



NOTICE TO MEMBERS

No. 2011 – 038

April 6, 2011

ERRATUM

FINAL CONTRACT ADJUSTMENT

Western Coal Corp. (WTN)

Plan of arrangement

THE FOLLOWING INFORMATION IS PREPARED FOR THE CONVENIENCE OF CANADIAN DERIVATIVES CLEARING CORPORATION (CDCC) MEMBERS AND BOURSE DE MONTRÉAL INC. (THE BOURSE) APPROVED PARTICIPANTS. THIS DOCUMENT IS AN UNOFFICIAL SUMMARY OF CERTAIN TERMS OF THE AFOREMENTIONED ADJUSTMENT. CDCC AND THE BOURSE ACCEPT NO RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF THE SUMMARY. CDCC MEMBERS AND BOURSE APPROVED PARTICIPANTS MUST ENSURE THEY HAVE REVIEWED THE DOCUMENTATION PUBLISHED BY THE ISSUERS INVOLVED IN THIS CORPORATE ACTION.

The Bourse and CDCC hereby correct the Circular No. 058-11 and the Notice to Members No. 037-11 dated April 5, 2011, regarding the new deliverable by contract according to the plan of arrangement.

The circulars should have read the following: (Please see section NEW DELIVERABLE PER CONTRACT.)

The Bourse and CDCC wish to inform you that Western Coal Corp. (“Western”) announced on April 1, 2011 the completion of its plan of arrangement pursuant to which Walter Energy, Inc (“Walter”) will acquire all outstanding Western common shares not already owned by it for a cash consideration of C\$11.50 and a share consideration of 0.114 common share of Walter, subject to a pro-ration as set out in the plan of arrangement.

Considering that the default deliverable is composed of a share consideration of 70% and a cash consideration of 30%, and that the ratio of the share consideration is 0.334800664412873, the new deliverable by contract is determined as follows:

Share consideration:

100 WTN shares x 30% x 0.334800664412873 x 0.114 Walter share / WTN share
= 1.145018272 Walter shares

Canadian Derivatives Clearing Corporation

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Cash consideration:

$(100 \text{ WTN shares} \times 70\% + 100 \text{ WTN shares} \times 30\% \times (1 - 0.334800664412873)) \times \text{C}\$11.50 / \text{WTN share}$
= C\$1,034.49

The fractional amount of Walter shares in the share consideration will be delivered in cash. The cash payment will be determined on the basis of an amount equal to the Canadian Dollar Equivalent of the volume weighted average trading price on the NYSE of the Walter shares, over the five business days ending one business day before the effective date, multiplied by the fractional share amount.

Western common shares will be delisted from the Toronto Stock Exchange at the close of business on April 6, 2011.

Western Coal Corp. (WTN)

CDCC - Adjustment details:

Pursuant to Terms of Adjustment provided in Section A-902 of the Rules of CDCC, all Western options will be adjusted as follows:

- **EFFECTIVE DATE:** **April 7, 2011**
- **NEW OPTIONS SYMBOL:** **WTN will become WTN1**
- **NUMBER OF CONTRACTS:** **Unchanged**
- **MULTIPLIER:** **100**
- **STRIKE PRICES:** **Unchanged**
- **NEW DELIVERABLE PER CONTRACT:** **C\$1,034.49 and 1 common share of Walter (WLT to be determined: American or Canadian) and a cash portion equivalent to 0.145 common share of WLT**
- **POSITION AND EXERCISE LIMITS:** **Position and exercise limits will remain affixed at 75,000 contracts**
- **CUSIP :** **NOTACUSIP**

CDCC will not accept escrow receipts on these adjusted series

Bourse de Montréal Inc. - Adjustment details:

It is important to note that on the effective date mentioned above, all open orders on this option class **will not be automatically modified** to reflect the plan of arrangement and will therefore have to **be re-entered** into the Montreal Automated System (SAM) by the approved participants.

The existing series of WTN options class will be transferred to the WTN1 options class representing the new deliverable. Please note that only closing transactions will be permitted on the adjusted class. Actual series that do not have open interest will not be adjusted.

Western Coal Corp.		
Actual Strike Prices	Actual Class Symbol	New class symbol after the Plan of

		Arrangement
\$ 3.00	WTN	WTN1
\$ 4.00	WTN	WTN1
\$ 5.00	WTN	WTN1
\$ 6.00	WTN	WTN1
\$ 7.00	WTN	WTN1
\$ 8.00	WTN	WTN1
\$ 9.00	WTN	WTN1
\$ 10.00	WTN	WTN1
\$ 11.00	WTN	WTN1
\$ 12.00	WTN	WTN1
\$ 13.00	WTN	WTN1
\$ 14.00	WTN	WTN1

PLEASE ENSURE THAT ALL CLIENTS WHO HAVE EITHER LONG OR SHORT POSITIONS IN THIS OPTION CLASS ARE ADVISED OF THIS NOTICE.

For further information, please contact Louise Leclair, Trading Systems Analyst Market Operations, Bourse de Montréal Inc. at (514) 871-3526. CDCC clearing members may contact the Member Services Department.

Glenn Goucher
 President and Chief Clearing Officer