Energy and Mines, October 2014
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3.0 Summary

In September 2010, Moose Mountain Technical Services (MMTS) was retained by Western Coal Corp. (Western) to review the geology of the Saxon East Project area, build a computer model, generate a resource estimate, and recommend an infill drilling program.

The Saxon East coal property is located in northeastern British Columbia, approximately 630km north-northeast of Vancouver, close to the provincial boundary with Alberta. It is situated approximately 115km south-southeast of the town of Tumbler Ridge and 140km southwest of the city of Grande Prairie Alberta.

The property covers a total area of 9,373.6ha and consists of one contiguous block of twenty-two coal licenses. These licenses are held by the Belcourt Saxon Coal Limited Partnership (BSCLP) which is 50% owned by Western Coal Corp. and 50% by Peace River Coal.

Access into the property is by air only. A network of Provincial paved highways and un-paved, all-weather roads built for forestry purposes and oil and gas exploration and development access coal properties to the northeast. The property is located approximately 90km southeast of a rail line which terminates at the Quintette wash plant and coal load-out facility, approximately 25km south of Tumbler Ridge, owned by Peace River Coal. The currently operating Trend and Perry Creek open pit coal mines are located approximately 25km south and 15km west of Tumbler Ridge, respectively. The Tumbler Ridge rail line joins the CN Rail main line just north of Prince George and provides direct access to the coal export facility at Ridley Island, Prince Rupert, over a total distance of approximately 1,000km.

The Saxon East property covers part of the “old” Saxon property previously owned by Denison Mines Limited (later, joint ventured with Gulf Canada Resources Inc). Exploration of the property began in 1970 but the main programs were carried out between 1976 and 1980. Recent exploration on Saxon East was carried out in 2005.

Within the area now covered by the Saxon East property, a total of 56 drillholes totalling 12,741.3m have been completed. Drilling and sampling was conducted in a manner similar to current exploration practices. Most of the data generated from these programs are available as are the reports generated from these programs. Exploration conducted by the BSJV in 2005 consisted of fourteen air rotary holes (914.8m), thirteen diamond drillholes (2,103.3m).

The Saxon property lies within a belt of Mesozoic strata that form part of the Rocky Mountain Foothills of northeastern British Columbia. The stratigraphic succession broadly represents an alternating sequence of marine shales and marine and non-marine clastic lithologies deposited from a series of transgressive and regressive cycles. These strata were uplifted during the Laramide Orogeny, resulting in the development of thrust faults and intense folding. The property is characterized by two north plunging anticlines separated by a zone of faulting.

The coal seams of greatest potential are found within Lower Cretaceous strata of the Gates Formation. At Saxon, the Gates Formation contains six main coal seams along with three split seams for a total of nine, in ascending order, from Seam 1 to Seam 5 and a Seam10 (with Seam 2 having an occasional upper and lower ply, and Seam 4 having an occasional lower ply). The main coal seams are consistently developed

Three mineral resource categories are used to define assurance-of-existence. In order of increasing uncertainty, these mineral resource categories are: measured, indicated, and inferred. Measured resources have a high degree, indicated a moderate degree, and inferred resources a relatively low degree of geological assurance. Although the precise levels of uncertainty of these categories have not been calculated, geological experience with Canadian coal deposits suggests that measured resource quantities are known within about 10%, indicated within about 20%, and inferred within about 50% (GSC Paper 88-21).

Assurance-of-existence categories are intended to reflect the level of certainty with which mineral resource quantities are known. Intuitively, one knows that the greater the distance over which seam thickness data are extrapolated, the greater the possible error; hence, several resource classification schemes have used distance from nearest data point or distance between data points as the primary criteria for assurance-of-existence categorization. In moderate geology type deposits, the assurance of existence is based on the distance from nearest data points for these deposits (GSC Paper 88-21).

MMTS is of the opinion that the Saxon East property hosts significant, well defined, coal resources and is a property of merit, worthy of further exploration. A phased work program is recommended with eight holes proposed in Phase 1 to up-grade inferred resources to the measured and indicated categories. The Phase 1 work is estimated at slightly more than one million dollars. The decision to proceed with Phase II will be contingent upon the results obtained from Phase I.

4.0 Introduction

In September 2010, Moose Mountain Technical Services (MMTS) was retained by Western Coal Corp. (Western) to create a geological model of the Saxon East coal deposit, to estimate the coal resources for the deposit and to recommend a follow-up drill program.

The purpose of the present work is to report on the current technical status of the property specifically addressing the resource potential of the property. This Technical Report includes a review of the previous geology and drillhole data to the end of 2005.

This report deals with coal seams found in the Gates Formation. The geology of the property is defined by the previous work of geologists from Denison Mines Ltd. as well as the work of John Perry of JHP Coal-Ex Consulting Ltd. This Technical Report includes a review of the previous geology and drillhole data to the end of 2005.

The author, Robert J. Morris, inspected the property on 4 December 2005. The site visit was a helicopter fly-over where access to the property as well as roads and drill sites were observed.

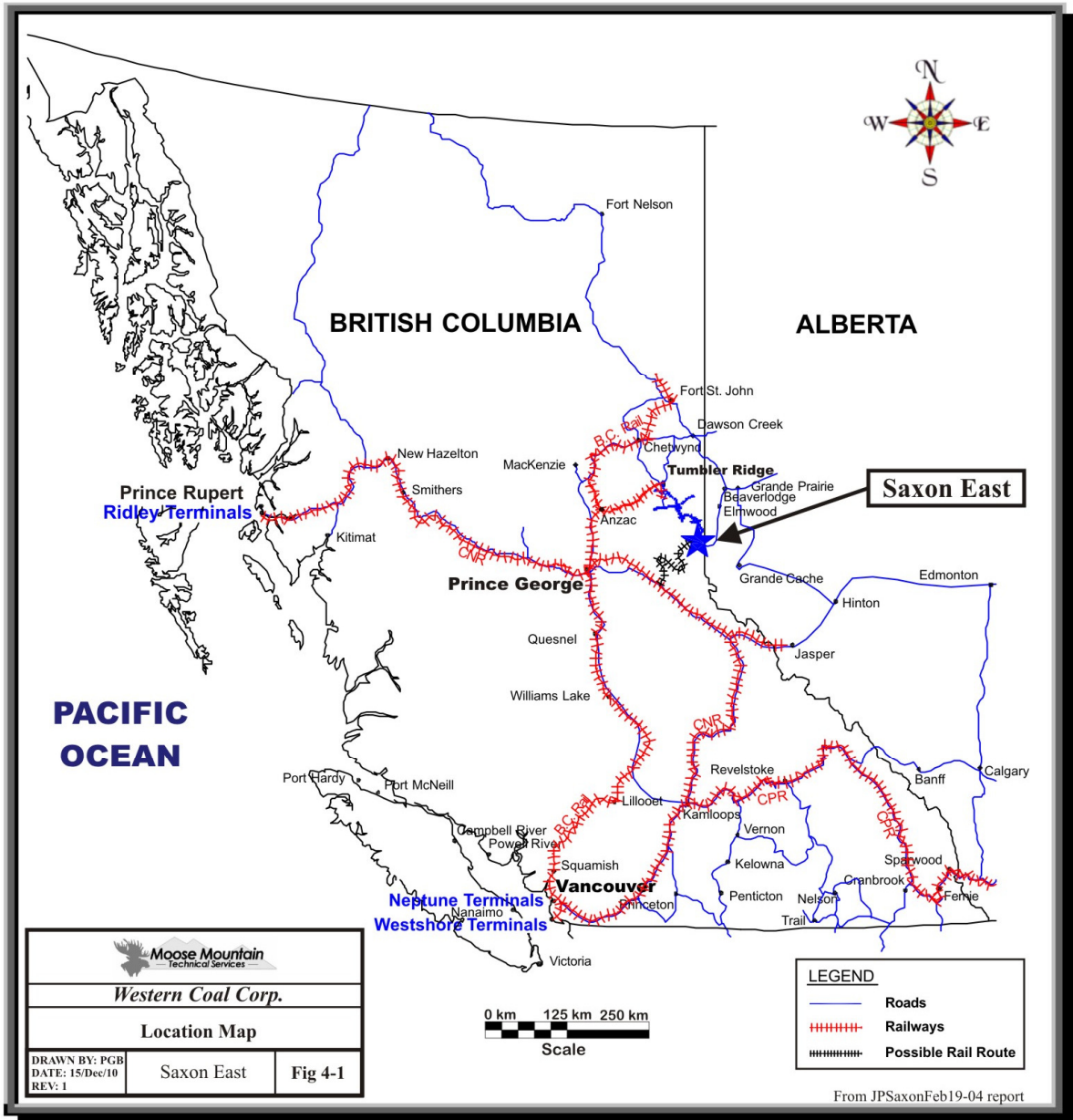


Figure 4-1 Location Map

5.0 Reliance on other Experts

Portions of the material in this report were originally reported in “Saxon Summary Report for NEMI”, February 19 2004, by John Perry for NEMI (Northern Energy And Mining Inc.).

Moose Mountain Technical Services (MMTS) prepared this report for Western Coal Corp. (Western). Western holds the Saxon East property in a joint venture (Belcourt-Saxon Coal Limited Partnership) with Western holding 50% and Peace River Coal Inc. holding the other 50%.

Robert J. Morris is responsible for the entire report, except Item 18, “Mineral Processing and Metallurgical Testing”, which has been prepared by Robert F. Engler.

This report is intended to be used by Western, subject to the terms and conditions of its contract with MMTS.

Parts of this report, relating to the legal aspects of the ownership of the mineral claims, rights granted by the Government of British Columbia and environmental and political issues, have been prepared or arranged by Western. While the contents of those parts have been generally reviewed for reasonableness by the authors of this report, for inclusion into this report, the information and reports on which they are based has not been fully audited by the authors.

6.0 Property Description and Location

Saxon East is located in northeastern British Columbia, within the Peace River Regional District. It is situated adjacent to the Alberta border between 6,017,000N and 6,012,000N and between 692,000E and 695,000E. The property is about 180km east-northeast of Prince George and 125km southwest of Grande Prairie, Alberta. It lies between the Smoky River Coalfield in Alberta and the now-closed Quintette Coal Mine, which are located approximately 60km to the east-southeast and 100km to the northwest, respectively. The Saxon East property lies within the Liard Mining Division and is located on NTS Map 931/8.

Saxon East is the property directly north of Saxon South. The Saxon East property consists of 22 coal licences with a total area of 9,373.6ha. Table 6-1 lists the coal tenure. The licences are registered in the name of Belcourt Saxon Coal Ltd. of Vancouver, B.C.

Table 6-1 Coal Licences

Tenure No.	Map No.	Issue Date	Good to Date	Area (ha)
394091	093I040	2002/jun/18	2007/jun/18	302.0
394092	093I040	2002/jun/18	2007/jun/18	302.0
394093	093I040	2002/jun/18	2007/jun/18	302.0
394094	093I030	2002/jun/18	2007/jun/18	302.0
394099	093I030	2002/jun/18	2007/jun/18	303.0
394102	093I030	2002/jun/18	2007/jun/18	303.0
394103	093I030	2002/jun/18	2007/jun/18	302.0
394104	093I040	2002/jun/18	2007/jun/18	302.0
409666	093I040	2004/apr/20	2007/apr/20	302.0
417163	093I040	2005/dec/22	2006/dec/22	604.0
417165	093I030	2005/dec/22	2006/dec/22	1208.0
409667	093I040	2004/apr/20	2007/apr/20	302.0
409668	093I039	2004/apr/20	2007/apr/20	302.0
409669	093I039	2004/apr/20	2007/apr/20	302.0
413874	093I039	2004/sep/09	2007/sep/09	302.0
416860	093I030	2005/mar/12	2007/mar/12	303.0
416960	093I040	2005/jun/30	2007/jun/30	906.0
416964	093I040	2005/jun/30	2007/jun/30	302.0
416965	093I040	2005/jun/30	2007/jun/30	302.0
416968	093I030	2005/jun/30	2007/jun/30	1208.0
417164	093I040	2005/dec/22	2006/dec/22	1207.0
416967	093I040	2005/jun/30	2007/jun/30	302.0

Total = 22 coal licences 9,373.6ha

Figures 6-1 and 6-2 below show the property tenure.

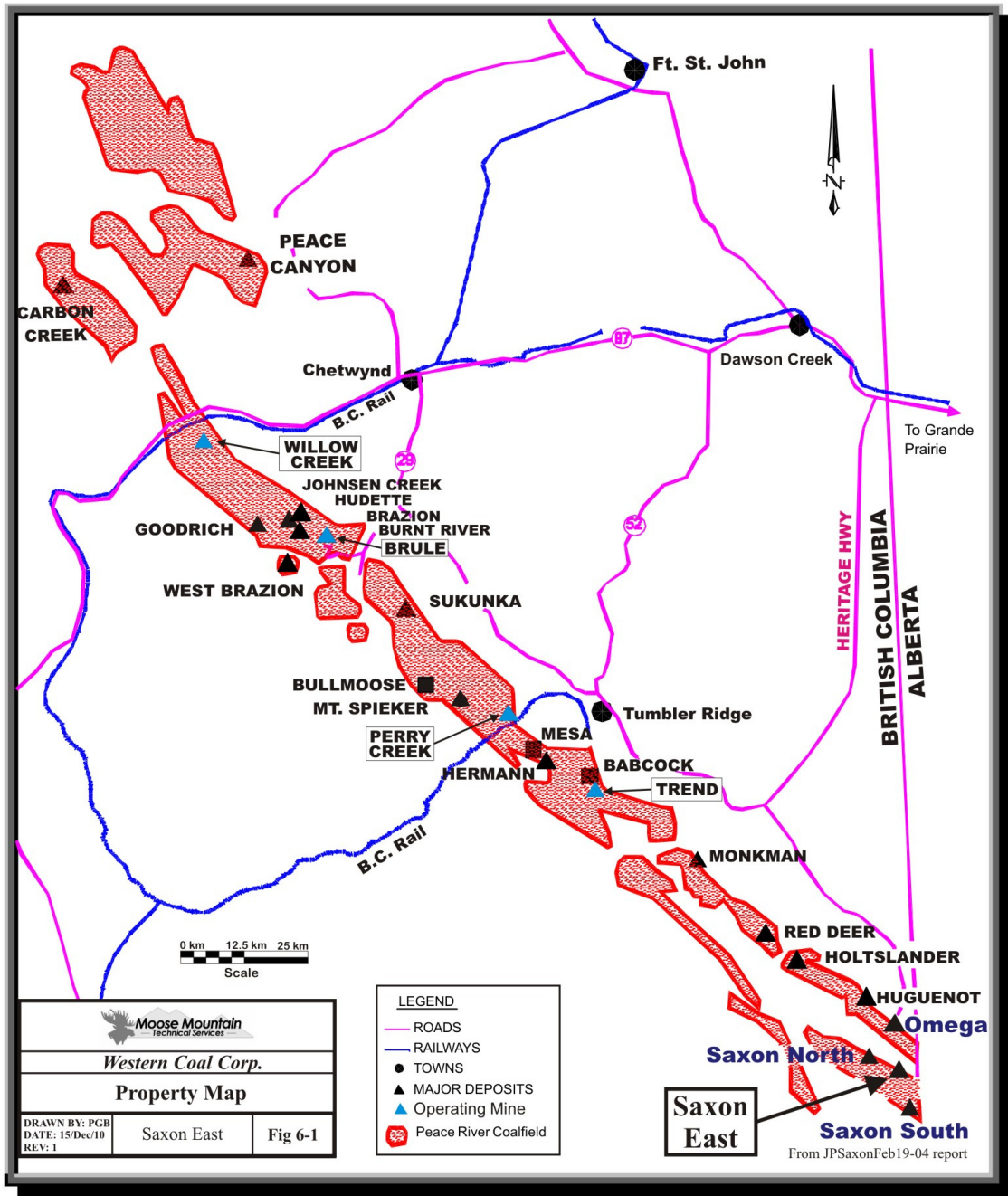


Figure 6-1 Property Map

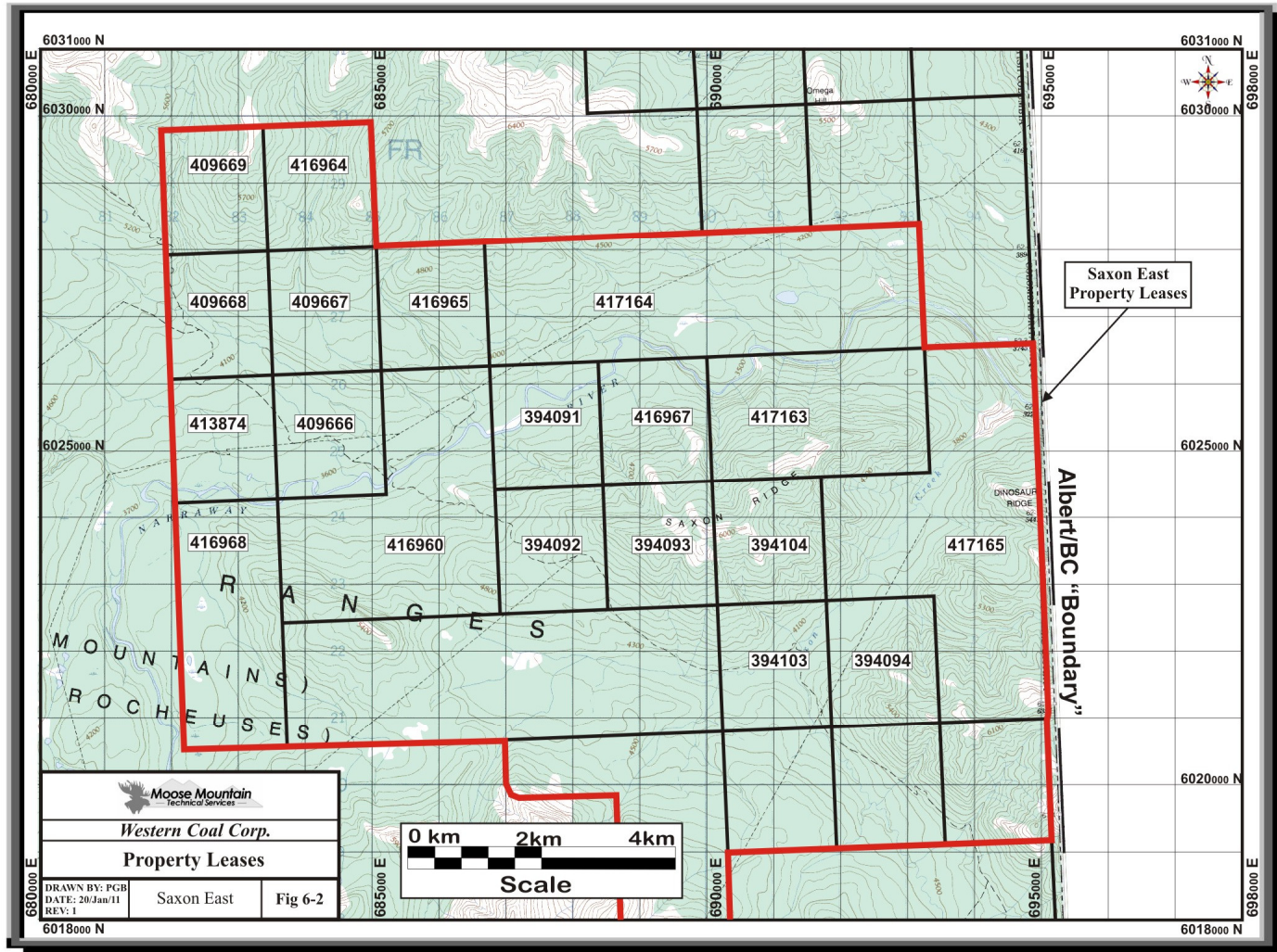


Figure 6-2– Tenure Area

7.0 Accessibility, Climate, Local Resources, Infrastructure and Physiography

The Saxon East property is located within the Inner Foothills belt of the Rocky Mountains in the Peace River District of northeast British Columbia. Primary road access to the general area is from the east from Grande Prairie, Alberta. The route extends west from Grande Prairie along Provincial Highway 43 to the town of Beaverlodge where it turns south; then, along all-weather gravel roads to the small farming community of Elsworth. South of Elsworth the route follows the Two Lakes Forest Service Road to the Sherman Meadows Airstrip, close to the provincial boundary. An access trail branches off the forestry road just west of the airstrip, and extends 20km to the northwest where it branches off the main trail to Saxon South. These last access trails were ditched and seeded in 1978 in an attempt to restrict access by the public.

Grande Prairie is a major regional centre for west-central Alberta and is serviced by regular daily flights from Calgary and Edmonton. The Peace River District is also serviced by daily commercial airline flights to the cities of Prince George and Fort St. John. These services have respective air distances to the Saxon East Project Property of approximately 180km and 240km respectively.

A rail line, built by BC Rail to service the now closed Quintette and Bullmoose Coal Mines, extends to the Quintette coal load-out area. This rail line joins the BC Rail main line just north of Prince George and provides direct access to the ports of Vancouver and, via the Canadian National Railway to Ridley Island, Prince Rupert (see Figure 4-1). In the latter part of 2002, B.C. Rail removed the track between the Bullmoose coal load-out and the Quintette load-out area, but the rail-bed and bridges remain in place.

The property is situated in the Rocky Mountain Inner Foothills physiographical region and is characterized by relatively low, rounded, northwest-southeast trending ridges and valleys. Glaciations appear to have had a large influence in shaping the topography of the tenure area. The highest elevation in the area is approximately 2,100m and the lowest elevation is approximately 1,400m.

An access trail constructed by Denison Mines in 1971 branches off the forestry road just west of the airstrip, and extends 20 kilometres to the northwest, providing access along the entire length of Saxon East Block.

An eastern arm of Saxon Creek drains the north coal licence and flows northwest from the property, while a western arm drains the west coal licence and also flows northwest from the property. A branch of Torrens Creek separates the south coal licence from the Kakwa Protected area.

The tree line in the area is approximately 1,825m. Above this elevation, alpine vegetation consists of stunted and dwarf varieties of fir, spruce, juniper, moss, heather and other alpine tundra flora. Sub-alpine Engelmann and white spruce, sub-alpine fir and lodgepole pine grow on the slopes below the tree line while in the river valleys Douglas fir, balsam poplar, cottonwood and alder can be found. Most of the Saxon East prospect area lies above the tree line.

The climate of the region may be classified as northern temperate. Daily temperatures range from a mean maximum of 7°C to a mean minimum of -6°C, with an average mean daily temperature of 1°C. Extreme temperatures range from a maximum of 32°C to a minimum of -48°C. The average number of days with frost is 210 annually.

The mean total precipitation in the region is approximately 425mm, which includes the rainfall equivalent to a mean snowfall of 165cm. The average annual number of days with measurable precipitation is ninety-five. The greatest recorded rainfall in twenty-four hours is 66.5mm.



Photo 7-1 Central to Northern Saxon East

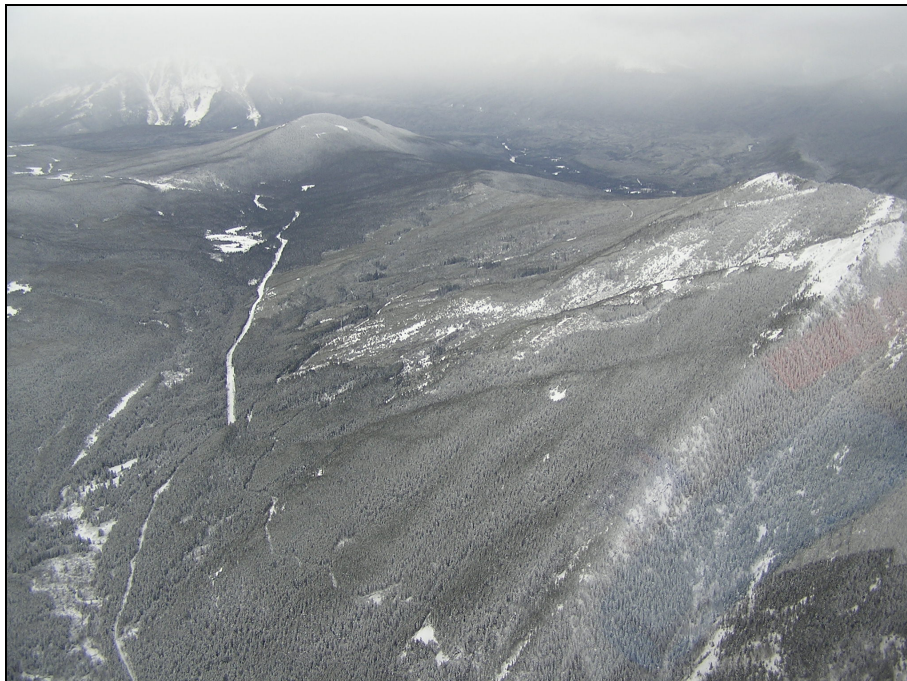


Photo 7-2 Northern end of Saxon East

8.0 History

Reports prepared by, or on behalf of, previous operators present estimates of coal resources/reserves that include areas now covered by Saxon Project coal licences. All estimates carried out by Denison and their joint venture partners were presented as reserves of various categories, such as “in-place”, “mineable” or “recoverable” and “clean” or “product” coal, based upon the application of geological, mining and plant yield factors. It should be noted that the use of the term “reserves” for such estimations was normal practice at that time. In today’s regulatory environment, “in-place reserves” would be classified as in-place resources; the assignment of reserves would require (as a minimum) completion of an up-to-date pre-feasibility study. The discussion presented below, includes the results of estimates identified in previous studies as reserves. It should be understood that this refers to historical information and does not imply that reserves, as defined under National Instrument 43-101, are currently estimated for the licence blocks that comprise this property.

The most meaningful “reserve” estimates conducted by Denison (and their joint venture partners) on what is now the Saxon Project were undertaken mainly between 1976 and 1980.

Reserve estimations carried out by Denison on Saxon East, focused on providing mineable reserves and geological reserves. The former conformed to plans prepared by Montan Consulting (Ruhrkohle) for underground hydraulic mining while the latter were taken to a depth of 500 m below surface, or to the base of the lowest level of the proposed underground development, whichever was the deeper. In-place reserves for the proposed mine totalled 72.8 million tonnes (Mt) yielding 31 Mt of clean coal. An additional 86 Mt of coal in-place (yielding 38 Mt of clean coal) were identified within other parts of Blocks I and II, as possible extensions to the initial mine. Most of these reserves are found down dip of the proposed areas of initial mining. The additional reserves included areas where the underground mining of both No. 1 Seam and No. 2 Seam may not have been possible due to their proximity to one another. Sterilization of No. 1 Seam throughout Block I and the southern parts of Block II would decrease the additional reserves by approximately 10%. Geological reserves totalled 224Mt in-place. This category provided a total reserve without regard to any particular extraction scheme, nor to the requirement for safety barriers south of the Narraway River and either side of Saxon Creek.

Reserves were estimated using the cross-section method; estimation criteria included:

- Cross-sections perpendicular to structural trend were constructed at 200m intervals.
- Mining sections had to meet a minimum true thickness of 3m, provided that the weighted average true thickness for each seam was at least 4m for each of the two mining blocks. This stipulation was met by each seam, except for No. 4 Seam in Block II (3.77m); this seam was included due to its high weighted average yield.
- Rock bands taken as forming the roof had to meet a minimum true thickness of 1 m; those forming the floor had to be greater than 0.20m. Any coal splits occurring above rock bands that formed the roof or below those taken as the floor were considered un-mineable.
- Seam thicknesses were taken from isopach maps and transferred onto the cross-sections.
- The seam lengths were further sub-divided into mining levels; in-place “reserves” were taken to an overall depth limit of 500m below surface. Coal within 15m of the surface was considered oxidized; tonnages were not estimated.
- Specific gravities (SG’s) for each mining section were calculated from the assigned yields for each mining section that were derived from a set of formulae used to establish the relationship

between ash, yield and specific gravity. Denison reported that there is good correlation between ash and SG that can be represented by the equation:

- specific gravity = $1.2486e^{0.00826 \times \text{ash}}$; where the correlation coefficient = 0.9778
- The SG's were applied to plan maps on a polygonal basis; the polygon boundaries were then transferred to the cross-sections. From the sections, the lengths of each thickness increment were measured between each assigned SG boundary for each mining level, and multiplied by the cross-section width to provide volumes.

Reserves of un-oxidized coal estimated in 1979 for the planned mining area are presented on a mining level and seam basis in Table 8-1. Additional un-oxidized coal reserves available for later mine expansion are presented in Table 8-2. Tonnages for “net clean coal” were obtained by the application of various factors to account for geological uncertainty, layout and mining losses, and wash plant yield. The mining levels extend from Level D (that portion of the deposit that can be mined above a gravity drainage flume rising at a slope of 4% away from portals located either side of Saxon Creek), down-dip to Level 4.

Table 8-1 Saxon East: Underground Mineable Reserves (Denison, 1978)

Block	Mine Level	Seam	Av. Thick (m)	Av S.G.	In-Place Coal (Mt)	Net Clean Coal (Mt)
I	D	2	4.8	1.65	8.75	3.02
I	D	4	8.9	1.51	15.76	6.86
II	D	1	5.4	1.38	7.37	3.93
II	D	4	3.9	1.51	5.64	2.47
I	1 & 2	2	4.3	1.64	12.37	4.34
I	1 & 2	4	9.3	1.49	22.95	10.32
Total					72.84	30.94

The reserves presented in Tables 8-1 and 8-2 reflect the first (Case I) of two approaches to mine layout considered by Montan. Case I is based upon mining Seams 1 and 4 above drainage in Block II and mining Seams 2 and 4 above drainage and level 1 & 2 below drainage in Block I. A single dewatering/pumping station is located at the base of level 2, on section 7813 (Block I). Additional reserves in Block I was to be accessed from the existing station and in Block II by placing a second dewatering/pumping station on section 7836. Case II differs from Case I in that both Blocks are accessed along main roads from one station, located near section 7821 (near the northwestern end of Block I).

Table 8-2 Saxon East: Additional Reserves (Denison, 1978)

Block	Mine Level	Seam	Av. Thick (m)	Av S.G.	In-Place Coal (Mt)	Net Clean Coal (Mt)
I	D	1	4.5	1.39	1.98	1.03
I	1 & 2	1	5.3	1.41	2.37	1.21
I	3	1	5.2	1.44	3.04	1.48
I	3	2	4.8	1.61	8.49	3.16
I	3	4	9.1	1.50	17.03	7.61
II	2	1	5.6	1.36	5.25	2.86
II	3	1	5.2	1.39	7.41	3.85
II	4	1	4.6	1.40	7.35	3.76
II	D	2	5.4	1.57	6.10	2.42
II	2	2	6.0	1.61	6.18	2.30
II	3	2	5.2	1.60	8.18	3.08
II	4	2	5.1	1.60	7.30	2.75
II	2	4	3.4	1.48	2.06	0.95
II	3	4	3.8	1.51	3.23	1.41
Total					85.97	37.87

9.0 Geological Setting

9.1 Regional Setting

9.1.1 Stratigraphy

The Saxon Coal Project lies within a belt of Mesozoic strata that form part of the Rocky Mountain Foothills of north-eastern British Columbia. Within this belt, the coal seams of greatest economic potential are found within Lower Cretaceous strata, consisting of the Bullhead and Fort St. John Groups. The internal stratigraphy of this succession can be broadly characterized as an alternating sequence of marine shales and marine and non-marine clastic lithology deposited from a series of transgressive and regressive cycles. The thickest coal seams are found within the Gates Formations and are believed to have formed within deltaic depositional environments. Thin seams are also found within the Gething Formation and may also be encountered within the Boulder Creek Formation and Minnes Group. These thin coal seams are not currently considered to hold any potential for economic development. The various formations that occur within the area of the property are presented in Figure 9-1 and briefly described below.

Minnes Group:

This is a thick sequence that ranges in age from Upper Jurassic to Lower Cretaceous. It consists of cyclic beds of argillaceous, fine-grained sandstone, siltstone, carbonaceous shale and coal seams. Coal seams are numerous but usually less than one metre thick and discontinuous. The change from Minnes Group strata to those of the overlying Cadomin Formation is abrupt. Locally, the contact is disconformable and regionally there is a marked angular discordance.

Cadomin Formation (Bullhead Group):

This formation is made up of coarse-grained, to very coarse-grained conglomerates containing well-rounded pebbles, cobbles and boulders of black, white and green chert, white and grey quartzite, and quartz. The clasts are set within a siliceous matrix although the conglomerate may also be clast supported. Discontinuous, lenticular, sandy horizons may be present. Owing to its highly resistant nature, particularly in comparison with contiguous units, the Cadomin is usually well exposed. This, together with the weathering of the conglomerate to a rusty gravel, makes the Cadomin Formation one of the best stratigraphic markers in the region. The thickness of this formation is highly variable. It thickens towards the northwest and ranges from 30m thick in the Saxon South area to 80m thick north of the Narraway River.

Gething Formation (Bullhead Group):

The Gething Formation conformably overlies the Cadomin Formation. It averages approximately 70m in thickness and consists of brown, calcareous, lithic, fine- to coarse-grained sandstone, interbedded with conglomerate, siltstone, carbonaceous shale, and thin coal seams. The conglomeratic units typically occur in the lower and middle parts of this sequence. Cross-laminated sandstones predominate in the upper parts; these sandstone units commonly contain pebbles and exhibit soft sediment deformation. The formation's upper contact is defined by a thin bed of pebble conglomerate overlain by a layer of glauconitic sandstone, which signifies the start of marine sediments belonging to the overlying Moosebar Formation. The glauconitic horizon is considered to be equivalent to the Bluesky Formation of the plains area to the east.

Moosebar Formation (Fort St. John Group):

This formation consists principally of a monotonous sequence of dark grey marine mudstone, with numerous sideritic concretions. The mudstone grades upward through a transition zone of banded and fissile sandy shale, very fine-grained sandstone, and sandstone with intercalated mudstone and siltstone. The upper part of this formation consist predominantly of thin to medium bedded sandstone, varying from fine- to coarse-grained, with an attendant decrease and gradual disappearance of mudstone. This marks the final stage of the transition from marine sediments to massive continental sandstones that occupy the base of the overlying Gates Formation. The top of the Moosebar Formation is taken at the base of the first sandstone with a thickness of two metres or greater. Consequently, the thickness of this formation is somewhat variable across the property, but averages about 60m. The Moosebar Formation is recessive weathering and exposures are normally restricted to creek channels or gullies.

Gates Formation (Fort St. John Group):

The Gates Formation conformably overlies the Moosebar Formation. It is the major coal-bearing unit within the project area and averages approximately 365m in thickness. The lower portion of the formation consists of relatively well-sorted, massive, light-grey, coarse- to medium-grained sandstone, with minor carbonaceous and conglomeratic horizons. This sequence has been informally referred to as the Torrens Member and is a resistive, ridge-forming unit throughout the region. The middle and upper portions of the Gates Formation are primarily composed of cyclical sequences of coal deposition, interpreted as representing deltaic and flood plain environments. The cycles comprise fining-upward sequences that culminate with coal deposition. They normally begin with laminated, medium to fine-grained sandstone at the base of each cycle; this gives way to carbonaceous shale that, in turn, is overlain by coal. Lenses of conglomerate are also found in this section. Typically, coal seams developed in the lower cycles usually show greater seam thickness and continuity. Within the lower cycles, seams may coalesce to form one seam or coal zone with aggregate thickness in excess of 14 metres. The upper Gates comprises mostly intercalating sandy shale or very fine sandstone, with mudstone and siltstone interbeds and thin, poorly developed coal. A very thin bed of chert pebbles with ferruginous cement marks the contact with the overlying marine sediments of the Hulcross Formation.

Hulcross Formation (Fort St. John Group):

The Hulcross Formation comprises mostly of marine sedimentary unit, consisting of interbedded of rubblely to blocky, dark grey to black shale, grey siltstone and light to dark grey very fine-grained sandstone and a thin basal conglomerate. The shales often contain fossils abundant with shells. Lithologies within the Hulcross Formation are recessive weathering. Although there is some similarity between the Hulcross and Moosebar shales, they can usually be distinguished by their relationships to surrounding strata and the absence of glauconitic sandstones at the base of the Hulcross. This thickness of this unit ranges from 15m in the Saxon South and Saxon East areas, to 30m in the Omega area.

Boulder Creek Formation (Fort St. John Group):

The marine shale of the Hulcross Formation grade conformed into a predominantly continental sequence of shale, sandstone, and conglomerate that form the lower part of the Boulder Creek Formation. The middle part of this formation comprises alternating medium- to fine-grained, sandstones and shale, while the upper portion consists mainly of fine- to coarse-grained, grey to brown sandstone and grey siltstone. A thin pebble conglomerate set within a siltstone to clay stone matrix often marks the upper contact of this unit. The thickness of the Boulder Creek Formation tends to increase as the Hulcross thins; in the Saxon-Omega area it averages about 115m in thickness.

Shaftesbury Formation (Fort St. John Group):

The Shaftesbury Formation conformably overlies the Boulder Creek Formation and completes the stratigraphy exposed in this region. Throughout most the area only the lower portions of the Shaftesbury Formation are represented, measuring about 450m in thickness. Lithologies comprise dark-grey to black marine shale and siltstone with sideritic concretions, and minor sandstone phases.

9.1.2 Structure

Structural geology within the region is characterized by large-scale folding and associated thrust faults, within alternating layers of competent sandstone and incompetent mudstone and coal. The predominant structural trend is northwest – southeast, parallel to the Rocky Mountain structural belt. Structural styles vary across the regional trend, reflecting differences in lithology and distance from the Front Ranges of the Rocky Mountains. Folding within the finer-grained lithology can be extremely complex, typified by short-wavelength, chevron folds. More competent sequences, such as those containing the coal measures, typically form macroscopic, long-wavelength folds ranging from relatively tight anticline-syncline pairs to box folds. This style of folding may be expected within inter-layered competent and incompetent strata. Typically, the major fold axes plunge gently to the northwest or southeast. Folding on major fold limbs is uncommon but, where present, varies from gentle warps to chevron fold pairs.

The folds are often cut by thrust faults that slice longitudinally through the belt of coal-bearing strata; commonly, these structures dip towards the southwest, although northeasterly-dipping thrusts are present. These thrusts impart a structural variability along trend which, in some areas, has repeated the coal-bearing section, thus providing enhanced targets for potential mine development. In the major thrust sheets, faulting preceded folding and, as a consequence, some thrusts are folded. The major faults tend to maintain a constant angle of about 30° to bedding. Variations to this often occur where smaller structures are involved and where thrusts die out. Minor thrusts frequently parallel or splay from the major faults.

9.1.3 Coal Seam Development and Correlation

Exploration conducted by Denison throughout the Saxon – Omega region concentrated upon defining potentially economic coal resources contained within the Gates Formation. Little attention has been paid to coal seams encountered within the Minnes Group and the Gething and Boulder Creek Formations. While their economic potential has not yet been fully evaluated, it appears very limited. In this report, only the Gates coal seams are discussed.

The coal seams of the Gates Formation are well established as the most prolific coal-bearing strata in northeastern British Columbia. In the northwest, mineable thicknesses of Gates coal first occur just south of Bullmoose Mountain and continue southeast (for a distance within B.C. of almost 140km) across the B.C. provincial boundary and beyond. Historically, coal seam nomenclature was established independently for each property due to differing ownership and/or the distance separating the various properties. While the general coal zones can often be correlated from one property to another, correlations between specific seams are not always definitive. Of particular value for seam correlation is the presence of the Torrens Member, which defines the floor of Seam 1.

At Saxon South and Saxon East, from oldest to youngest the main coal seams have been numbered 1, 2, 3, 4, 5, and 10. At Saxon East the total coal thickness for the nine main seams reaches 24m.

9.2 Property Geology


9.2.1 Structure and Stratigraphy

The Saxon Coal Project lies within a broad, northwesterly-plunging anticlinorium (the Belcourt Anticlinorium). This regional-scale structure is bounded to the west by a major, westerly-dipping thrust fault that emplaced Palaeozoic rocks upon Lower Cretaceous strata. The Saxon South and Saxon East Blocks are located in the central, southeastern parts of this structure, where the axial zone is complicated by the presence of several significant westerly-dipping thrust faults and associated splays.

9.2.2 Saxon East Block

The westerly dipping strata of Saxon East form the eastern limb of the large Saxon Syncline, and are located immediately west of the anticlinorial axis. The coal measures form a prominent ridge that extends the length of the licence block. They dip uniformly to the southwest, with dip angles ranging from approximately 60° at the southern end of the block to 35° at the northern end.

SERIES	GROUP	FORMATION	LITHOLOGY	UNIT THICKNESS (METERS)	
LOWER CRETACEOUS	FORT ST JOHN	SHAFTESBURY	Dark grey marine shales, sideritic concretions, some sandstone grading to silty, dark grey marine shale, siltstone and sandstone in lower part, minor conglomerate.	450+	
		COMMOTION	BOULDER CREEK	Fine-grained, well sorted, non-marine sandstone, mudstone and carbonaceous shale, conglomerate, few thin coal seams.	85
			HULLCROSS	Dark grey marine shale in the north grading to extremely fossiliferous shaly beds interlayered with sandstone and thin coal seams in the south.	53
			GATES	Fine-grained marine and non-marine sandstones; conglomerate, coal, shale and mudstone.	310
		MOOSEBAR	Dark grey marine shale with sideritic concretions, glauconitic sandstones and pebbles at base. Interbedded shale/siltstone and sandstone transitional sequence at top.	70	
	BULLHEAD	GETHING		Fine to coarse brown calcareous sandstone, coal, carbonaceous shale, and conglomerate.	60-90
		CADOMIN	Massive conglomerate containing chert and quartzite pebbles.	10-40	
	MINNES GROUP	NIKANASSIN	Thin-bedded grey and brown shales and brown sandstones, containing numerous thin coal seams.		



Western Coal Corp.

Table of Formations

DRAWN BY: PGB DATE: 15/Dec/10 REV: 1	Saxon East	Fig 9-1
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From JPSaxonFeb19-04 report

Figure 9-1 Table of Formations

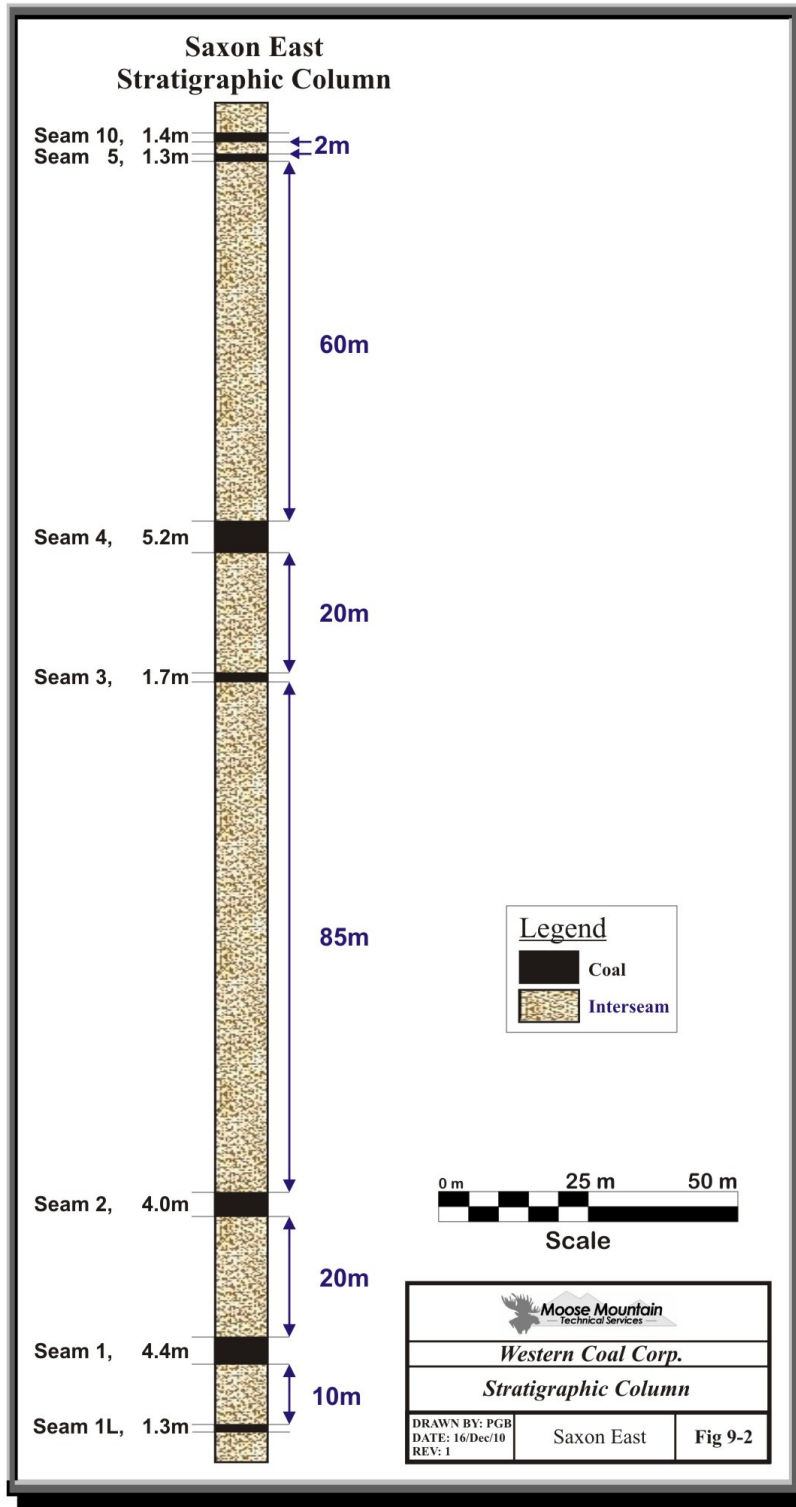


Figure 9-2 Stratigraphic Column, Saxon East

10.0 Deposit Types

The definition of “Deposit Type” for coal properties is different from that applied to other types of geologic deposits. For coal deposits this is an important concept because the classification of a coal deposit as a particular type determines the range of values that may be applied during the estimation of reserves and resources.

As specified in Geological Survey of Canada Paper 88-21, which is a reference for coal deposits as specified in NI 43-101, coal “Deposit Types” are either surface mineable, underground mineable, non-conventional or sterilized. The Saxon East property is considered potentially surface mineable. In addition to “Deposit Types” the GSC Paper 88-21 also refers to “Geology Types”, which are a definition of the amount of geological complexity, usually imposed by the structural complexity of the area. The classification of a coal deposit by “Geology Type” determines the approach to be used for the resource estimation methodology and the limits to be applied to certain key estimation criteria.

The identification of a particular deposit type for a coal property defines the confidence that can be placed in the extrapolation of data values away from a particular point of reference. The classification scheme of the GSC is similar to many other international coal reserve classification systems but it has one significant difference. This system is designed to accommodate differences in the degree of tectonic deformation of different coal deposits in Canada. Four classes are provided for that range from the first, which is for deposits of the Plains type with low tectonic disturbance, to the fourth which is for Rocky Mountains type deposits such as that of Coal Mountain, which is classed as "severe". The third class is referred to as "complex"; the steeply dipping strata of the Saxon East property are typical of this class, which is consistent with other nearby coal deposits.

MMTS classifies the Saxon East Property as geologically complex.

11.0 Mineralization

This report deals with coal seams found in the Gates Formation. To date, nine coal seams have been modeled on the Saxon East property, Figure 9-2. They range in thickness from 11.9m to 1.0m. The seams are within a 220m portion of the mid to lower Gates Formation.

For each seam the following criteria for inclusion in resource applies: minimum mineable seam thickness is 1.0m; and rock partings 0.6m or greater are considered removable. A coal zone is considered mineable if it has a cumulative thickness of 1.0m or more (as an example, an upper ply of coal 0.4m thick, a rock parting 0.3m thick, and a lower coal ply 0.4m thick).

Item 19 “Mineral Resource and Mineral Reserve Estimates” has a more comprehensive description of the seam naming and modeling methodology.

Three major coal seams and six thinner seams are present at Saxon East. The coal seams of economic interest are identified, in ascending order as Seam 1 (occasionally with a 1 lower), 2 (occasionally as a 2 lower and 2 upper), 3, 4, 5 and 10.

Seam No. 1: This the lowest of the coal seams found at Saxon East. The floor consists of coarse-grained sandstone of the Torrens Member. The seam ranges in thickness from 1.0m to 8.7m and has an average thickness of 4.35m. The seam contains a rock parting which ranges in thickness from 0.03m to 0.45m creating on occasion a lower seam, 1L. Seam 1L ranges in thickness from 1.0m to 2.36m and averages 1.29m.

Seam No. 2: This seam is found about 20m above Seam 1. It ranges in thickness from 1.7m to 7.6m, and has an average thickness of 3.96m. The upper parts of this seam are characterized by a rock band that varies significantly in thickness, from 0.09m to 1.27m. In several parts of the deposit we have modelled seam 2 with an upper and lower ply.

Seam No. 3: This seam is found about 85m above Seam 2. It ranges in thickness from 1.1m to 3.2m, and has an average thickness of 1.71m.

Seam No. 4: This is the thickest seam found on the licence block. It is located about 20m above Seam 3 and ranges in thickness from 1.4m to 11.9m. The average thickness is 5.16m. This seam contains several rock bands, which can reach up to 2.5m thick.

Seam No. 5: This seam is found about 60m above Seam 4. It ranges in thickness from 1.0m to 1.6m, and has an average thickness of 1.27m. This seam contains discontinuous carbonaceous rock bands of up to 0.35m in thickness.

Seam No. 10: This seam lies about 2m above Seam 5, although the interseam thickness is variable. It ranges in thickness from 1.1m to 1.6m, and has an average thickness of 1.39m. This seam contains discontinuous carbonaceous rock bands of up to 0.35m in thickness.

12.0 Exploration

Exploration on the Saxon East coal property consisted of three separate campaigns conducted by Denison Mines Limited and the Belcourt Saxon Coal Limited Partnership.

Initial exploration on Denison's Saxon property was carried out late in 1971 and targeted coal seams contained within the Lower Cretaceous Gates Formation (see Section 6). Early work involved regional mapping and drilling at locations many kilometres apart, in order to test for the presence of coal in prospective strata and to ascertain seam thickness and coal quality data. This work focussed on the trend of Saxon East, both north and south of the Narraway River. The potential offered by Saxon East was first recognised in 1975, when detailed geological mapping of this area was initiated.

Exploration programs conducted on the primary deposit areas consisted of detailed geological mapping, road construction, hand and mechanized trenching, diamond and rotary drilling, geophysical logging, coal core sampling and testing, adit excavation, bulk sampling and washability testing. Aerial photography was carried out and topographic maps were prepared at various scales for general and detailed coverage. Ground control survey stations were established throughout the property. All drillholes, adit portals, trenches and many points along exposed coal seams were surveyed and topographic maps up-dated to incorporate these data. Reclamation was carried out on areas of surface disturbance.

The exploration activities conducted by Denison on the Saxon East property are summarized below in Table 12-1.

The adits were driven on the three main coal seams, Seams 1, 2, and 4. The Free Swelling Indices (FSI's) of the coal seams were monitored as the adits were being driven, in order to determine the extent of oxidation. The bulk samples were obtained once FSI values of 6 or greater had been established over a designated distance. Adit 76-2-3 failed to locate un-oxidized coal and was not bulk sampled.

The drillholes were logged using slim-line borehole geophysical tools. In most instances, a suite consisting of density, gamma ray, neutron, calliper were obtained. Several holes exhibited poor wall conditions. For these holes, logging was carried out through the drill rods; this limited the types of geophysical logs that could be obtained. In later years, focussed electric (resistivity) and, in 1978, sonic logs were also obtained. Borehole orientations were measured by use of a Sperry Sun photographic system, recorded at intervals along the length of each drillhole.

Table 12-1 Summary of Exploration Activities – Saxon East Property

Year	DH's	Depth (m)	Hole Type (Size)	Geophys Logs	Trenches	Bulk Samples	Assess. Report
1975	-	-	-	-	mapping	-	626
1976	14	3,251	D(HQ)	d,g,n,c,r	60 (h)	3A(185m)	627
1977	15	3,192	D(HQ)	d,g,n,c,r	-	3A(205m)	628
2005	18	2,498	D (HQ) RC	d,g,n,c,r		4 D(232.21m)	
Total	47	6,443	D(HQ)	d,g,n,c,r	60 (h)	6A(390m)	

Note: D – Diamond Drill Hole, (HQ) – Core Size, Trench: (m) mechanized, (h) hand, A – Adit (metres driven), D-6” bulk sample holes, d,g,n,c,r. – density, gamma ray, neutron, caliper, resistivity geophysical logs.

Table 12-2 Summary of Exploration Activities – Saxon East Block, 1970 – 1978

Year	Drill Holes	Depth (m)	Hole Type (Size)	Geophysics Logs	Trenches	Bulk Sample	Assess. Report
1970	2	535	D(HQ)	d,g,n,c	-	-	622
1971	2	769	D(HQ)	d,g,n,c	-	4A(123m)	624
1972	-	-	-	-	mapping	-	624
1975	-	-	-	-	mapping		626
1976	4	849	D(HQ)	d,g,n,c,r	1(h), 2(m)	1A(60m)	627
1977	11	3355	D(HQ)	d,g,n,c,r	10(h), 6(m)	2A(86m)	628
1978	23	4403	9D(HQ)/14R	d,g,n,c,r,s	80(h)		629
Total	42	9,911	28D(HQ)/14R	d,g,n,c,r,s	91(h), 8(m)	7A(269m)	

Note: D – Diamond Drill Hole, (HQ) – Core Size. R – Rotary Drill Hole Trench: (m) mechanized, (h) hand, A – Adit (metres driven). d,g,n,c,r,s. – density, gamma ray, neutron, caliper, resistivity, sonic geophysical logs.

13.0 Drilling

Denison Mines Limited drilled 29 diamond drillholes on the Saxon East property, totaling 9,721m. In 2005 the Belcourt Saxon Coal Limited Partnership drilled a further 27 holes on the property totaling 3,017m.

Table 13-1 summarizes the drilling on the property between 1970 and 2005.

Table 13-1 Summary of Saxon East Drilling

Company	Year	Rotary	(m)	Core	(m)
Denison Mines Ltd	1970			2	535.23
Denison Mines Ltd	1971			3	1,138.73
Denison Mines Ltd	1976			4	957.97
Denison Mines Ltd	1977			11	3,581.28
Denison Mines Ltd	1978			9	3,510.04
BSCLP	2005	14	914.8	13	2,103.29
Grand Total		2	914.8	42	11,826.54

A detailed summary of Coal Intercepts for the Saxon East coal property are listed in Appendix A.

14.0 Sampling Method and Approach

MMTS was not involved in any sampling or coal quality work on the property that was done by Denison Mines Limited or the Belcourt Saxon Coal Limited Partnership,

With respect to coal core handling, description and sampling, the following procedures were described by Perry, 2004:

- Core was placed in wooden core boxes that were covered prior to being transported to camp for description and sampling. In most instances, a plastic liner was used for coal core sections. Coal seam cores were logged in detail, and core recoveries were obtained by comparing the lithology logs to the detailed density geophysical logs. Sample increments were selected on a geological basis; geologists conducted all sampling. The entire core was removed from a sample interval and sent for analysis. Coal seams exposed in trenches and adits were described in the same manner as core and were channel sampled and, in the case of the adits, bulk sampled.
- Typically, samples were placed in thick plastic bags with each bag containing a sample tag that recorded drillhole number, seam, sampled interval, bag number and analyses required. All but the latter information was also written on the outside of the bag. Each sample was then double-bagged and placed in a plastic or burlap sack and securely tied for shipping. The samples were shipped by Greyhound bus from Grande Prairie (Saxon) or Dawson Creek (Belcourt), to Cyclone Engineering Sales Ltd. (Edmonton, Alberta) where they underwent analysis. Any concerns that pertained to sample security were directed towards proper bagging and labelling for shipping and proper handling procedures at the laboratory, to ensure no mix up occurred between samples and sample tags.
- A comprehensive series of tests on coal samples were undertaken including; proximate analysis, sulphur, free swelling index, specific gravity, size distribution, float/sink and froth flotation tests. The analyses were undertaken according to a flow chart that is shown in Figure 15-1. This procedure was used from at least 1976 onwards on all of Denison's coal projects and was applied to coal seams with an FSI of 4 or greater. Abbreviated procedures were used for oxidized coal samples, cored intervals determined to have low recoveries, internal rock bands, seam roof and floor lithology, chip samples from rotary drilling, and samples taken from trenches. Coal logging (as drillcore, or in adits and trenches) was carried out according to prescribed guidelines so that a consistent approach was followed from one year to the next and from one project to another. These guidelines were modified as required from experience gained in practice. The methods used for sample selection, met industry standards of the time and are essentially the same as would be used today (see above).

Denison describes core recovery as good for most holes.

15.0 Sample Preparation, Analysis, and Security

MMTS was not involved in any of the historic sampling on the properties. All of the previous exploration sampling completed by Denison is reported in Assessment Reports 627 (1976), 628 (1977), and 629 (1978).

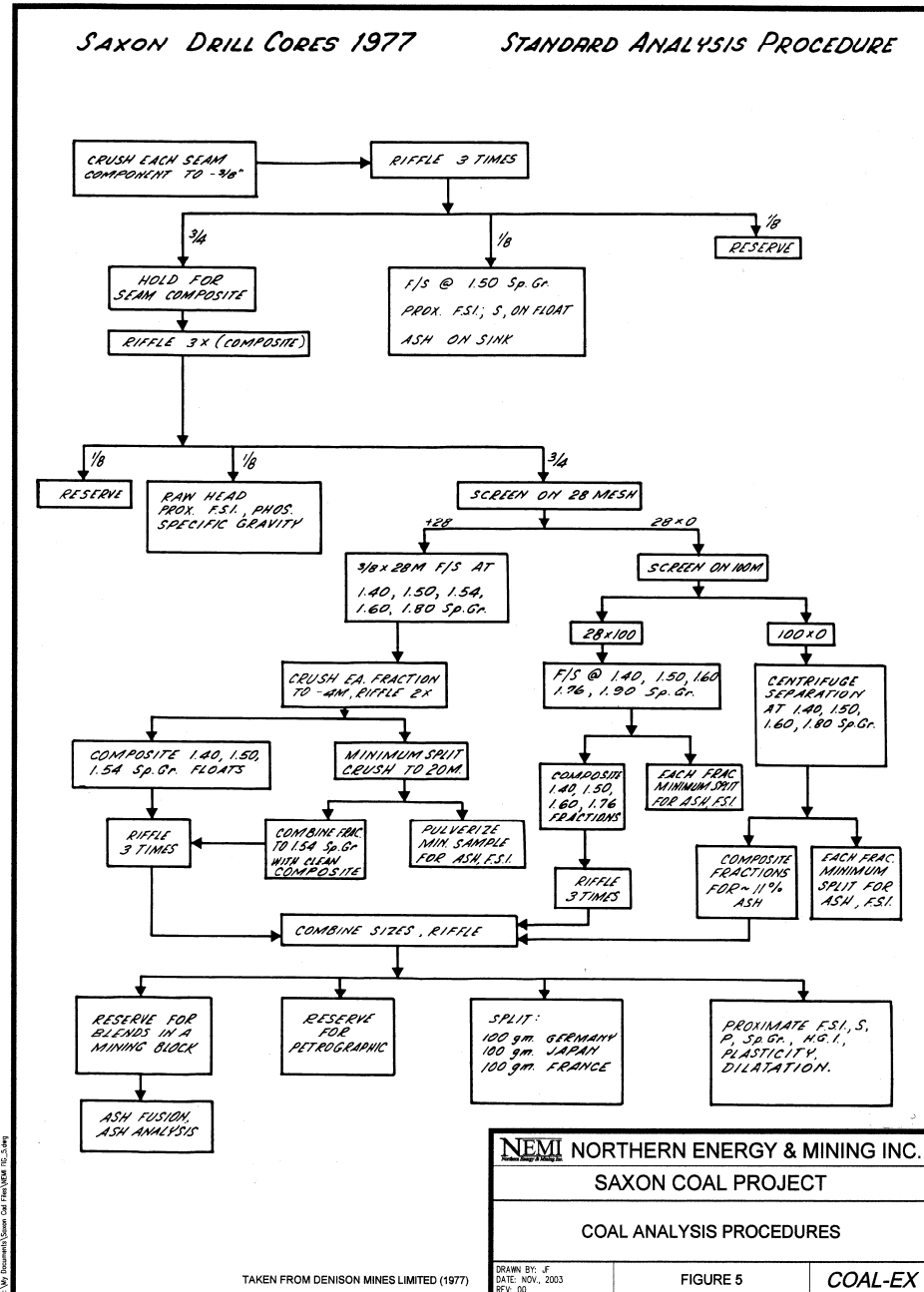


Figure 15-1 Coal Analysis Procedures

16.0 Data Verification

MMTS completed numerous levels of verification, including:

- Re-interpretation of the geological model
- Checking of all seam intercepts from 2005 drillhole logs
- Checking all drillhole collar elevations against topography
- Adjusting coal seams to drillhole intercepts
- Site visit 4 December 2005

MMTS believes that the database is acceptable and presents no major threats to the resource estimate.

17.0 Adjacent Properties

In northeast BC there are currently four coal mines in operation, including Trend, Perry Creek, Brule, and Willow Creek. The first three of the mines listed above are extracting coal from the Gates Formation, while the Willow Creek mine is mining coal in the Gething Formation.

18.0 Mineral Processing and Metallurgical Testing

An assessment of coal quality parameters in the Saxon East was undertaken based on historic core hole information collected by Denison Mines Limited (Denison) during five exploration campaigns conducted on the property in 1970,1971,1976, 1977 and 1978. Addition coring and analysis was completed by the Belcourt Saxon Coal Limited Partnership (BSCLP) in 2005 and represents the most current work on the property.

The coal bearing strata underlying the Saxon East property is identified as the Gates Formation which is early Cretaceous in age. The Gates Formation continuously underlies region from the town of Tumbler Ridge south eastward to Alberta Border. Active mine operations producing from the Gates Formation include the Wolverine and Trend operations.

Five individual seams (or seam zones) have been identified as potentially mineable on the property described in ascending order as Seam 1, Seam 2, Seam 3, seam 4, and Seam 5. Of these, Seam 1, Seam 2 and Seam 4 are the most prominent in terms of thickness and lateral continuity.

Denison completed 30 diamond drillholes (HQ) on the property (9,714 m), all of which were geophysically logged. The drilling data has proved the continuity of individual mineable seams and the variability of coal/parting thickness intervals from the Narraway River to the Alberta border.

The BSCLP 2005 coring program provided infill drilling between the Denison locations. In total, 9 diamond drillholes (HQ) were completed (1,872m) and four rotary drillholes (231m). Three large diameter (152mm) rotary coreholes were also completed to provide bulk sample volumes for washability testing purposes.

Continuous core samples were extracted for each Seam/ Coal zone to characterize in situ coal quality on individual sub seam ply assays. The plies were recombined into composite samples that represented logical mining units. Float/sink analysis were conducted to determine expected clean coal characteristics

The actual number of seam cores obtained from the Saxon East Block is as follows:

Table 18-1 Seam Cores Obtained from Saxon East

Drill Program	Seam 1	Seam 2	Seam 3	Seam 4	Seam 5
Denison 1976	2	2	0	3	2
Denison 1977	11	9	1	10	1
Denison Adits	1	2	2	1	
BSCLP 2005 HQ	4	1	0	1	0
BSCLP 2005 Bulk	1	1		1	

While the actual number of full seam/zone cores is insufficient to generate meaningful statistics for production planning, they are adequate for a general characterization of the indicative expected quality from the property.

18.1 In Situ Coal Quality

The assessment of in situ coal quality is based on the data available from the Denison 1976/77 drilling programs and the 2005 Joint Venture Program. The integrity of the Quality data depends on the actual core recovery achieved in the field, sampling and sample identification and subsequent laboratory procedures Denison states that core recovery was generally good and only samples greater than 70% recovery were sent for analysis.

The BSCLP 2005 program shows core recoveries ranging from 85% to 94% which are considered acceptable as representative of the individual coal zones.

The Denison core samples were processed at Cyclone Engineering Labs in Edmonton and Warnock-Hersey Professional services in Calgary. The larger adit samples were processed by Birtley Engineering and Testing Limited in their Calgary pilot wash plant.

The BSCLP 2005 program HQ core and large diameter 152 mm bulk sample cores were processed at Birtley Coal and Minerals Testing in Calgary.

In all cases, the individual interseam ply samples were crushed to minus 3/8 inch and Proximate Analysis (Moisture, Ash, Volatile Matter, and Fixed Carbon), Sulphur and FSI were performed on each sample. The raw coal sub seam plies were then composited into representative full seam samples for float sink testing

Each mining horizon can include multiple in seam thin partings composed of carbonaceous shale, siltstone and sandstone. Typically these rock bands are included in the composite seam sample where there thickness is 0.30 m or less.

It was not possible to reconstruct the historic raw coal analysis for the Denison drillhole data. The analysis presented in the following Table 18-2 was created from the available BSCLP2005 HQ corehole data.

19.0 Mineral Resource and Mineral Reserve Estimates

Resources have been estimated for the Saxon East coal deposit for those areas that potentially could be mined by open pit methods. Resources that could be mined using underground methods have not been analyzed in this report.

The geological modeling portion of the project includes a review of the available data, formatting and treatment of data to support model development, an update of the geological interpretation, and the construction of the 3D resource model. Interpretation and modeling has focused on the Gates Formation.

Model Extent

The resources documented with this report are for the entire Saxon East property. The strike length of the modeled area is approximately 12.6km while the width is approximately 3.1km.

Model Geometry

The model geometry follows the anticline/syncline complex that trends to the northwest from the BC/Alberta provincial boundary. Block dimensions are 25m along strike, 25m in the dip direction, and 10m in elevation.

The model measures 504 blocks (12,600m) in length and 124 blocks (3,100m) across and examines resources between 400m and 2,050m in elevation (165 blocks). The model has a -53° rotation (west of north, an azimuth of 307°). The model area was extended 600m north and 1,100m south past the last drillholes.

Topography

A Lidar digital elevation model for the project area was obtained from Western. The drillhole, adit, and trench data was 'draped' to the digital data and the drillhole collar elevations were adjusted to fit the topography.

Overburden (till) Surface

The base of overburden surface defines the extent of glacial-fluvial cover over in situ materials. No coal seams are modeled above the base of overburden surface. The depth of overburden was reported in the drillhole logs. An interpolation, using inverse distance with a 2.0 power with a 5,000m search, and a maximum of 25 points, was completed. The overburden thickness was then subtracted from the topography surface to make the base of overburden surface. The overburden thickness in SD-7706, SD-7708, and SD-7710 were not used as they were considered anomalous.

Oxide Horizon

A 15m depth of oxidation was used to differentiate between oxide and metallurgical coal. The oxide depth is determined from the surface elevation, vertically.

Geological Data

The geological database for the model was developed from previous exploration records by MMTS and includes 56 drillholes with a total of 12,741.34m. Of these, 42 are diamond drillholes totaling 11,826.54m, and 14 are rotary holes for a total of 914.8m. Trench and outcrop data has been used to assist with the geological interpretation, though thickness data for these points was not used. The geologic structure considers the mapping data and previous geological interpretations.

Coal seam thicknesses from exploration drillholes are measured along the length of the hole (from geophysical logs) and because the angle of intersection between the hole and the seam is often less than perpendicular, these intersections represent an ‘apparent’ rather than ‘true’ thickness of the seam. Adjustment from apparent to true seam thickness is, therefore, a critical step in the modeling of in place coal resources. The resource model is based on true seam thickness, as defined mathematically through the relationship between drillhole geometry and interpreted bedding geometry. The true thickness interpolation used a 3,000m x 3,000m search and an inverse distance power of 2.5.

There are numerous old drillholes on the property, but Western was unable to obtain hard copy data for verification, so the holes were not used.

There are a number of coal intercepts that have not been used in the interpolation, as shown in Table 19-1.

Table 19-1 Coal Intercepts Not Used In Thickness Determination, Saxon East Property

Drillhole	Seam	Explanation
SD-7712	40	At the very SE corner, would influence a large area
SD-7702	21	No surrounding drillholes, would influence a large area
SD-7702	22	No surrounding drillholes, would influence a large area
SD-7702	11	No surrounding drillholes, would influence a large area
SR-0878	21	At north end, would have influenced a large area
SD-7710	20	At edge, would have influenced a large area

Mineable Thickness

On the basis of the current interpretation, the property is classified as a complex, potentially surface mineable deposit. Sample analyses indicate that the coal is medium volatile bituminous rank. Resource assumptions for mineable thicknesses conform to GSC Paper 88-21 guidelines at 1.0m. Seam thickness statistics are shown in Table 19-2.

Table 19-2 Average Seam True Thickness, Saxon East Property

Seam Name	Seam Number	Intercepts	Minimum	Maximum	Mean
S10	100	10	1.09	1.61	1.39
S5	50	16	1.00	1.60	1.27
S4	40	40	1.35	11.92	5.16
S3	30	25	1.09	3.17	1.71
S2B	22	15	1.04	2.85	2.00
S2A	21	15	1.00	6.01	2.76
S2	20	22	1.71	7.57	3.96
S1	10	37	1.72	8.66	4.35
S1L	11	12	1.00	2.36	1.29

Bulk Density

The SG values for the various seams, Table 19-3, were obtained from previous reports. The SG values are dependent on the ash content of the coal and are used to calculate the coal tonnage.

Table 19-3 SG by Seam for the Saxon East Property

Seam	Seam Number	SG
S10	100	1.36
S5	50	1.47
S4	40	1.51
S3	30	1.51
S2B	22	1.61
S2A	21	1.61
S2	20	1.61
S1	10	1.4
S1L	11	1.4

Resource Classification

During interpolation runs, MineSight® stores the distance from the model block to the nearest composite value in the zone that satisfies the search parameters. The distance values are then used to assign a resource classification codes. The current model requires three data points within a search cell of 100m (measured), 200m (indicated), and 400m (inferred) along section lines and 75m (measured), 150m (indicated), and 300m (inferred) along strike, as prescribed in GSC paper 88-21.

Assurance-of-existence categories are intended to reflect the level of certainty with which mineral resource quantities are known. Intuitively, one knows that the greater the distance over which seam thickness data are extrapolated, the greater the possible error; hence, several resource classification schemes have used distance from nearest data point or distance between data points as the primary criteria for assurance-of-existence categorization. In moderate geology type deposits, the assurance of existence is based on the distance from nearest data points for these deposits (GSC Paper 88-21).

Three mineral resource categories are used to define assurance-of-existence. In order of increasing uncertainty, these mineral resource categories are: measured, indicated, and inferred. Measured resources have a high degree, indicated a moderate degree, and inferred resources a relatively low degree of geological assurance. Although the precise levels of uncertainty of these categories have not been calculated, geological experience with Canadian coal deposits suggests that measured resource quantities are known within about 10%, indicated within about 20%, and inferred within about 50% (GSC Paper 88-21).

Tables 19-4 to 19-6 summarize the pit delineated resources for the Saxon East Property of immediate interest. The coal, as defined, is within a pit with 45° walls and a strip ratio of less than 20:1BCM/tonne (a pit delineated resource with an incremental strip ratio of 20 bank cubic metres of waste to one tonne of in place coal). With an incremental strip ratio, each block of coal within the pit must have twenty blocks of waste, or less, above it.

The overall strip ratio for the Saxon East Property is 10.18:1. The measured resources represent 1.0% of the total; indicated resources represent 15.0%, while inferred resources are 84.0% of the total coal.

The cross-sections, Figures 19-11 to 19-18 show the outlines of two pits, the 20:1 pit with only the measured, indicated and inferred resources included (solid red line). The dashed red pit outline encloses the speculative resource (which is not reported). The elevation grid is 100m.

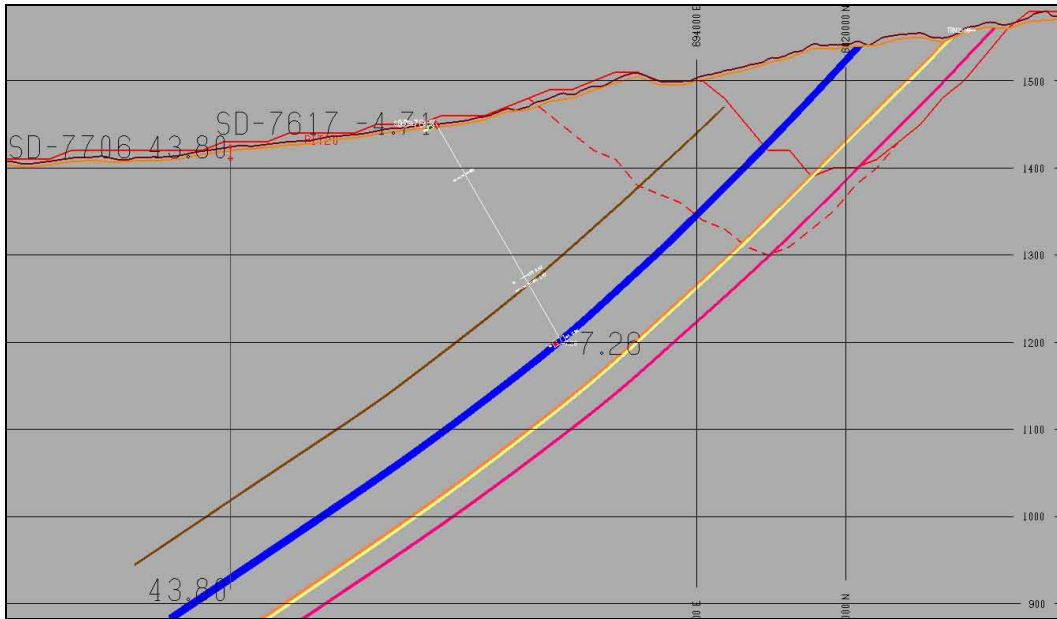


Figure 19-11 Cross-section, Row 83

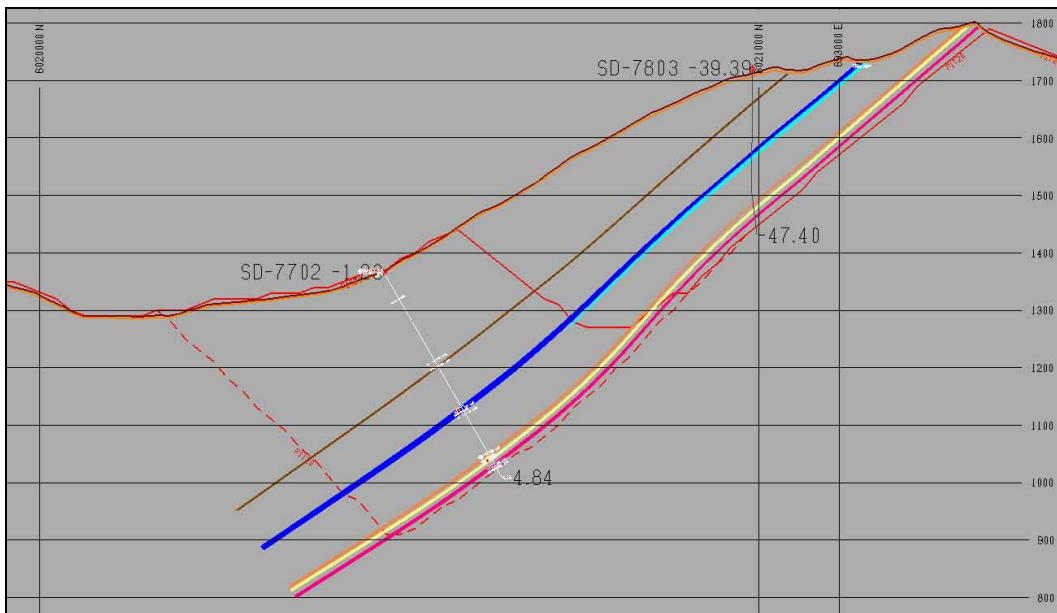


Figure 19-12 Cross-section, Row 145

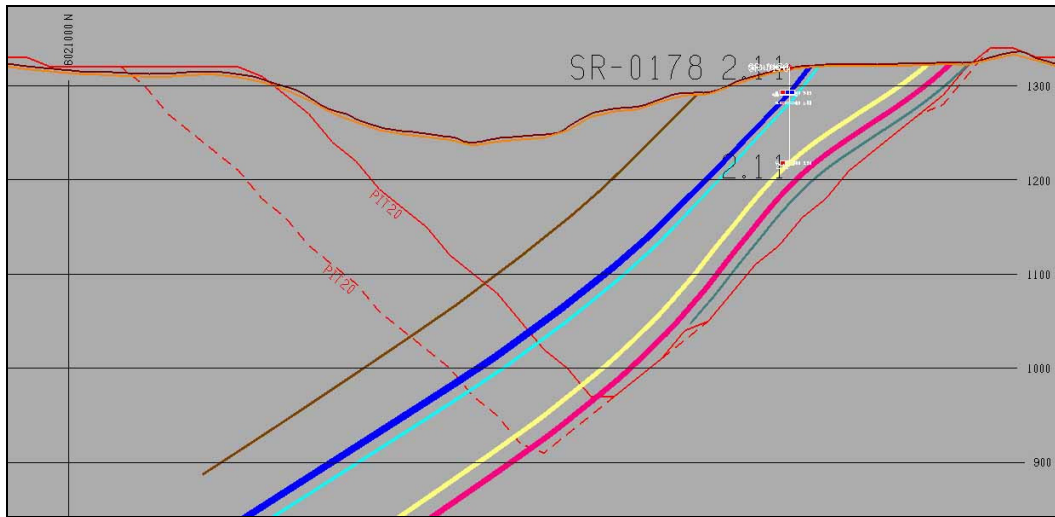


Figure 19-13 Cross-section, Row 201

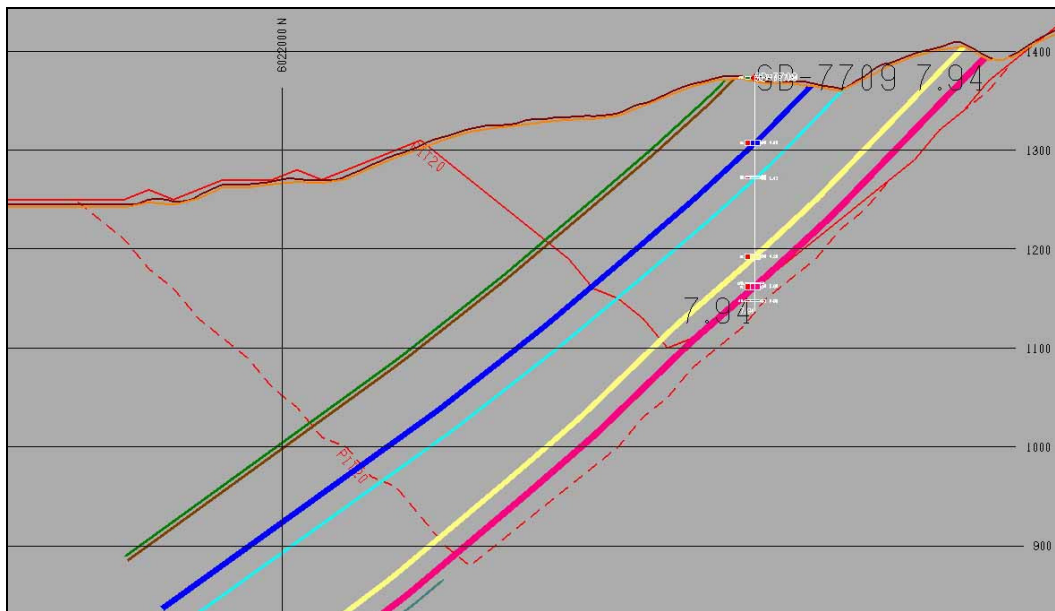


Figure 19-14 Cross-section, Row 256

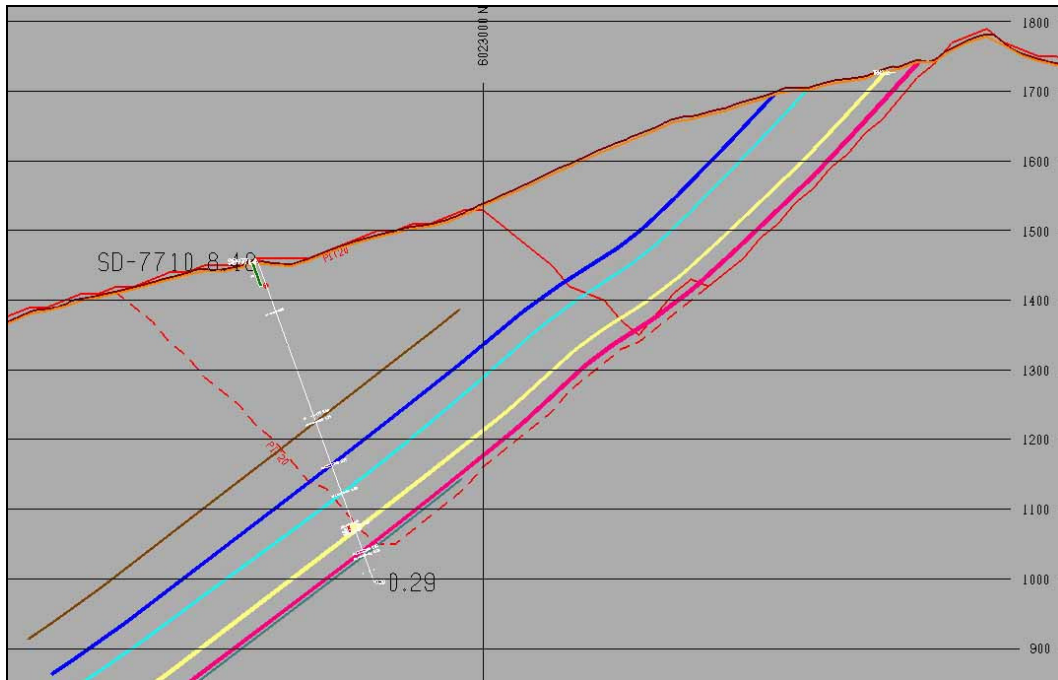


Figure 19-15 Cross-section, Row 303

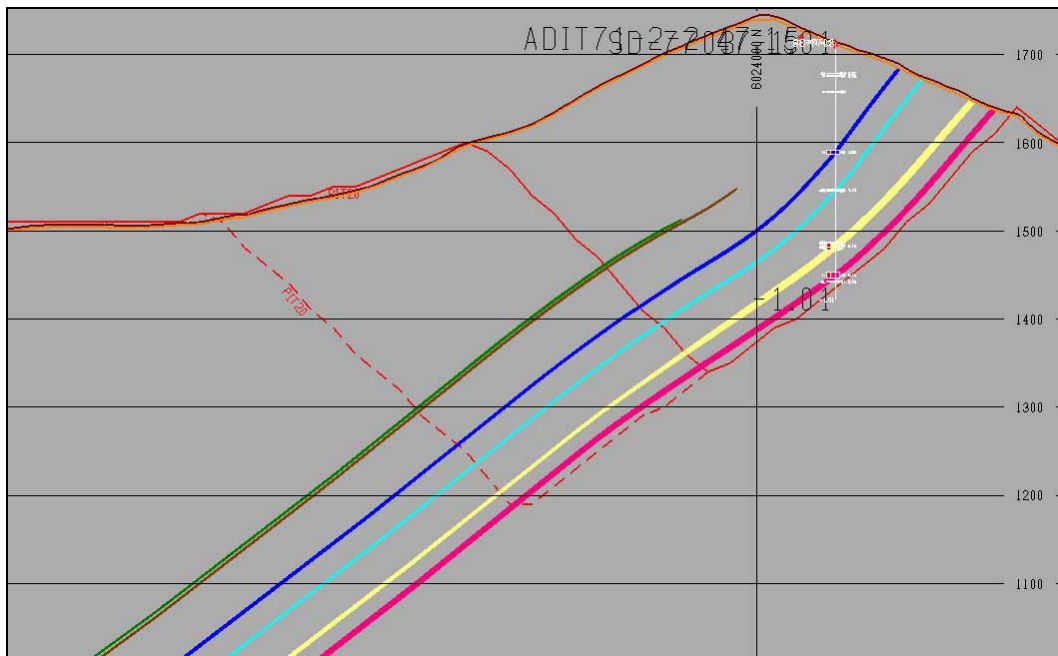


Figure 19-16 Cross-section, Row 356

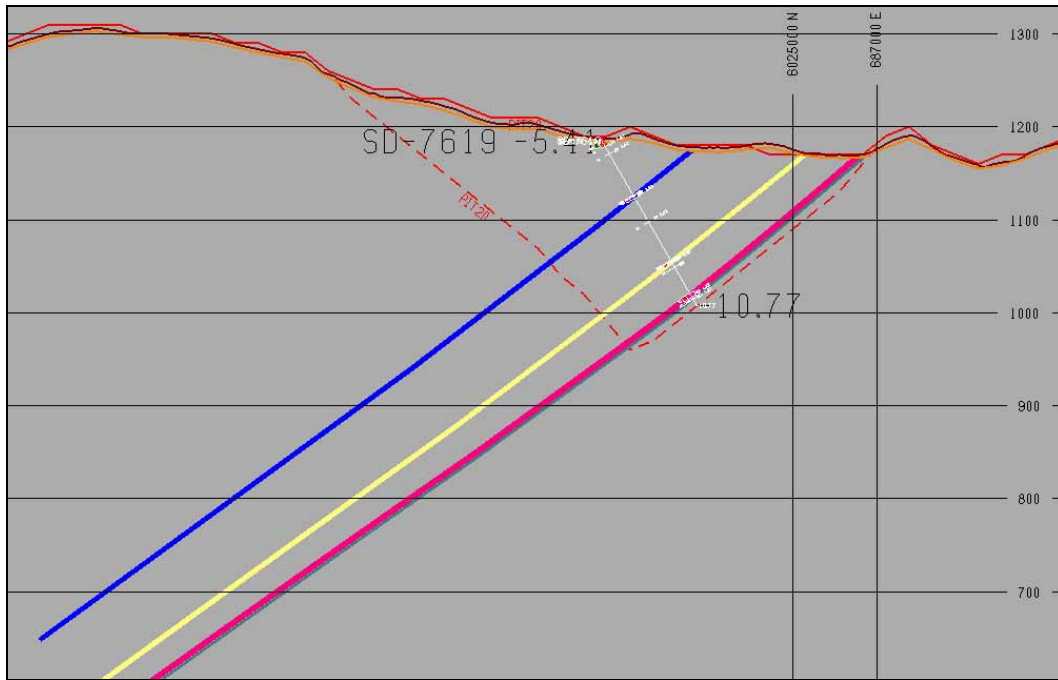


Figure 19-17 Cross-section, Row 432

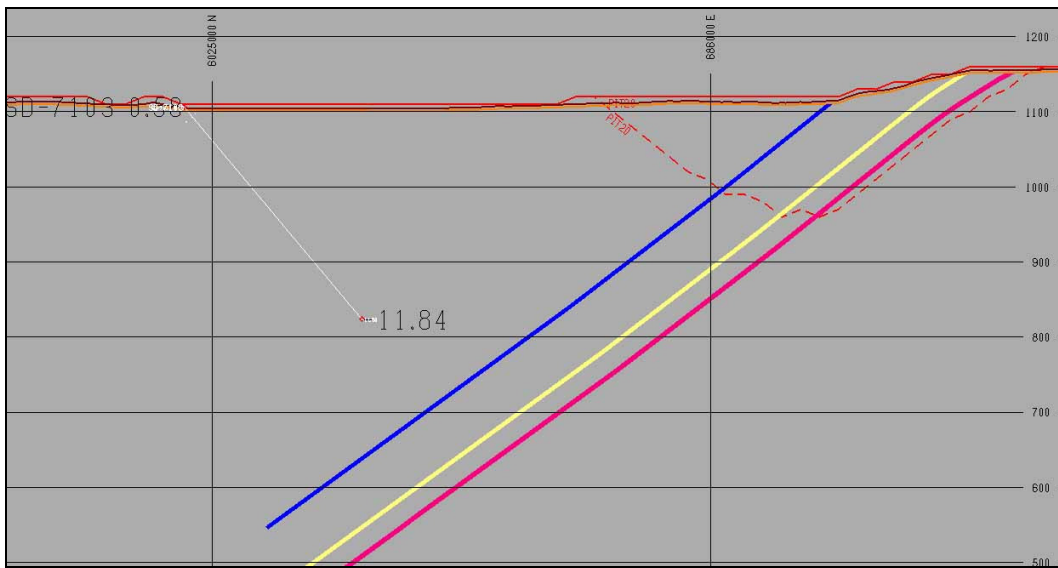


Figure 19-18 Cross-section, Row 475

20.0 Other Relevant Data and Information

MMTS does not believe there is additional technical data available for this project.

22.0 Recommendations

A Phase 1 exploration program is proposed to upgrade some of the inferred resources to the measured and indicated categories. The work includes access road construction, trenching, and diamond drilling. Eight holes are proposed with Phase 1.

Table 22-1 Proposed Exploration Program, Phase 1

Program	Number	Estimated Cost
Road building	6,500m	\$500,000
Trenching	500m	\$25,000
Diamond Drilling	1,400m	\$500,000
Total =		\$1,025,000

Depending on the outcome of the Phase 1 work, a second round of drilling could be conducted on the mountains north of Saxon Creek, Figure 22-1.

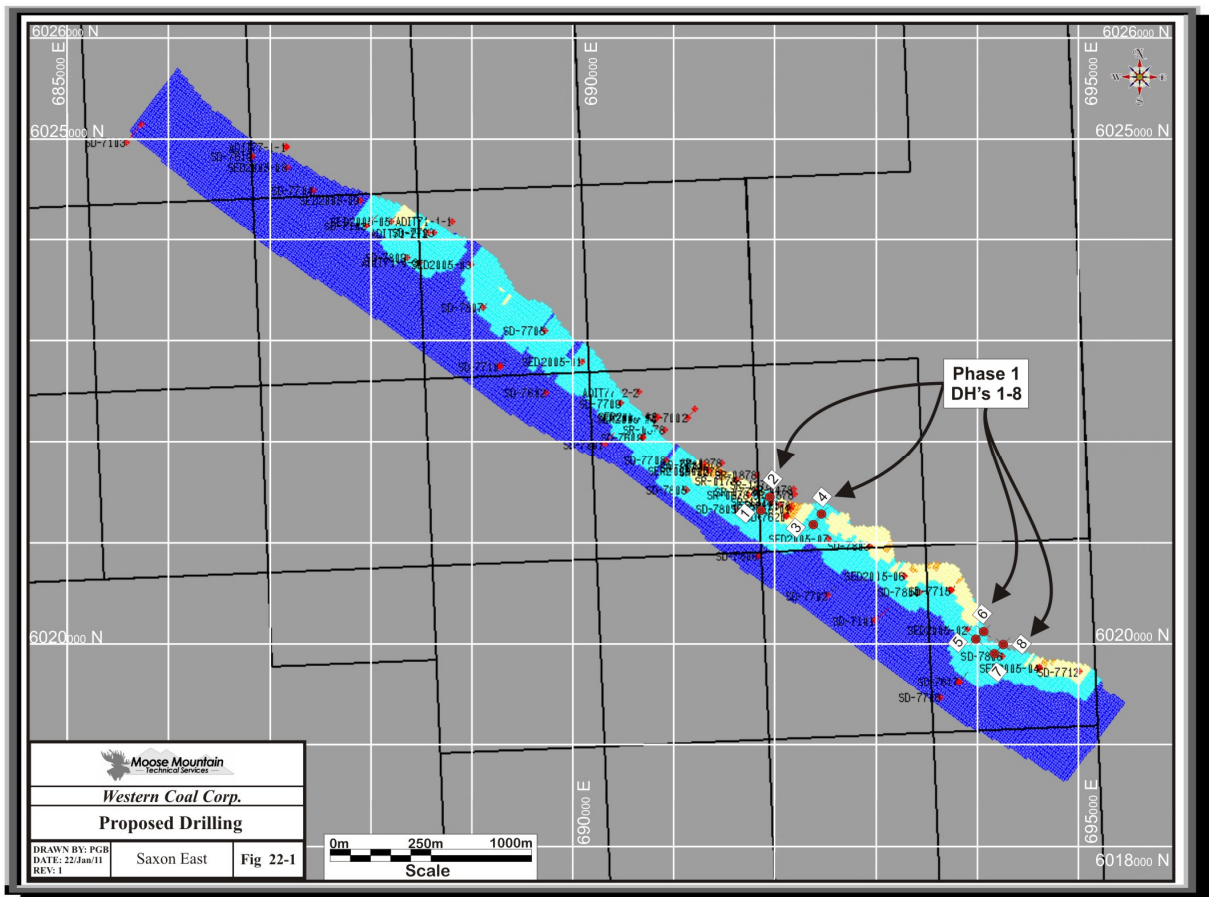


Figure 22-1 Proposed Drilling

23.0 References

Hughes, J.D., L. Klatzel-Mudry, and D.J. Nikols. *A Standardized Coal Resource/Reserve Reporting System for Canada*. Paper 88-21 Geological Survey of Canada. 1989.

MineSight® is a registered trademark of MINTEC, Inc.

Perry, John H. of JHP Coal-Ex Consulting Ltd. *Summary Report on the Saxon Coal Project*. Paper dated February 19, 2004.

24.0 Date and Signature Pages

Herewith, our report entitled ‘Resource Estimate for the Saxon East Coal Property’ dated 15 February 2011.

Signature of Robert F. Engler

B.Sc, P.Geol.

Moose Mountain Technical Services
Principal Geologist

Dated the 15th day of February 2011.

Signature of Robert J. Morris

M.Sc., P.Geo.

Moose Mountain Technical Services
Principal Geologist

Dated the 15th day of February 2011.

CERTIFICATE & DATE – ROBERT F. ENGLER

I, Robert F. Engler, BSc, P.Geol., do hereby certify that:

1. I am a Principal of Moose Mountain Technical Services., 28 Hummingbird Road, Sherwood Park AB T8A 0A2
2. I graduated with a B.Sc. from the University of Alberta in 1974.
3. I am a member of the Association of Professional Engineers, Geologists and Geophysicists of Alberta, (#M24009).
4. I have worked as a geologist for a total of thirty-six years since my graduation from university.
5. My past experience includes work with all of the coal mines in Alberta, Saskatchewan and British Columbia as well as exploration projects in western Canada, and western US, Mexico, Mongolia, and China. I also held senior marketing positions for fifteen years with Luscar Ltd, a major Canadian coal producer.
6. I have read the definition of “qualified person” set out in NI 43-101 and certify that by reason of my education, affiliation with a professional association and past relevant work experience, I fulfill the requirements to be a “qualified person”. I am independent of Western Coal Corp. in accordance with section 1.4 of NI 43-101.
7. I am responsible for Item 18, “Mineral Processing and Metallurgical Testing” of the Technical Report titled “Resource Estimate for the Saxon East Coal Property”, dated 15 February 2011.
8. I have worked extensively on nearby coal mining operations and work as a geological consultant to the mining industry. I have not visited the site.
9. To the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.
10. I have read NI 43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with that instrument and form.
11. I consent to the filing of the Technical Report with any stock exchange and other regulatory authority and any publication by them, including electronic publication in the public company files on their websites accessible by the public.

Dated this 15th day of February 2011

“signed”

Signature of Qualified Person

Robert F. Engler, B.Sc., P.Geol.
Print Name of Qualified Person

CERTIFICATE & DATE – ROBERT J. MORRIS

I, Robert J. Morris, M.Sc., P.Geo., of Fernie B.C. do hereby certify that:

1. I am a Principal Geologist with Moose Mountain Technical Services, 6243 Kubinec Road, Fernie, BC, V0B 1M1.
2. I graduated with a Bachelor of Science degree in geology from the University of B.C. in 1973 and a Master of Science degree in geology from Queen’s University in 1978.
3. I am a member of the Association of Professional Engineers and Geoscientists of British Columbia (#18301).
4. I have worked as a Geologist for 37 years since my graduation from university. My experience in coal mining, exploration, and feasibility studies includes extensive work in the coalfields of southeast and northeast B.C., Iran, England, Colombia, Indonesia, Mongolia, and Thailand.
5. I have read the definition of “qualified person” set out in National Instrument 43-101 (“NI 43-101”) and certify that by reason of my education, affiliation with a professional associations (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a “qualified person” for the purposes of NI 43-101.
6. I am responsible the entire Technical Report titled “Resource Estimate for the Saxon East Coal Property” dated 15 February 2011, except Item 18.
7. I visited the property 4 December 2005.
8. To the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.
9. I am independent of Western Coal Corp. applying all of the tests in Section 1.4 of NI 43-101.
10. I have read NI 43-101, and the Technical Report has been prepared in compliance with that instrument.

Dated this 15th day of February 2011

“signed”

Signature of Qualified Person

Robert J. Morris, M.Sc., P.Geo.
Print Name of Qualified Person

25.0 Additional Requirements for Technical Reports on Development Properties and Production Properties

The property is not in production.

26.0 Illustrations

Drawings for each section are included within that section.

APPENDIX A – Drillhole Intercepts

DH	Easting	Northing	Elev.	From	To	App Th	True Th	Seam
Adit71-1-1	688805.39	6024191.40	1650.30	0	5	5		S1
Adit71-2-2	688564.01	6024068.50	1719.31	0	5	5		S2
Adit71-4-3	688473.32	6023777.80	1634.09	0	5	5		S4
Adit77-1-1	687160.33	6024928.57	1216.80	0.00	4.69	4.69	4.69	S1
				4.97	5.82	0.85	0.85	S1
Adit77-2-2	690657.35	6022496.37	1370.10	0.00	0.54	0.54	0.54	S2
				0.74	5.34	4.60	4.60	S2
SD-7609	690690.47	6022046.79	1240.90	188.67	193.36	4.69	4.25	S1
				7.85	9.38	1.53	1.38	S10
				204.18	205.12	0.94	0.85	S1L
				165.68	166.16	0.48	0.45	S2
				166.38	169.54	3.16	2.92	S2
				103.40	103.78	0.38	0.35	S3
				103.94	104.40	0.46	0.42	S3
				76.94	79.80	2.86	2.75	S4
				10.73	12.34	1.61	1.46	S5
SD-7617	693823.04	6019620.68	1451.93	284.65	291.60	6.95	6.44	S4
				213.23	214.62	1.39	1.01	S5
SD-7619	686825.95	6024831.77	1185.70	190.15	195.12	4.97	4.81	S1
				196.70	197.98	1.28	1.24	S1L
				149.45	150.02	0.57	0.52	S2
				150.34	152.94	2.60	2.36	S2
				68.26	69.34	1.08	0.98	S4
				69.72	72.24	2.52	2.24	S4
				73.02	73.76	0.74	0.67	S4
SD-7620	692112.09	6021260.41	1426.84	174.76	175.55	0.79	0.78	S1
				175.96	179.02	3.06	2.96	S1
				179.52	183.42	3.90	3.74	S1
				191.25	192.60	1.35	1.33	S1L
				170.26	171.66	1.40	1.29	S2A
				165.56	167.72	2.16	1.91	S2A
				157.79	161.24	3.45	3.00	S2B
				161.64	163.70	2.06	1.82	S2B
				95.40	95.98	0.58	0.53	S3
				96.32	97.76	1.44	1.31	S3
				91.37	92.77	1.40	1.28	S4
				33.02	34.10	1.08	0.94	S5
SD-7701	691294.71	6021773.18	1239.10	120.83	121.63	0.80	0.52	S1
				122.25	128.21	5.96	3.91	S1
				145.53	147.48	1.95	1.25	S1L
				92.62	93.22	0.60	0.38	S2
				93.70	97.55	3.85	2.43	S2
				23.30	25.50	2.20	1.56	S3
SD-7702	692523.09	6020476.90	1367.30	385.86	390.10	4.24	3.90	S1
				393.16	394.36	1.20	1.08	S1L
				394.36	394.87	0.51	0.45	S1L
				394.87	395.53	0.66	0.63	S1L
				371.04	372.21	1.17	1.05	S2A
				372.91	378.19	5.28	4.80	S2A

*Western Coal Corp
Saxon East Resource Estimate*

DH	Easting	Northing	Elev.	From	To	App Th	True Th	Seam
SD-7702				363.02	363.36	0.34	0.33	S2B
				363.70	365.50	1.80	1.76	S2B
				365.90	369.04	3.14	3.09	S2B
				271.40	278.88	7.48	7.34	S4
				279.12	279.34	0.22	0.19	S4
				279.63	280.16	0.53	0.50	S4
				189.70	190.96	1.26	1.23	S5
SD-7703	688625.95	6024070.66	1714.37	261.30	268.05	6.75	5.51	S1
				35.50	35.95	0.45	0.29	S10
				271.65	272.80	1.15	0.96	S1L
				227.13	227.48	0.35	0.27	S2
				227.70	227.96	0.26	0.20	S2
				228.29	232.72	4.43	3.54	S2
				232.95	235.82	2.87	2.19	S2
				167.20	168.24	1.04	0.81	S3
				169.04	169.80	0.76	0.58	S3
				172.50	173.44	0.94	0.74	S3
				122.44	122.71	0.27	0.21	S4
				123.06	127.27	4.21	3.30	S4
				38.10	39.60	1.50	1.14	S5
				58.82	122.44	63.62	44.15	
SD-7704	687427.33	6024498.09	1405.10	237.52	242.72	5.20	4.50	S1
				44.40	45.54	1.14	0.83	S10
				246.39	247.49	1.10	0.95	S1L
				210.44	213.23	2.79	2.41	S2
				162.23	163.85	1.62	1.38	S3
				126.33	127.16	0.83	0.71	S4
				127.62	129.74	2.12	1.88	S4
				56.91	57.91	1.00	0.89	S5
SD-7705	689725.69	6023107.22	1634.30	246.08	246.68	0.60	0.51	S1
				247.62	252.82	5.20	4.28	S1
				35.04	35.98	0.94	0.63	S10?
				257.20	258.28	1.08	0.92	S1L
				218.24	220.66	2.42	1.98	S2
				167.72	168.85	1.13	0.90	S3
				127.10	131.64	4.54	3.61	S4
				49.05	50.27	1.22	0.84	S5
	693642.43	6019461.61	1424.59	492.32	499.04	6.72	5.64	S4
				499.38	501.40	2.02	1.69	S4
				405.82	407.12	1.30	1.10	S5
	690918.96	6021816.48	1245.70	382.15	383.10	0.95	0.73	S1
				384.02	388.40	4.38	2.99	S1
				121.20	122.28	1.08	0.76	S10
			408.12	409.62	1.50	1.12	S1L	
			346.80	347.18	0.38	0.31	S2	
			348.13	355.08	6.95	5.05	S2	
			242.90	243.40	0.50	0.47	S3	
			243.80	245.42	1.62	1.46	S3	
			202.12	212.28	10.16	7.77	S4	
			124.70	126.40	1.70	1.17	S5	
SD-7709	690476.47	6022387.19	1374.30	208.12	208.82	0.70	0.57	S1
				209.46	215.53	6.07	4.97	S1
				225.92	227.19	1.27	1.01	S1L

*Western Coal Corp
Saxon East Resource Estimate*

DH	Easting	Northing	Elev.	From	To	App Th	True Th	Seam	
SD-7709				177.10	177.84	0.74	0.61	S2	
				178.86	184.75	5.89	4.83	S2	
				101.72	103.66	1.94	1.43	S3	
				64.04	69.68	5.64	4.61	S4	
SD-7710	689274.65	6022745.63	1456.45	440.08	440.72	0.64	0.55	S1	
				441.69	444.76	3.07	2.65	S1	
				449.44	450.48	1.04	0.90	S1L	
				399.90	400.77	0.87	0.73	S2	
				401.85	408.23	6.38	5.44	S2	
				408.46	411.96	3.50	2.97	S2	
				412.52	413.72	1.20	1.02	S2	
				354.33	356.00	1.67	1.44	S3	
				310.04	312.95	2.91	2.51	S4	
				245.35	246.40	1.05	0.90	S5	
SD-7712	695014.54	6019725.83	1962.40	129.64	131.54	1.90	1.86	S1	
				139.40	140.41	1.01	0.99	S1L	
				109.72	110.36	0.64	0.60	S2A	
				110.56	111.78	1.22	1.15	S2A	
				106.42	109.08	2.66	2.49	S2B	
				51.44	52.44	1.00		S3	
				52.78	53.33	0.55	0.52	S3	
				39.22	51.44	13.22	11.84	S4	
	SD-7715	693742.20	6020527.16	1847.90	209.63	211.85	2.22	2.08	S1
					42.07	43.70	1.63	1.54	S10
				217.76	218.71	0.95	0.90	S1L	
				190.19	191.70	1.51	1.46	S2A	
				186.55	188.93	2.38	2.32	S2B	
				188.93	189.34	0.41	0.40	S2B	
				126.05	132.32	6.27	5.85	S4	
				53.33	54.54	1.21	1.13	S5	
SD-7801		691630.27	6021333.08	1303.34	338.12	338.72	0.60	0.53	S1
				339.04	343.72	4.68	4.20	S1	
				117.16	118.36	1.20	0.98	S10	
				352.13	353.05	0.92	0.87	S1L	
				312.43	314.00	1.57	1.36	S2A	
				314.40	316.62	2.22	2.05	S2A	
				298.48	301.26	2.78	2.43	S2B	
				232.31	232.73	0.42	0.37	S3	
				232.95	235.00	2.05	1.80	S3	
				206.84	207.56	0.72	0.61	S4	
				207.76	211.88	4.12	3.48	S4	
				212.15	216.70	4.55	3.88	S4	
				121.68	123.40	1.72	1.27	S5	
SD-7802	689731.74	6022494.43	1417.24	428.56	429.32	0.76	0.54	S1	
				429.91	437.81	7.90	4.92	S1	
				222.97	224.82	1.85	1.53	S10	
				442.00	443.85	1.85	1.33	S1L	
				389.24	394.64	5.40	4.14	S2	
				335.80	336.05	0.25	0.21	S3	
				336.28	338.20	1.92	1.60	S3	
				297.00	297.50	0.50	0.39	S4	
				297.80	302.25	4.45	3.70	S4	
				227.11	228.25	1.14	0.89	S5	

*Western Coal Corp
Saxon East Resource Estimate*

DH	Easting	Northing	Elev.	From	To	App Th	True Th	Seam
SD-7803	692940.44	6020967.34	1723.11	259.74	262.44	2.70	2.70	S1
				284.46	285.34	0.88	0.67	S1L
				245.24	247.11	1.87	1.60	S2A
				247.86	248.55	0.69	0.59	S2A
				244.45	244.71	0.26	0.23	S2A
				234.08	234.38	0.30	0.24	S2B
				234.76	236.00	1.24	1.00	S2B
				155.36	160.03	4.67	3.12	S3
				154.18	154.68	0.50	0.35	S3
				154.93	155.36	0.43	0.30	S3
				146.56	152.24	5.68	4.44	S4
				152.62	153.22	0.60	0.43	S4
				60.74	62.67	1.93	1.49	S5
SD-7804	693432.09	6020514.86	1747.95	334.79	337.75	2.96	1.49	S1
				132.95	134.72	1.77	1.34	S10
				357.00	358.36	1.36	0.87	S1L
				306.62	306.95	0.33	0.22	S2A
				307.26	308.31	1.05	0.66	S2A
				302.56	302.95	0.39	0.24	S2B
				303.28	306.18	2.90	1.76	S2B
				231.24	231.50	0.26	0.21	S4
				231.50	234.12	2.62	2.14	S4
				234.12	236.46	2.34	1.94	S4
				236.70	238.21	1.51	1.28	S4
				148.14	149.33	1.19	0.99	S5
				SD-7805	691132.41	6021519.24	1283.42	474.92
476.32	481.40	5.08	3.58					S1
495.90	497.14	1.24	1.07					S1L
451.20	451.51	0.31	0.22					S2
451.82	452.53	0.71	0.50					S2
453.00	455.40	2.40	1.65					S2
343.90	344.95	1.05	0.80					S3
314.04	319.40	5.36	4.64					S4
255.63	256.48	0.85	0.77					S5
SD-7806	694257.41	6019881.77	1644.01					252.20
				263.80	264.93	1.13	0.87	S1L
				191.58	192.87	1.29	1.29	S2A
				188.65	188.85	0.20	0.13	S2B
				189.10	191.32	2.22	1.47	S2B
				132.10	132.80	0.70	0.40	S3
				109.58	119.33	9.75	5.59	S4
				25.00	25.70	0.70	0.45	S5
				SD-7807	689111.40	6023329.48	1647.20	346.42
148.55	149.28	0.73	0.66					S10
357.32	358.49	1.17	0.94					S1L
312.84	320.92	8.08	7.30					S2
264.50	265.90	1.40	1.22					S3
225.24	228.65	3.41	2.95					S4
158.92	160.19	1.27	1.16					S5
SD-7808	691829.65	6020868.81	1290.70	342.88	343.52	0.64	0.64	S1
				343.94	345.87	1.93	1.92	S1
				346.31	349.40	3.09	3.09	S1
				184.34	185.60	1.26	1.20	S10

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DH	Easting	Northing	Elev.	From	To	App Th	True Th	Seam	
SD-7808				358.76	359.76	1.00	0.97	S1L	
				323.55	324.78	1.23	1.20	S2A	
				321.36	321.76	0.40	0.40	S2B	
				322.06	323.24	1.18	1.16	S2B	
				270.60	272.60	2.00	1.48	S3	
				261.00	262.14	1.14	1.11	S4	
				262.32	265.83	3.51	3.29	S4	
				266.11	266.62	0.51	0.48	S4	
				188.59	189.60	1.01	0.96	S5	
	SD-7809	688354.11	6023823.87	1617.43	374.42	380.14	5.72	5.26	S1
				201.10	202.90	1.80	1.69	S10	
				383.34	384.31	0.97	0.91	S1L	
				351.92	354.66	2.74	2.63	S2	
				304.45	305.90	1.45	1.38	S3	
				271.58	273.90	2.32	2.25	S4	
				205.85	207.56	1.71	1.61	S5	
SED2005-01		690093.77	6022799.17	1551.15	184.10	184.54	0.44	0.44	S1
				185.25	189.65	4.40	4.37	S1	
				19.18	20.61	1.43	1.42	S10	
				195.24	196.04	0.80	0.80	S1L	
				160.53	160.86	0.33	0.33	S2	
				161.20	165.48	4.28	4.26	S2	
				109.38	109.70	0.32	0.32	S3	
				109.86	110.61	0.75	0.75	S3	
				81.27	84.57	3.30	3.28	S4	
				37.20	38.50	1.30	1.28	S5	
	SED2005-02	693908.20	6020140.64	1677.21	228.35	230.28	1.93	1.91	S1
					236.85	237.73	0.88	0.86	S1L
				206.39	207.38	0.99	0.98	S2A	
				207.65	209.15	1.50	1.49	S2A	
				203.17	203.40	0.23	0.23	S2B	
				203.70	205.33	1.63	1.62	S2B	
				147.86	148.40	0.54	0.53	S3	
				130.15	134.65	4.50	4.47	S4	
				134.95	137.43	2.48	2.46	S4	
				63.55	64.83	1.28	1.23	S5	
SED2005-03		688993.73	6023759.48	1732.97	195.23	202.90	7.67	7.64	S1
				19.00	19.55	0.55	0.55	S10	
				206.59	207.60	1.01	1.00	S1L	
				169.70	170.05	0.35	0.35	S2	
				170.70	173.90	3.20	3.19	S2	
				124.33	125.48	1.15	1.15	S3	
				91.71	93.83	2.12	2.11	S4	
				22.20	23.15	0.95	0.94	S5?	
	SED2005-04	694619.34	6019763.49	1802.08	166.36	168.26	1.90	1.88	S1
				177.47	178.28	0.81	0.80	S1L	
				144.32	145.17	0.85	0.84	S2A	
				145.96	147.01	1.05	1.04	S2A	
				140.29	143.27	2.98	2.96	S2B	
				84.58	86.10	1.52	1.51	S3	
				76.03	82.78	6.75	6.72	S4	
SED2005-05	688195.79	6024189.72	1638.32	19.72	20.17	0.45	0.44	S5	
				283.70	288.37	4.67	4.62	S1	

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DH	Easting	Northing	Elev.	From	To	App Th	True Th	Seam
SED2005-05				121.10	122.20	1.10	1.09	S10
				292.11	293.11	1.00	0.97	S1L
				261.30	261.48	0.18	0.18	S2
				261.84	262.14	0.30	0.30	S2
				262.29	262.93	0.64	0.63	S2
				263.52	266.43	2.91	2.91	S2
				212.80	215.42	2.62	2.58	S3
				182.90	186.40	3.50	3.35	S4
				186.78	188.09	1.31	1.23	S4
				127.48	128.32	0.84	0.79	S5?
SED2005-06	693286.61	6020673.15	1613.23	129.77	131.85	2.08	2.04	S1
				143.47	143.88	0.41	0.40	S1L
				144.35	145.47	1.12	1.10	S1L
				116.57	118.70	2.13	2.10	S2A
				118.91	119.61	0.70	0.69	S2A
				119.81	120.57	0.76	0.75	S2A
				120.95	121.89	0.94	0.93	S2A
				112.90	115.47	2.57	2.53	S2B
				60.50	61.38	0.88	0.87	S3
				53.73	59.83	6.10	6.04	S4
			6.65	7.01	0.36		S5?	
SED2005-07	692533.00	6021035.56	1508.92	167.49	170.03	2.54	2.50	S1
				17.86	19.40	1.54	1.52	S10?
				180.85	181.65	0.80		S1L
				164.43	166.80	2.37	1.96	S2A
				160.35	163.25	2.90	2.40	S2B
				94.15	95.71	1.56	1.54	S3
				93.21	93.55	0.34	0.33	S3
				86.94	90.98	4.04	3.98	S4
				90.98	92.65	1.67	1.64	S4
				32.00	32.95	0.95	0.94	S5
SED2005-08	687169.94	6024725.41	1306.42	146.50	151.21	4.71	4.65	S1
				153.74	154.63	0.89	0.88	S1L
				117.70	117.85	0.15	0.15	S2
				118.25	118.62	0.37	0.37	S2
				118.82	119.20	0.38	0.38	S2
				119.43	123.91	4.48	4.42	S2
				80.97	82.35	1.38	1.36	S3
				47.95	48.45	0.50	0.49	S4
				48.60	50.96	2.36	2.32	S4
				51.24	52.00	0.76	0.75	S4
SED2005-09	687889.04	6024396.48	1495.76	166.92	171.65	4.73	4.66	S1
				16.80	17.25	0.45	0.45	S10?
				174.86	175.84	0.98	0.98	S1L
				141.27	141.48	0.21	0.20	S2
				142.08	142.54	0.46	0.43	S2
				142.87	146.63	3.76	3.33	S2
				95.22	96.68	1.46	1.44	S3
				68.86	70.25	1.39	1.37	S4
				25.80	26.50	0.70	0.70	S5
	SER2005-01	692159.14	6021336.05	1438.15	51.56	55.17	3.61	
				33.17	45.85	12.68	7.27	S4
				48.78	49.88	1.10	0.63	S4

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DH	Easting	Northing	Elev.	From	To	App Th	True Th	Seam
SER200502B	691346.97	6021713.91	1249.16	51.79	53.67	1.88		S3
				34.84	40.84	6.00		S4
SER2005-03	690838.94	6022252.42	1269.88	37.19	37.93	0.74	0.67	S1
				38.39	44.88	6.49	5.88	S1
				57.78	58.81	1.03	0.93	S1L
				9.03	9.60	0.57	0.54	S2
				9.86	13.89	4.03	3.74	S2
SER2005-04	690829.42	6022237.52	1271.29	27.90	31.49	3.59		S2
SR-0178	691623.14	6021614.46	1320.30	99.92	104.44	4.52	3.20	S2
				37.65	39.24	1.59	1.12	S3
				24.92	29.56	4.64	3.28	S4
				30.02	30.55	0.53	0.37	S4
SR-0278	691466.07	6021700.03	1275.91	8.39	17.70	9.31	7.18	S4
				18.18	18.81	0.63	0.47	S4
SR-0378	691474.13	6021790.09	1271.95	32.86	33.72	0.86	0.61	S1
				34.48	37.48	3.00	2.98	S1
				7.12	11.54	4.42	3.37	S2
SR-0478	692182.88	6021525.99	1463.89	50.44	54.24	3.80	2.91	S2A
				48.54	50.03	1.49	1.15	S2B
SR-0578	692193.08	6021476.40	1457.59	90.86	91.74	0.88	0.72	S1
				92.44	94.43	1.99	1.64	S1
				78.16	81.94	3.78	3.11	S2A
				76.68	78.16	1.48	1.21	S2B
SR-0678	691742.37	6021470.41	1363.92	8.10	9.80	1.70		S10
				11.60	14.00	2.40		S5?
SR-0778	691819.50	6021506.37	1367.17	48.51	53.36	4.85	3.43	S3
				37.56	42.52	4.96	3.51	S4
				36.13	36.63	0.50	0.35	S4
				62.14	63.28	1.14	0.81	S1
SR-0878	691819.54	6021671.77	1357.14	63.92	65.06	1.14	0.81	S1
				66.70	68.34	1.64	1.16	S1
				82.54	84.20	1.66	1.17	S1L
				38.40	49.67	11.27	7.97	S2A
				35.02	37.34	2.32	1.64	S2B
				57.08	57.96	0.88	0.62	S1
SR-0978	690910.17	6022124.81	1235.24	58.49	62.97	4.48	3.17	S1
				33.09	33.50	0.41	0.30	S2
				34.14	36.64	2.50	1.77	S2
				36.84	37.00	0.16	0.11	S2
				64.88	66.78	1.90	1.34	S3
SR-1078	691278.05	6021737.06	1238.71	37.08	37.56	0.48	0.34	S4
				38.00	44.60	6.60	4.66	S4
				27.47	28.64	1.17	0.90	S1
SR-1278	691969.64	6021575.20	1362.55	28.90	40.50	11.60	8.89	S1
				49.86	51.24	1.38	1.06	S1L
				18.31	24.16	5.85	4.48	S2A
				24.36	25.17	0.81	0.63	S2A
				15.64	18.31	2.67	2.04	S2B
				65.64	67.26	1.62	1.12	S3
SR-1378	691981.56	6021399.74	1394.83	56.26	62.42	6.16	4.36	S4
				12.58	24.72	12.14	6.96	S4