

Westmoreland Announces Shift to Reclamation at Jewett Following Cancellation of Supply Contract at Year End

Englewood, CO – August 24, 2016 - Westmoreland Coal Company (Nasdaq:WLB) announced today that NRG Texas Power (NRG) has provided notice that it will terminate the lignite supply agreement at the Jewett mine two years early on December 31, 2016. Westmoreland will conduct the multi-year reclamation work for NRG following the conclusion of the supply contract.

“As NRG has decided to fuel its plant differently in response to current energy market conditions, we are shifting our focus to providing multi-year reclamation services. We have an outstanding track record of operating the Jewett mine safely and cost efficiently and plan to build on this performance during the reclamation phase,” said Kevin Paprzycki, Chief Executive Officer of Westmoreland Coal Company.

The lignite supply contract with NRG is a cost plus contract which accounts for approximately 2% of Westmoreland’s 2016 adjusted EBITDA guidance. Westmoreland expects to maintain positive cash flow generation at Jewett during the next several years with the cost plus arrangement continuing through reclamation. NRG is responsible for the reclamation liability so Westmoreland does not foresee using cash net of reimbursements for reclamation.

About Westmoreland Coal Company

Westmoreland Coal Company is the oldest independent coal company in the United States. Westmoreland’s coal operations include surface coal mines in the United States and Canada, underground coal mines in Ohio and New Mexico, a char production facility, and a 50% interest in an activated carbon plant. Westmoreland also owns the general partner of and a majority interest in Westmoreland Resource Partners, LP, a publicly-traded coal master limited partnership (NYSE:WMLP). Its power operations include ownership of the two-unit ROVA coal-fired power plant in North Carolina. For more information, visit www.westmoreland.com.

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Cautionary Note Regarding Forward-Looking Statements

Forward-looking statements are based on Westmoreland’s current expectations and assumptions regarding its business, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Actual results may differ materially from those contemplated by the forward-looking statements. Westmoreland cautions you against relying on any of these forward-looking statements. They are statements neither of historical fact nor guarantees or assurances of future performance. Important factors that could cause actual results to differ materially from those in the forward-looking statements include political, economic, business, competitive, market, weather and regulatory conditions.

Any forward-looking statements made by Westmoreland in this news release speak only as of the date on which it was made. Westmoreland undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future developments or otherwise, except as may be required by law.