

WESTMORELAND COAL COMPANY

CORPORATE GOVERNANCE COMMITTEE CHARTER

This Charter sets forth the purpose, composition, responsibilities, duties and powers of the Corporate Governance Committee (“the Committee”) of Westmoreland Coal Company. The Committee shall report to the Board on a regular basis and not less than once a year.

I. Purpose

The purpose(s) of the Committee are to:

A. Develop and recommend to the Board a set of corporate governance principles applicable to the Company; and

B. Develop and implement procedures for a self-evaluative process for the Board of Directors and the Committees of the Board.

II. Composition

A. Size. The Committee shall consist of such number of Directors as the Board shall from time to time determine.

B. Independence. Except as otherwise permitted by the applicable Rules of the American Stock Exchange, or any stock exchange on which the Company is listed and traded, each member of the Committee shall be “independent” as defined by such Rules and as such requirements are interpreted by the Board in its business judgment.

C. Chair. Unless the Board elects a Chair of the Committee, the Committee shall elect a Chair by majority vote.

D. Selection and Removal. Members of the Committee shall be elected by the Board, upon recommendation of the Committee. The Board may remove members of the Committee, with or without cause.

E. Compensation. The compensation of the Committee shall be as determined by the Board.

III. Structure and Operations

The Committee shall meet at least once a year at a time and place determined by the Committee Chairperson, with additional meetings to occur when deemed necessary or desirable by the Committee or Committee Chairperson. Members of the Committee may participate in a meeting of the Committee by means of conference call or similar communications equipment by which all persons participating in the meeting can hear

each other. The affirmative vote of a majority of the members of the Committee is necessary for the adoption of any resolution.

IV. Authority and Responsibilities

The Committee shall:

A. Establish procedures for the Committee to exercise oversight of the evaluation of the performance of the Board and all of its Committees. The Committee shall work in conjunction with all of the Company's Committees in establishing procedures to facilitate annual planning and creation of goals and objectives and a process to conduct an annual review of performance. The Committee will, in conjunction with the Nominating Committee, annually evaluate its own and the Board's performance.

B. Develop and recommend to the Board a set of corporate governance principles for the Company, and to on a periodic basis, at least annually, review these principles.

C. The Committee shall, from time to time as it deems appropriate, review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.

D. Perform any other duties or responsibilities expressly delegated to the Committee by the Board from time to time.

E. At least annually, the Committee shall evaluate its own performance.

F. The Committee shall discharge its responsibilities, and shall assess the information provided by the Company's management, in accordance with its business judgment.

G. The Committee will, from time to time, review the Company's Articles of Incorporation and By-Laws and recommend changes it believes necessary to the Board of Directors for its consideration.

V. Resources

The Committee shall have the resources and authority to appropriately discharge its duties and responsibilities, including the authority, without seeking approval from the Board, to retain counsel and other experts or consultants as the Committee determines necessary or advisable.