



WESTMORELAND COAL COMPANY  
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# NEWS RELEASE

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## Westmoreland Savage Enters into New Long-Term Supply Agreement

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**Englewood, CO** – January 29, 2013 – Westmoreland Coal Company (NasdaqGM:WLB) today announced that its Westmoreland Savage Corporation subsidiary, which owns the Savage Mine in Sidney, Montana, has amended its lignite supply agreement with one of its long-time customers Montana-Dakota Utilities Co., a division of MDU Resources Group, Inc. The amendment extends the term of the original agreement for the supply of lignite to the Lewis & Clark Station through December 31, 2017. The contract provides that the Savage Mine will continue to provide Lewis & Clark Station its lignite requirements on an annual basis, which has historically been approximately 300,000 tons a year.

“Westmoreland is pleased that we were able to work collaboratively with our long-time customer at the Savage Mine to extend the term of the contract for another five years,” commented Robert P. King, President and Chief Operating Officer. “This extension is significant for the Savage Mine and provides for increased profitability for this operation and improved quality for the customer.”

### About Westmoreland Coal Company

Westmoreland Coal Company is the oldest independent coal company in the United States. The Company’s coal operations include coal mining in the Powder River Basin in Montana, sub-bituminous mining in Wyoming, and lignite mining operations in Montana, North Dakota and Texas. Its power operations include ownership of the two-unit ROVA coal-fired power plant in North Carolina. For more information, visit [www.westmoreland.com](http://www.westmoreland.com).

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