Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2016

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2016 or fiscal plan year beginning 01/31/2016 and ending 12/31/2016

A This return/report is for:
- [ ] a multiemployer plan
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- [X] a single-employer plan
- [ ] a DFE (specify) ____

B This return/report is:
- [X] the first return/report
- [X] the final return/report
- [ ] an amended return/report
- [X] a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558
- [ ] automatic extension
- [ ] the DFVC program
- [X] special extension (enter description) HURRICANE HARVEY

Part II Basic Plan Information—enter all requested information

1a Name of plan
SAN JUAN COAL COMPANY SALARIED 401(K) PLAN

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 01/31/2016

2a Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
WESTMORELAND COAL COMPANY

9540 SOUTH MAROON CIRCLE, SUITE 300
ENGLEWOOD, CO 80112

2b Employer Identification Number (EIN) 23-1128670

2c Plan Sponsor's telephone number 303-922-6463

2d Business code (see instructions) 212110

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/16/2017	ELIZABETH A. MARTINEZ
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/16/2017	ELIZABETH A. MARTINEZ
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

Preparer's name (including firm name, if applicable) and address (include room or suite number)

Preparer's telephone number

3a Plan administrator's name and address [X] Same as Plan Sponsor	**3b** Administrator's EIN	
	3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:	**4b** EIN	
a Sponsor's name	**4c** PN	
5 Total number of participants at the beginning of the plan year	**5**	706
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1) Total number of active participants at the beginning of the plan year	**6a(1)**	622
a(2) Total number of active participants at the end of the plan year	**6a(2)**	0
b Retired or separated participants receiving benefits	**6b**	0
c Other retired or separated participants entitled to future benefits	**6c**	0
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	0
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f Total. Add lines **6d** and **6e**.	**6f**	0
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	0
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	5
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

2E 2F 2H 2J 2K 2T 3I 2S

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)

- **(1)** [X] Insurance
- **(2)** [ ] Code section 412(e)(3) insurance contracts
- **(3)** [X] Trust
- **(4)** [ ] General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

- **(1)** [X] Insurance
- **(2)** [ ] Code section 412(e)(3) insurance contracts
- **(3)** [X] Trust
- **(4)** [ ] General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- **(1)** [X] **R** (Retirement Plan Information)
- **(2)** [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- **(3)** [ ] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- **(1)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [X] 1 **A** (Insurance Information)
- **(4)** [X] **C** (Service Provider Information)
- **(5)** [X] **D** (DFE/Participating Plan Information)
- **(6)** [ ] **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2016 Form M-1 annual report. If the plan was not required to file the 2016 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

SCHEDULE A (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Insurance Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

OMB No. 1210-0110

2016

This Form is Open to Public Inspection

For calendar plan year 2016 or fiscal plan year beginning 01/31/2016 and ending 12/31/2016

A Name of plan
SAN JUAN COAL COMPANY SALARIED 401(K) PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
WESTMORELAND COAL COMPANY

D Employer Identification Number (EIN)
23-1128670

Part I **Information Concerning Insurance Contract Coverage, Fees, and Commissions** Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

1 Coverage Information:

(a) Name of insurance carrier
PRUDENTIAL RETIREMENT INSURANCE & ANNUITY CO.

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
06-1050034	93629	074418	0	01/31/2016	12/31/2016

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid
0	0

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4	Current value of plan's interest under this contract in the general account at year end	4	0
5	Current value of plan's interest under this contract in separate accounts at year end	5	0

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

b	Premiums paid to carrier	6b	
c	Premiums due but unpaid at the end of the year	6c	
d	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount.	6d	

Specify nature of costs ▶

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity

(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee

(3) ☐ guaranteed investment (4) ☒ other ▶ GUARANTEED GENERAL ACCOUNT CONTRACT

b	Balance at the end of the previous year			7b	0
c	Additions: (1) Contributions deposited during the year	7c(1)	197356		
	(2) Dividends and credits	7c(2)			
	(3) Interest credited during the year	7c(3)	47148		
	(4) Transferred from separate account	7c(4)	1193365		
	(5) Other (specify below)	7c(5)	3716147		
	▶ LOAN REPAYMENTS, TRANSFERS IN MISCELLANEOUS IN PLAN ROLLOVER				
	(6) Total additions			7c(6)	5154016
d	Total of balance and additions (add lines **7b** and **7c(6)**)			7d	5154016
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	1038485		
	(2) Administration charge made by carrier	7e(2)	257		
	(3) Transferred to separate account	7e(3)	3950338		
	(4) Other (specify below)	7e(4)	164936		
	▶ LOAN INITIATIONS, TRANSFERS OUT MISCELLANEOUS OUT FORFEITURE DEBITS				
	(5) Total deductions			7e(5)	5154016
f	Balance at the end of the current year (subtract line **7e(5)** from line **7d**)			7f	0

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

a ☐ Health (other than dental or vision) **b** ☐ Dental **c** ☐ Vision **d** ☐ Life insurance
e ☐ Temporary disability (accident and sickness) **f** ☐ Long-term disability **g** ☐ Supplemental unemployment **h** ☐ Prescription drug
i ☐ Stop loss (large deductible) **j** ☐ HMO contract **k** ☐ PPO contract **l** ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:				
a Premiums: (1) Amount received	**9a(1)**			
(2) Increase (decrease) in amount due but unpaid	**9a(2)**			
(3) Increase (decrease) in unearned premium reserve	**9a(3)**			
(4) Earned (**(1)** + **(2)** - **(3)**)			**9a(4)**	
b Benefit charges (1) Claims paid	**9b(1)**			
(2) Increase (decrease) in claim reserves	**9b(2)**			
(3) Incurred claims (add **(1)** and **(2)**)			**9b(3)**	
(4) Claims charged			**9b(4)**	
c Remainder of premium: (1) Retention charges (on an accrual basis) --				
(A) Commissions	**9c(1)(A)**			
(B) Administrative service or other fees	**9c(1)(B)**			
(C) Other specific acquisition costs	**9c(1)(C)**			
(D) Other expenses	**9c(1)(D)**			
(E) Taxes	**9c(1)(E)**			
(F) Charges for risks or other contingencies	**9c(1)(F)**			
(G) Other retention charges	**9c(1)(G)**			
(H) Total retention			**9c(1)(H)**	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)			**9c(2)**	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement			**9d(1)**	
(2) Claim reserves			**9d(2)**	
(3) Other reserves			**9d(3)**	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line **9c(2)**.)			**9e**	
10 Nonexperience-rated contracts:				
a Total premiums or subscription charges paid to carrier			**10a**	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount.			**10b**	

Specify nature of costs.

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2016** **This Form is Open to Public Inspection.**

For calendar plan year 2016 or fiscal plan year beginning 01/31/2016 and ending 12/31/2016

A Name of plan
SAN JUAN COAL COMPANY SALARIED 401(K) PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
WESTMORELAND COAL COMPANY

D Employer Identification Number (EIN)
23-1128670

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions). . . . . [X] Yes [ ] No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

PRUDENTIAL RETIREMENT INSURANCE AND

06-1050034

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

GLOBAL RETIREMENT PARTNERS

47-1411118

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27	NONE	13662	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

PRUDENTIAL RETIREMENT INSURANCE AND

06-1050034

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 15 37 50 64	NONE	3730	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [X] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
PRUDENTIAL RETIREMENT INSURANCE AND	15 64	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
PRUDENTIAL RETIREMENT INSURANCE AND 06-1050034	40.000 BPS AND $0.00 PER PARTICIPANT INVESTED IN THE FUND FROM 3/1/2016 TO 8/31/2016 GUARANTEED INCOME FUND

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
PRUDENTIAL RETIREMENT INSURANCE AND	15 64	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
PRUDENTIAL RETIREMENT INSURANCE AND 06-1050034	25.000 BPS AND $0.00 PER PARTICIPANT INVESTED IN THE FUND FROM 9/1/2016 TO 12/31/2016 GUARANTEED INCOME FUND

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

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(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2016

This Form is Open to Public Inspection.

For calendar plan year 2016 or fiscal plan year beginning 01/31/2016 and ending 12/31/2016

A Name of plan
SAN JUAN COAL COMPANY SALARIED 401(K) PLAN

B Three-digit plan number (PN) ▶ 002

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
WESTMORELAND COAL COMPANY

D Employer Identification Number (EIN)
23-1128670

Part I **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: LARGE CAP GROW/JP MORGAN

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-141	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: MC GR/WADDELL & REED FUND

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-409	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: CORE PLUS BOND/PGIM FUND

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-299	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: SMALL CAP GROWTH/TIMESSQ

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-132	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: PRU DAY ONE IFX TARG BAL

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-697	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: SMALL CAP VALUE/TBCAM

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-410	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: MID CAP VAL/ROBECO BOST

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-440	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: SA/T ROWE PR EQ INC STRAT

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-265	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: DRYDEN S&P 500 INDEX FUND

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-123	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: SA/JANUS BALANCED STRAT

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-180	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: CORE BOND ENHAN INDEX

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-036	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)

Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2016

This Form is Open to Public Inspection

For calendar plan year 2016 or fiscal plan year beginning 01/31/2016 and ending 12/31/2016

A Name of plan
SAN JUAN COAL COMPANY SALARIED 401(K) PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
WESTMORELAND COAL COMPANY

D Employer Identification Number (EIN)
23-1128670

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	0	0
(9) Value of interest in common/collective trusts	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	0	0
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	0	0
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	0	0
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	0	0

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	1328140	
	(B) Participants	2a(1)(B)	694790	
	(C) Others (including rollovers)	2a(1)(C)	18581	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		2041511
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)	42727	
	(F) Other	2b(1)(F)	47148	
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		89875
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	117357	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		117357
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)	97080	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	80516	
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		16564
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)	226191	
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		226191

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		1605939
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		630041
c Other income	2c		15657
d Total income. Add all **income** amounts in column (b) and enter total	2d		4743135
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	4346400	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		4346400
f Corrective distributions (see instructions)	2f		390
g Certain deemed distributions of participant loans (see instructions)	2g		27268
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	17817	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		17817
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		4391875
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		351260
l Transfers of assets:			
(1) To this plan	2l(1)		28433220
(2) From this plan	2l(2)		28784480

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: EKS&H LLLP **(2)** EIN: 46-1497033

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		10000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i		X	
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k	X		
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m	X		
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	4n	X		
o	Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?	4o			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If "Yes," enter the amount of any plan assets that reverted to the employer this year..... [X] **Yes** [ ] **No** **Amount:** 0

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)
WESTMORELAND COAL COMPANY AND SUBSIDIARIES EMPLOYEES' SAVINGS PLAN	23-1128670	001

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ..... [ ] Yes [ ] No [ ] Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year_____. (See instructions.)

Part V Trust Information

6a Name of trust	**6b** Trust's EIN

6c Name of trustee or custodian	**6d** Trustee's or custodian's telephone number

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2016

This Form is Open to Public Inspection.

For calendar plan year 2016 or fiscal plan year beginning 01/31/2016 and ending 12/31/2016

A Name of plan
SAN JUAN COAL COMPANY SALARIED 401(K) PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
WESTMORELAND COAL COMPANY

D Employer Identification Number (EIN)
23-1128670

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 22-1211670

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

Part VII IRS Compliance Questions

20a Is the plan a 401(k) plan? If "No," skip b	☐ Yes ☐ No
20b How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply:	☐ Design-based safe harbor ☐ "Prior year" ADP test ☐ "Current year" ADP test ☐ N/A
21a What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply:	☐ Ratio percentage test ☐ Average benefit test ☐ N/A
21b Did the plan satisfy the coverage and nondiscrimination requirements of sections 410(b) and 401(a)(4) for the plan year by combining this plan with any other plan under the permissive aggregation rules?	☐ Yes ☐ No

22a If the plan is a master and prototype plan (M&P) or volume submitter plan that received a favorable IRS opinion letter or advisory letter, enter the date of the letter _____/_____/_____ and the serial number _____.

22b If the plan is an individually-designed plan that received a favorable determination letter from the IRS, enter the date of the most recent determination letter _____/_____/_____.

SAN JUAN COAL COMPANY SALARIED 401(K) PLAN

Financial Statement
and
Independent Auditors' Report
Period from Inception (January 31, 2016) through December 31, 2016

SAN JUAN COAL COMPANY SALARIED 401(K) PLAN

TABLE OF CONTENTS

	Page
Report of Independent Registered Public Accounting Firm	3
FINANCIAL STATEMENT	
Statement of Changes in Net Assets Available for Benefits, Period from Inception (January 31, 2016) through December 31, 2016	4
Notes to Financial Statement	5
SUPPLEMENTAL SCHEDULE	
Schedule H, Line 4j - Schedule of Reportable Transactions, Period from Inception (January 31, 2016) through December 31, 2016	10

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INDEPENDENT AUDITORS' REPORT

The Audit Committee
San Juan Coal Company Salaried 401(k) Plan
Englewood, Colorado

REPORT ON FINANCIAL STATEMENTS

We were engaged to audit the accompanying financial statements of San Juan Coal Company Salaried 401(k) Plan (the "Plan"), which are comprised of the statement of changes in net assets available for benefits for the period from inception (January 31, 2016) through December 31, 2016 and the related notes to the financial statements.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

BASIS FOR DISCLAIMER OF OPINION

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Prudential Retirement Insurance and Annuity Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee as of December 31, 2016, and for the period ended December 31, 2016, that the information provided to the Plan administrator by the trustee is complete and accurate.

DISCLAIMER OF OPINION

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

OTHER MATTERS

Supplemental Schedule

The supplemental schedule as of December 31, 2016, is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on this supplemental schedule.

REPORT ON FORM AND CONTENT IN COMPLIANCE WITH THE DEPARTMENT OF LABOR'S RULES AND REGULATIONS

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

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October 16, 2017
Denver, Colorado

SAN JUAN COAL COMPANY SALARIED 401(K) PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Period from Inception (January 31, 2016) through December 31, 2016

Contributions:	
Employer:	
Westmoreland Coal Company common stock	$ 192,412
Cash	1,135,728
Total employer	1,328,140
Employee	694,790
Rollovers	18,581
Total contributions	2,041,511
Investment income:	
Interest and dividends	164,505
Net appreciation of investments, including realized and unrealized gains and losses	2,478,735
Total investment income	2,643,240
Other income:	
Interest income from participant loans receivable	42,727
Other income	15,657
Total other income	58,384
Deductions from net assets attributed to:	
Distributions to participants	(4,374,058)
Administrative expenses, net of forfeitures	(17,817)
Total deductions	(4,391,875)
Increase in net assets available for benefits	351,260
Transfers in (see Note 6)	28,433,220
Transfers out (see Note 6)	(28,784,480)
Net assets available for benefits:	
January 31, 2016	—
December 31, 2016	$ —

See accompanying Notes to Financial Statement.

SAN JUAN COAL COMPANY SALARIED 401(K) PLAN
NOTES TO FINANCIAL STATEMENT

1. Summary of Significant Accounting Policies

a. Basis of Financial Statement Presentation

The San Juan Coal Company Salaried 401(k) Plan (the "Plan") was a defined contribution plan and was sponsored by San Juan Coal Company ("SJCC" or the "Company" or the "Employer") which is an indirect, wholly owned subsidiary of Westmoreland Coal Company ("WCC" or the "Parent"). On January 31, 2016, WCC acquired the Company. Plan assets on February 1, 2016, including loans transferred into the Plan, totaled $28.4 million. The Plan was merged on December 31, 2016, and $28.8 million in assets were consolidated into the Westmoreland Coal Company and Subsidiaries Employees' Savings Plan (the "WCC Plan").

The accompanying Statement of Changes in Net Assets Available for Benefits has been prepared on the accrual basis of accounting and presents the changes in the Plan's net assets for the period from inception (January 31, 2016) through December 31, 2016. The preparation of this financial statement is in conformity with accounting principles generally accepted in the United States of America which require the plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions in net assets available for benefits during the reporting period. Actual results could differ significantly from those estimates.

b. Investments

The Plan entered into a fully benefit-responsive investment contract with Prudential Retirement Insurance and Annuity Company ("Prudential"). Prudential maintained the contributions in a general account. The account was credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The contract was included in the financial statements at contract value as reported to the Plan by Prudential. Contract value represented contributions made under the contract, plus earnings or losses, less participant withdrawals and administrative expenses. Participants could ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. The guaranteed investment contract issuer was contractually obligated to repay the principal and a specified interest rate that was guaranteed to the Plan. Because the guaranteed investment contract was fully benefit-responsive, contract value was the relevant measurement attribute for that portion of the net assets available for benefits attributable to the guaranteed investment contract.

There were no events that could have limited the ability of the Plan to transact at contract value. In addition, there were no events that allowed the issuer to terminate the contract and which would have required the Plan sponsor to settle at an amount different from contract value.

Purchases and sales of securities were recorded on a trade-date basis. Dividend income was recorded on the ex-dividend date. Interest income was recorded on the accrual basis. Net realized and unrealized gains and losses were reflected in the accompanying statement of changes in net assets available for benefits as net appreciation (depreciation) of investments and were determined as the difference between fair value at the inception of the Plan (January 31, 2016)(or date purchased during the year) and selling price.

c. Distributions to Participants

Distributions to participants were recorded when paid.

d. Significant Accounting and Reporting Matters

None.

2. Description of Plan

The following summary of the Plan provides general information only. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

a. General

The Plan was administered by a retirement benefits committee appointed by the Compensation and Benefits Committee of WCC's Board of Directors. Prudential, the trustee, had full responsibility for the control and management of the assets of the Plan. Substantially all trustee fees, administrative costs, and investment fees of the Plan were paid by WCC; however, costs of administrative expenses directly attributable to participant accounts were paid by participants. WCC had a revenue sharing agreement with Prudential which allows administrative expenses to be paid from plan asset appreciation. During 2016, revenue sharing covered $13,662 of administrative expenses.

Each full-time employee became a participant in the Plan on their date of employment. Part-time employees became participants in the Plan after one year of service. The Plan was subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended.

Effective January 1, 2017, the WCC Plan was amended and restated. As part of the restatement process, the Plan was merged into the WCC Plan effective December 31, 2016 (see Note 6).

b. Contributions

Participants could contribute between 1% and 75% of their eligible compensation. The participant's maximum pre-tax contribution was limited by the Internal Revenue Code ("IRC") to $18,000 in calendar year 2016. Catch-up contributions were permitted for those eligible employees over the age of 50 years and were limited to $6,000 in calendar year 2016.

Except for those who elect to opt out, the Plan offered automatic enrollment of new employees at a 6% contribution rate of their annual compensation. The Plan matched the contributions 100% for each dollar contributed up to a maximum of 6% of pay. Participants who elected to contribute less than 6% of pay will receive an automatic increase of 1% each year on anniversary of their participation date. Participants have the option to opt-out of this service. Contributions were made partially in WCC common stock and partially in cash for the period from inception (January 31, 2016) through December 31, 2016.

Participants could direct their contributions to invest in any combination of available investments within the Plan. The employer match was contributed in either cash or WCC common stock, at the Company's discretion. Participants could redirect employer-matching contributions made in WCC common stock at any time to invest in any combination of available investments.

The Company will make a profit sharing contribution equal to 8.5% of participant's pay, plus 5.7% in excess of the social security taxable wage base for the Plan year.

The Plan had a Roth 401(k) feature which allowed after-tax contribution dollars to be eligible for tax-free investment earnings if the distribution was qualified. Roth 401(k) contributions and regular contributions were combined for purposes of the Internal Revenue Service ("IRS") annual deferral limit.

According to the Plan agreement, WCC was required to make a profit sharing contribution to the Plan on behalf of each participant each pay period. During 2016, $775,579 was contributed by WCC.

c. Participant Accounts

Each participant's account was credited or charged with the participant's contribution and allocation of the Company's contribution and plan expenses and earnings (losses). Allocations were based on participant earnings or account balances, as defined. The benefit to which a participant was entitled was the benefit that could be provided from the participant's vested account.

d. Distributions

On termination of service, death, disability, or attaining retirement, a participant could elect to receive an amount equal to the value of the participant's vested interest in his or her account in either a lump-sum amount, partial distribution or in installment payments not longer than the life expectancy of the participant or their designated beneficiary.

A participant could request a hardship withdrawal if they met certain requirements as outlined in the Plan document. A participant who attained age 59-1/2 could request to withdraw from the Plan all or a portion of the participant’s account representing participant contributions and the vested portion of employer contributions per the Plan document.

The Plan had a cash out limit of $5,000. If the participant had a vested balance that exceeded $1,000 but was less than the cash-out limit and did not elect to rollover the distribution to an eligible retirement plan or receive the distribution directly, then the trustee would pay such distribution in a direct rollover to an individual retirement plan designated by the Plan administrator.

e. Vesting

Vesting of the Company's matching contribution for participants was based on years of continuous service. A participant was 50% vested after one year and 100% vested after two years.

3. Certification of Investments

Prudential certified in writing to the Plan administrator that the stated amounts for investments at fair value as of December 31, 2016 and the income earned or losses incurred on the investments for the period ended December 31, 2016, as reflected in the accompanying financial statements and the supplemental schedules, are complete and accurate.

The Plan administrator elected the method of compliance as permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the Plan administrator instructed the Plan's auditors not to perform any auditing procedures with respect to the investment information certified by Prudential, except for comparing the information contained therein to information included in the financial statements and the supplemental schedules.

4. Notes Receivable from Participants

Participants could request one loan from the Plan, which could only be taken from participant contribution account balances. The maximum loan could not exceed 50% of the fair value of the participant's account balance up to a maximum of $50,000, and could be further limited by other provisions of the IRC. The loans were generally repayable over a maximum period of five years and the interest rate was equal to a reasonable interest rate commensurate with current interest rates charged for loans made under similar circumstances. Loans for a primary residence could be repaid over a period of up to 15 years. Principal repaid and interest paid were credited to the participant's account. Outstanding loan balances as of December 31, 2016 before being transferred to the WCC Plan were $1.1 million. The interest rates on loans outstanding at December 31, 2016 ranged from 4.25% to 9.25% and maturity dates ranged from January 2017 to October 2023. Outstanding loans were transferred to the WCC Plan on December 31, 2016.

5. Income Taxes

The Plan received an acknowledgment letter from the IRS that their application was under review for a determination that the Plan qualifies under the applicable provisions of the IRC and, therefore, was exempt from federal income taxes. The Plan has not been amended since receiving the acknowledgment letter. The Plan Administrator believed that the Plan was designed and was operated in compliance with the applicable requirements of the IRC.

The FASB issued guidance on accounting for uncertainty in income taxes. Management evaluated the Plan's tax positions and concluded that the Plan maintained its tax exempt status and had taken no uncertain tax positions that require adjustment to the financial statements or taken an uncertain tax position that more likely than not would not be sustained upon examination by the IRS. Therefore, no provision or liability for income taxes was included in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

6. Plan Termination

The Company had the right to terminate the Plan subject to the provisions of ERISA. The Company merged the Plan as of December 31, 2016 and transferred all assets into the WCC Plan.

Transfers In

As a result of WCC's acquisition of SJCC on January 31, 2016, $28.4 million in assets from BHP USA Retirement Plan were transferred into the Plan.

Transfers Out

On December 31, 2016, WCC merged the Plan and transferred $28.8 million of net assets available for benefit into the WCC Plan.

7. Investments

Activity in the Westmoreland Common Stock Fund included both participant and non-participant directed investments. A distinction between participant and non-participant directed assets was not maintained, therefore the presentation for the Westmoreland Common Stock Fund was reported as non-participant directed and participants could make the investment decision related to holding this stock. This fund provided the participant the option to invest in WCC common stock which was issued at the prevailing price on the open market. Before being transferred into the WCC Plan, the Westmoreland Common Stock Fund held 20,966 shares at December 31, 2016. The market value of the stock on this date was $17.67 per share.

8. Non-Participant-Directed Investments

Changes in non-participant-directed investments for the period from inception (January 31, 2016) through December 31, 2016 were as follows:

	Westmoreland Common Stock Fund
Net assets available for benefits at inception (January 31, 2016)	$ —
Additions (deductions) to net assets attributed to:	
Company contributions	192,412
Employee contributions	551
Employee rollover contributions	61,979
Investment income:	
Interest and dividends	22
Net appreciation of investments, including realized and unrealized gains and losses	242,754
Distributions to participants	(37,742)
Administrative expenses	(3,235)
Participant directed common stock transfers	(86,275)
Increase in net assets available for benefits	370,466
Transfers out to the WCC Plan on December 31, 2016	(370,466)
Net assets available for benefits at December 31, 2016	$ —

9. Forfeitures

Forfeitures due to a participant's withdrawal prior to full vesting of employer contributions could be applied to employer contributions or used to offset administrative expenses. There were no forfeitures used to offset administrative expenses and employer contributions for the period from inception (January 31, 2016) through December 31, 2016. As of December 31, 2016, there were no forfeited non-vested accounts that transferred into the WCC Plan.

10. Risks and Uncertainties

During 2016, the Plan provided for various investment options in pooled separate accounts, mutual funds, a common stock fund, a guaranteed income fund and a guaranteed basis fund. Investment securities, in general, are exposed to various risks, such as significant world events, interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect amounts presented in the statement of net assets available for benefits.

Additionally, some investments held by the Plan were invested in the securities of foreign companies, which involve special risks and considerations not typically associated with investing in U.S. companies. These risks include devaluation of currencies, less reliable information about issuers, different securities transaction clearance and settlement practices, and possible adverse political and economic developments. Moreover, securities of many foreign companies and their markets may be less liquid and their prices more volatile than those securities of comparable U.S. companies.

During 2016, the Plan provided participants the ability to invest in various pooled separate accounts and mutual funds which could, in turn, invest in securities with contractual cash flows, such as asset backed securities, foreign investments, collateralized mortgage obligations and commercial mortgage backed securities, including securities backed by sub-prime

mortgage loans. The value, liquidity and related income of those securities were sensitive to changes in economic conditions, including real estate value, delinquencies or defaults, or both, and could have been adversely affected by shifts in the market's perception of the issuers and changes in interest rates.

11. Related Party and Party-In-Interest Transactions

The Plan invested in certain pooled separate accounts, mutual funds, a guaranteed income fund, and a guaranteed basis fund managed by Prudential, the Plan's trustee, and also invested in a common stock fund whose stock was that of the Company's; therefore, these transactions qualified as party-in-interest transactions. These transactions were exempt from prohibited transaction regulations.

The Plan provided for loans to participants. These transactions qualified as party-in-interest and were exempt from prohibited transaction regulations.

12. Subsequent Events

The Company has evaluated subsequent events related to the Plan through the auditors' report date, which is the date the financial statements were available for issuance and determined that there have been no events that have not been disclosed elsewhere in this report that have occurred that would require adjustments to disclosures in the financial statements.

SAN JUAN COAL COMPANY SALARIED 401(K) PLAN

Schedule H, Line 4j - Schedule of Reportable Transactions

EIN: 23-1128670

Plan #002

Period from Inception (January 31, 2016) through December 31, 2016

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
Identity of Party Involved	Description of Asset	Purchase Price	Selling Price	Lease Rental	Expense Incurred with Transaction	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain or (Loss)
Individual transactions in excess of 5% of plan assets:								
Prudential	Guaranteed Income Fund	$ 2,593,534	$ —	$ —	$ —	$ 2,593,534	$ 2,593,534	$ —
Prudential	Large Cap Grow/JP Morgan	3,031,993	—	—	—	3,031,993	3,031,993	—
Prudential	Core Plus Bond/PGIM Fund	2,273,809	—	—	—	2,273,809	2,273,809	—
Prudential	Pru Day One IFX Targ Bal	2,406,798	—	—	—	2,406,798	2,406,798	—
Prudential	SA/T Rowe Pr Eq Inc Strat	2,908,271	—	—	—	2,908,271	2,908,271	—
Prudential	SA/T Rowe Pr Eq Inc Strat	—	3,377,895	—	—	3,170,918	3,377,895	206,977
Prudential	Dryden S&P 500 Index Fund	1,750,725	—	—	—	1,750,725	1,750,725	—
Prudential	Prugov Money Market Fd A	6,876,788	—	—	—	6,876,788	6,876,788	—
Prudential	Prugov Money Market Fd A	18,136,578	—	—	—	18,136,578	18,136,578	—
Prudential	Prugov Money Market Fd A	—	25,013,365	—	—	25,013,365	25,013,365	—
Prudential	Prugov Money Market Fd A	2,447,539	—	—	—	2,447,539	2,447,539	—
Prudential	Prugov Money Market Fd A	—	2,447,539	—	—	2,447,539	2,447,539	—
Prudential	Amer: Europacific Grow R4	5,266,933	—	—	—	5,266,933	5,266,933	—
Prudential	Inves Diversified Div Y	3,377,916	—	—	—	3,377,916	3,377,916	—
Series of non-securities transactions in excess of 5% of plan assets:								
Prudential	Guaranteed Income Fund	$ 4,985,839	$ —	$ —	$ —	$ 4,985,839	$ 4,985,839	$ —
Prudential	Guaranteed Income Fund	47,148	—	—	—	47,148	47,148	—
Series of securities transactions in excess of 5% of plan assets:								
Prudential	Large Cap Grow/JP Morgan	$ 3,780,868	$ —	$ —	$ —	$ 3,780,868	$ 3,780,868	$ —
Prudential	Core Plus Bond/PGIM Fund	3,059,609	—	—	—	3,059,609	3,059,609	—
Prudential	Pru Day One IFX Targ Bal	3,555,534	—	—	—	3,555,534	3,555,534	—
Prudential	SA/T Rowe Pr Eq Inc Strat	3,301,683	—	—	—	3,301,683	3,301,683	—
Prudential	SA/T Rowe Pr Eq Inc Strat	—	3,514,157	—	—	3,301,910	3,514,157	212,247
Prudential	Dryden S&P 500 Index Fund	1,892,451	—	—	—	1,892,451	1,892,451	—
Prudential	Prugov Money Market Fd A	27,460,905	—	—	—	27,460,905	27,460,905	—
Prudential	Prugov Money Market Fd A	—	27,460,905	—	—	27,460,905	27,460,905	—
Prudential	Amer: Europacific Grow R4	6,318,140	—	—	—	6,318,140	6,318,140	—
Prudential	Inves Diversified Div Y	3,852,936	—	—	—	3,852,936	3,852,936	—
Securities transactions related to individual transactions in excess of 5% of plan assets: None of the securities transactions exceeded the threshold amounts								

SAN JUAN COAL COMPANY SALARIED 401(K) PLAN

Financial Statement
and
Independent Auditors' Report
Period from Inception (January 31, 2016) through December 31, 2016

SAN JUAN COAL COMPANY SALARIED 401(K) PLAN

TABLE OF CONTENTS

	Page
Report of Independent Registered Public Accounting Firm	3
FINANCIAL STATEMENT	
Statement of Changes in Net Assets Available for Benefits, Period from Inception (January 31, 2016) through December 31, 2016	4
Notes to Financial Statement	5
SUPPLEMENTAL SCHEDULE	
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INDEPENDENT AUDITORS' REPORT

The Audit Committee
San Juan Coal Company Salaried 401(k) Plan
Englewood, Colorado

REPORT ON FINANCIAL STATEMENTS

We were engaged to audit the accompanying financial statements of San Juan Coal Company Salaried 401(k) Plan (the "Plan"), which are comprised of the statement of changes in net assets available for benefits for the period from inception (January 31, 2016) through December 31, 2016 and the related notes to the financial statements.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

BASIS FOR DISCLAIMER OF OPINION

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DISCLAIMER OF OPINION

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

OTHER MATTERS

Supplemental Schedule

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REPORT ON FORM AND CONTENT IN COMPLIANCE WITH THE DEPARTMENT OF LABOR'S RULES AND REGULATIONS

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

EKS&H LLLP
EKS&H LLLP

October 16, 2017
Denver, Colorado

SAN JUAN COAL COMPANY SALARIED 401(K) PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Period from Inception (January 31, 2016) through December 31, 2016

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Transfers out (see Note 6)	(28,784,480)
Net assets available for benefits:	
January 31, 2016	—
December 31, 2016	$ —

See accompanying Notes to Financial Statement.

SAN JUAN COAL COMPANY SALARIED 401(K) PLAN
NOTES TO FINANCIAL STATEMENT

1. Summary of Significant Accounting Policies

a. Basis of Financial Statement Presentation

The San Juan Coal Company Salaried 401(k) Plan (the "Plan") was a defined contribution plan and was sponsored by San Juan Coal Company ("SJCC" or the "Company" or the "Employer") which is an indirect, wholly owned subsidiary of Westmoreland Coal Company ("WCC" or the "Parent"). On January 31, 2016, WCC acquired the Company. Plan assets on February 1, 2016, including loans transferred into the Plan, totaled $28.4 million. The Plan was merged on December 31, 2016, and $28.8 million in assets were consolidated into the Westmoreland Coal Company and Subsidiaries Employees' Savings Plan (the "WCC Plan").

The accompanying Statement of Changes in Net Assets Available for Benefits has been prepared on the accrual basis of accounting and presents the changes in the Plan's net assets for the period from inception (January 31, 2016) through December 31, 2016. The preparation of this financial statement is in conformity with accounting principles generally accepted in the United States of America which require the plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions in net assets available for benefits during the reporting period. Actual results could differ significantly from those estimates.

b. Investments

The Plan entered into a fully benefit-responsive investment contract with Prudential Retirement Insurance and Annuity Company ("Prudential"). Prudential maintained the contributions in a general account. The account was credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The contract was included in the financial statements at contract value as reported to the Plan by Prudential. Contract value represented contributions made under the contract, plus earnings or losses, less participant withdrawals and administrative expenses. Participants could ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. The guaranteed investment contract issuer was contractually obligated to repay the principal and a specified interest rate that was guaranteed to the Plan. Because the guaranteed investment contract was fully benefit-responsive, contract value was the relevant measurement attribute for that portion of the net assets available for benefits attributable to the guaranteed investment contract.

There were no events that could have limited the ability of the Plan to transact at contract value. In addition, there were no events that allowed the issuer to terminate the contract and which would have required the Plan sponsor to settle at an amount different from contract value.

Purchases and sales of securities were recorded on a trade-date basis. Dividend income was recorded on the ex-dividend date. Interest income was recorded on the accrual basis. Net realized and unrealized gains and losses were reflected in the accompanying statement of changes in net assets available for benefits as net appreciation (depreciation) of investments and were determined as the difference between fair value at the inception of the Plan (January 31, 2016)(or date purchased during the year) and selling price.

c. Distributions to Participants

Distributions to participants were recorded when paid.

d. Significant Accounting and Reporting Matters

None.

2. Description of Plan

The following summary of the Plan provides general information only. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

a. General

The Plan was administered by a retirement benefits committee appointed by the Compensation and Benefits Committee of WCC's Board of Directors. Prudential, the trustee, had full responsibility for the control and management of the assets of the Plan. Substantially all trustee fees, administrative costs, and investment fees of the Plan were paid by WCC; however, costs of administrative expenses directly attributable to participant accounts were paid by participants. WCC had a revenue sharing agreement with Prudential which allows administrative expenses to be paid from plan asset appreciation. During 2016, revenue sharing covered $13,662 of administrative expenses.

Each full-time employee became a participant in the Plan on their date of employment. Part-time employees became participants in the Plan after one year of service. The Plan was subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended.

Effective January 1, 2017, the WCC Plan was amended and restated. As part of the restatement process, the Plan was merged into the WCC Plan effective December 31, 2016 (see Note 6).

b. Contributions

Participants could contribute between 1% and 75% of their eligible compensation. The participant's maximum pre-tax contribution was limited by the Internal Revenue Code ("IRC") to $18,000 in calendar year 2016. Catch-up contributions were permitted for those eligible employees over the age of 50 years and were limited to $6,000 in calendar year 2016.

Except for those who elect to opt out, the Plan offered automatic enrollment of new employees at a 6% contribution rate of their annual compensation. The Plan matched the contributions 100% for each dollar contributed up to a maximum of 6% of pay. Participants who elected to contribute less than 6% of pay will receive an automatic increase of 1% each year on anniversary of their participation date. Participants have the option to opt-out of this service. Contributions were made partially in WCC common stock and partially in cash for the period from inception (January 31, 2016) through December 31, 2016.

Participants could direct their contributions to invest in any combination of available investments within the Plan. The employer match was contributed in either cash or WCC common stock, at the Company's discretion. Participants could redirect employer-matching contributions made in WCC common stock at any time to invest in any combination of available investments.

The Company will make a profit sharing contribution equal to 8.5% of participant's pay, plus 5.7% in excess of the social security taxable wage base for the Plan year.

The Plan had a Roth 401(k) feature which allowed after-tax contribution dollars to be eligible for tax-free investment earnings if the distribution was qualified. Roth 401(k) contributions and regular contributions were combined for purposes of the Internal Revenue Service ("IRS") annual deferral limit.

According to the Plan agreement, WCC was required to make a profit sharing contribution to the Plan on behalf of each participant each pay period. During 2016, $775,579 was contributed by WCC.

c. Participant Accounts

Each participant's account was credited or charged with the participant's contribution and allocation of the Company's contribution and plan expenses and earnings (losses). Allocations were based on participant earnings or account balances, as defined. The benefit to which a participant was entitled was the benefit that could be provided from the participant's vested account.

d. Distributions

On termination of service, death, disability, or attaining retirement, a participant could elect to receive an amount equal to the value of the participant's vested interest in his or her account in either a lump-sum amount, partial distribution or in installment payments not longer than the life expectancy of the participant or their designated beneficiary.

A participant could request a hardship withdrawal if they met certain requirements as outlined in the Plan document. A participant who attained age 59-1/2 could request to withdraw from the Plan all or a portion of the participant’s account representing participant contributions and the vested portion of employer contributions per the Plan document.

The Plan had a cash out limit of $5,000. If the participant had a vested balance that exceeded $1,000 but was less than the cash-out limit and did not elect to rollover the distribution to an eligible retirement plan or receive the distribution directly, then the trustee would pay such distribution in a direct rollover to an individual retirement plan designated by the Plan administrator.

e. Vesting

Vesting of the Company's matching contribution for participants was based on years of continuous service. A participant was 50% vested after one year and 100% vested after two years.

3. Certification of Investments

Prudential certified in writing to the Plan administrator that the stated amounts for investments at fair value as of December 31, 2016 and the income earned or losses incurred on the investments for the period ended December 31, 2016, as reflected in the accompanying financial statements and the supplemental schedules, are complete and accurate.

The Plan administrator elected the method of compliance as permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the Plan administrator instructed the Plan's auditors not to perform any auditing procedures with respect to the investment information certified by Prudential, except for comparing the information contained therein to information included in the financial statements and the supplemental schedules.

4. Notes Receivable from Participants

Participants could request one loan from the Plan, which could only be taken from participant contribution account balances. The maximum loan could not exceed 50% of the fair value of the participant's account balance up to a maximum of $50,000, and could be further limited by other provisions of the IRC. The loans were generally repayable over a maximum period of five years and the interest rate was equal to a reasonable interest rate commensurate with current interest rates charged for loans made under similar circumstances. Loans for a primary residence could be repaid over a period of up to 15 years. Principal repaid and interest paid were credited to the participant's account. Outstanding loan balances as of December 31, 2016 before being transferred to the WCC Plan were $1.1 million. The interest rates on loans outstanding at December 31, 2016 ranged from 4.25% to 9.25% and maturity dates ranged from January 2017 to October 2023. Outstanding loans were transferred to the WCC Plan on December 31, 2016.

5. Income Taxes

The Plan received an acknowledgment letter from the IRS that their application was under review for a determination that the Plan qualifies under the applicable provisions of the IRC and, therefore, was exempt from federal income taxes. The Plan has not been amended since receiving the acknowledgment letter. The Plan Administrator believed that the Plan was designed and was operated in compliance with the applicable requirements of the IRC.

The FASB issued guidance on accounting for uncertainty in income taxes. Management evaluated the Plan's tax positions and concluded that the Plan maintained its tax exempt status and had taken no uncertain tax positions that require adjustment to the financial statements or taken an uncertain tax position that more likely than not would not be sustained upon examination by the IRS. Therefore, no provision or liability for income taxes was included in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

6. Plan Termination

The Company had the right to terminate the Plan subject to the provisions of ERISA. The Company merged the Plan as of December 31, 2016 and transferred all assets into the WCC Plan.

Transfers In

As a result of WCC's acquisition of SJCC on January 31, 2016, $28.4 million in assets from BHP USA Retirement Plan were transferred into the Plan.

Transfers Out

On December 31, 2016, WCC merged the Plan and transferred $28.8 million of net assets available for benefit into the WCC Plan.

7. Investments

Activity in the Westmoreland Common Stock Fund included both participant and non-participant directed investments. A distinction between participant and non-participant directed assets was not maintained, therefore the presentation for the Westmoreland Common Stock Fund was reported as non-participant directed and participants could make the investment decision related to holding this stock. This fund provided the participant the option to invest in WCC common stock which was issued at the prevailing price on the open market. Before being transferred into the WCC Plan, the Westmoreland Common Stock Fund held 20,966 shares at December 31, 2016. The market value of the stock on this date was $17.67 per share.

8. Non-Participant-Directed Investments

Changes in non-participant-directed investments for the period from inception (January 31, 2016) through December 31, 2016 were as follows:

	Westmoreland Common Stock Fund
Net assets available for benefits at inception (January 31, 2016)	$ —
Additions (deductions) to net assets attributed to:	
Company contributions	192,412
Employee contributions	551
Employee rollover contributions	61,979
Investment income:	
Interest and dividends	22
Net appreciation of investments, including realized and unrealized gains and losses	242,754
Distributions to participants	(37,742)
Administrative expenses	(3,235)
Participant directed common stock transfers	(86,275)
Increase in net assets available for benefits	370,466
Transfers out to the WCC Plan on December 31, 2016	(370,466)
Net assets available for benefits at December 31, 2016	$ —

9. Forfeitures

Forfeitures due to a participant's withdrawal prior to full vesting of employer contributions could be applied to employer contributions or used to offset administrative expenses. There were no forfeitures used to offset administrative expenses and employer contributions for the period from inception (January 31, 2016) through December 31, 2016. As of December 31, 2016, there were no forfeited non-vested accounts that transferred into the WCC Plan.

10. Risks and Uncertainties

During 2016, the Plan provided for various investment options in pooled separate accounts, mutual funds, a common stock fund, a guaranteed income fund and a guaranteed basis fund. Investment securities, in general, are exposed to various risks, such as significant world events, interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect amounts presented in the statement of net assets available for benefits.

Additionally, some investments held by the Plan were invested in the securities of foreign companies, which involve special risks and considerations not typically associated with investing in U.S. companies. These risks include devaluation of currencies, less reliable information about issuers, different securities transaction clearance and settlement practices, and possible adverse political and economic developments. Moreover, securities of many foreign companies and their markets may be less liquid and their prices more volatile than those securities of comparable U.S. companies.

During 2016, the Plan provided participants the ability to invest in various pooled separate accounts and mutual funds which could, in turn, invest in securities with contractual cash flows, such as asset backed securities, foreign investments, collateralized mortgage obligations and commercial mortgage backed securities, including securities backed by sub-prime

mortgage loans. The value, liquidity and related income of those securities were sensitive to changes in economic conditions, including real estate value, delinquencies or defaults, or both, and could have been adversely affected by shifts in the market's perception of the issuers and changes in interest rates.

11. Related Party and Party-In-Interest Transactions

The Plan invested in certain pooled separate accounts, mutual funds, a guaranteed income fund, and a guaranteed basis fund managed by Prudential, the Plan's trustee, and also invested in a common stock fund whose stock was that of the Company's; therefore, these transactions qualified as party-in-interest transactions. These transactions were exempt from prohibited transaction regulations.

The Plan provided for loans to participants. These transactions qualified as party-in-interest and were exempt from prohibited transaction regulations.

12. Subsequent Events

The Company has evaluated subsequent events related to the Plan through the auditors' report date, which is the date the financial statements were available for issuance and determined that there have been no events that have not been disclosed elsewhere in this report that have occurred that would require adjustments to disclosures in the financial statements.

SAN JUAN COAL COMPANY SALARIED 401(K) PLAN

Schedule H, Line 4j - Schedule of Reportable Transactions

EIN: 23-1128670

Plan #002

Period from Inception (January 31, 2016) through December 31, 2016

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
Identity of Party Involved	Description of Asset	Purchase Price	Selling Price	Lease Rental	Expense Incurred with Transaction	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain or (Loss)
Individual transactions in excess of 5% of plan assets:								
Prudential	Guaranteed Income Fund	$ 2,593,534	$ —	$ —	$ —	$ 2,593,534	$ 2,593,534	$ —
Prudential	Large Cap Grow/JP Morgan	3,031,993	—	—	—	3,031,993	3,031,993	—
Prudential	Core Plus Bond/PGIM Fund	2,273,809	—	—	—	2,273,809	2,273,809	—
Prudential	Pru Day One IFX Targ Bal	2,406,798	—	—	—	2,406,798	2,406,798	—
Prudential	SA/T Rowe Pr Eq Inc Strat	2,908,271	—	—	—	2,908,271	2,908,271	—
Prudential	SA/T Rowe Pr Eq Inc Strat	—	3,377,895	—	—	3,170,918	3,377,895	206,977
Prudential	Dryden S&P 500 Index Fund	1,750,725	—	—	—	1,750,725	1,750,725	—
Prudential	Prugov Money Market Fd A	6,876,788	—	—	—	6,876,788	6,876,788	—
Prudential	Prugov Money Market Fd A	18,136,578	—	—	—	18,136,578	18,136,578	—
Prudential	Prugov Money Market Fd A	—	25,013,365	—	—	25,013,365	25,013,365	—
Prudential	Prugov Money Market Fd A	2,447,539	—	—	—	2,447,539	2,447,539	—
Prudential	Prugov Money Market Fd A	—	2,447,539	—	—	2,447,539	2,447,539	—
Prudential	Amer: Europacific Grow R4	5,266,933	—	—	—	5,266,933	5,266,933	—
Prudential	Inves Diversified Div Y	3,377,916	—	—	—	3,377,916	3,377,916	—
Series of non-securities transactions in excess of 5% of plan assets:								
Prudential	Guaranteed Income Fund	$ 4,985,839	$ —	$ —	$ —	$ 4,985,839	$ 4,985,839	$ —
Prudential	Guaranteed Income Fund	47,148	—	—	—	47,148	47,148	—
Series of securities transactions in excess of 5% of plan assets:								
Prudential	Large Cap Grow/JP Morgan	$ 3,780,868	$ —	$ —	$ —	$ 3,780,868	$ 3,780,868	$ —
Prudential	Core Plus Bond/PGIM Fund	3,059,609	—	—	—	3,059,609	3,059,609	—
Prudential	Pru Day One IFX Targ Bal	3,555,534	—	—	—	3,555,534	3,555,534	—
Prudential	SA/T Rowe Pr Eq Inc Strat	3,301,683	—	—	—	3,301,683	3,301,683	—
Prudential	SA/T Rowe Pr Eq Inc Strat	—	3,514,157	—	—	3,301,910	3,514,157	212,247
Prudential	Dryden S&P 500 Index Fund	1,892,451	—	—	—	1,892,451	1,892,451	—
Prudential	Prugov Money Market Fd A	27,460,905	—	—	—	27,460,905	27,460,905	—
Prudential	Prugov Money Market Fd A	—	27,460,905	—	—	27,460,905	27,460,905	—
Prudential	Amer: Europacific Grow R4	6,318,140	—	—	—	6,318,140	6,318,140	—
Prudential	Inves Diversified Div Y	3,852,936	—	—	—	3,852,936	3,852,936	—
Securities transactions related to individual transactions in excess of 5% of plan assets: None of the securities transactions exceeded the threshold amounts								

SAN JUAN COAL COMPANY SALARIED 401(K) PLAN

Financial Statement
and
Independent Auditors' Report
Period from Inception (January 31, 2016) through December 31, 2016

SAN JUAN COAL COMPANY SALARIED 401(K) PLAN

TABLE OF CONTENTS

	Page
Report of Independent Registered Public Accounting Firm	3
FINANCIAL STATEMENT	
Statement of Changes in Net Assets Available for Benefits, Period from Inception (January 31, 2016) through December 31, 2016	4
Notes to Financial Statement	5
SUPPLEMENTAL SCHEDULE	
Schedule H, Line 4j - Schedule of Reportable Transactions, Period from Inception (January 31, 2016) through December 31, 2016	10

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INDEPENDENT AUDITORS' REPORT

The Audit Committee
San Juan Coal Company Salaried 401(k) Plan
Englewood, Colorado

REPORT ON FINANCIAL STATEMENTS

We were engaged to audit the accompanying financial statements of San Juan Coal Company Salaried 401(k) Plan (the "Plan"), which are comprised of the statement of changes in net assets available for benefits for the period from inception (January 31, 2016) through December 31, 2016 and the related notes to the financial statements.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

BASIS FOR DISCLAIMER OF OPINION

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Prudential Retirement Insurance and Annuity Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee as of December 31, 2016, and for the period ended December 31, 2016, that the information provided to the Plan administrator by the trustee is complete and accurate.

DISCLAIMER OF OPINION

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

OTHER MATTERS

Supplemental Schedule

The supplemental schedule as of December 31, 2016, is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on this supplemental schedule.

REPORT ON FORM AND CONTENT IN COMPLIANCE WITH THE DEPARTMENT OF LABOR'S RULES AND REGULATIONS

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

EKS&H LLLP
EKS&H LLLP

October 16, 2017
Denver, Colorado

SAN JUAN COAL COMPANY SALARIED 401(K) PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Period from Inception (January 31, 2016) through December 31, 2016

Contributions:	
Employer:	
Westmoreland Coal Company common stock	$ 192,412
Cash	1,135,728
Total employer	1,328,140
Employee	694,790
Rollovers	18,581
Total contributions	2,041,511
Investment income:	
Interest and dividends	164,505
Net appreciation of investments, including realized and unrealized gains and losses	2,478,735
Total investment income	2,643,240
Other income:	
Interest income from participant loans receivable	42,727
Other income	15,657
Total other income	58,384
Deductions from net assets attributed to:	
Distributions to participants	(4,374,058)
Administrative expenses, net of forfeitures	(17,817)
Total deductions	(4,391,875)
Increase in net assets available for benefits	351,260
Transfers in (see Note 6)	28,433,220
Transfers out (see Note 6)	(28,784,480)
Net assets available for benefits:	
January 31, 2016	—
December 31, 2016	$ —

See accompanying Notes to Financial Statement.

SAN JUAN COAL COMPANY SALARIED 401(K) PLAN
NOTES TO FINANCIAL STATEMENT

1. Summary of Significant Accounting Policies

a. Basis of Financial Statement Presentation

The San Juan Coal Company Salaried 401(k) Plan (the "Plan") was a defined contribution plan and was sponsored by San Juan Coal Company ("SJCC" or the "Company" or the "Employer") which is an indirect, wholly owned subsidiary of Westmoreland Coal Company ("WCC" or the "Parent"). On January 31, 2016, WCC acquired the Company. Plan assets on February 1, 2016, including loans transferred into the Plan, totaled $28.4 million. The Plan was merged on December 31, 2016, and $28.8 million in assets were consolidated into the Westmoreland Coal Company and Subsidiaries Employees' Savings Plan (the "WCC Plan").

The accompanying Statement of Changes in Net Assets Available for Benefits has been prepared on the accrual basis of accounting and presents the changes in the Plan's net assets for the period from inception (January 31, 2016) through December 31, 2016. The preparation of this financial statement is in conformity with accounting principles generally accepted in the United States of America which require the plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions in net assets available for benefits during the reporting period. Actual results could differ significantly from those estimates.

b. Investments

The Plan entered into a fully benefit-responsive investment contract with Prudential Retirement Insurance and Annuity Company ("Prudential"). Prudential maintained the contributions in a general account. The account was credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The contract was included in the financial statements at contract value as reported to the Plan by Prudential. Contract value represented contributions made under the contract, plus earnings or losses, less participant withdrawals and administrative expenses. Participants could ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. The guaranteed investment contract issuer was contractually obligated to repay the principal and a specified interest rate that was guaranteed to the Plan. Because the guaranteed investment contract was fully benefit-responsive, contract value was the relevant measurement attribute for that portion of the net assets available for benefits attributable to the guaranteed investment contract.

There were no events that could have limited the ability of the Plan to transact at contract value. In addition, there were no events that allowed the issuer to terminate the contract and which would have required the Plan sponsor to settle at an amount different from contract value.

Purchases and sales of securities were recorded on a trade-date basis. Dividend income was recorded on the ex-dividend date. Interest income was recorded on the accrual basis. Net realized and unrealized gains and losses were reflected in the accompanying statement of changes in net assets available for benefits as net appreciation (depreciation) of investments and were determined as the difference between fair value at the inception of the Plan (January 31, 2016)(or date purchased during the year) and selling price.

c. Distributions to Participants

Distributions to participants were recorded when paid.

d. Significant Accounting and Reporting Matters

None.

2. Description of Plan

The following summary of the Plan provides general information only. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

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The Plan was administered by a retirement benefits committee appointed by the Compensation and Benefits Committee of WCC's Board of Directors. Prudential, the trustee, had full responsibility for the control and management of the assets of the Plan. Substantially all trustee fees, administrative costs, and investment fees of the Plan were paid by WCC; however, costs of administrative expenses directly attributable to participant accounts were paid by participants. WCC had a revenue sharing agreement with Prudential which allows administrative expenses to be paid from plan asset appreciation. During 2016, revenue sharing covered $13,662 of administrative expenses.

Each full-time employee became a participant in the Plan on their date of employment. Part-time employees became participants in the Plan after one year of service. The Plan was subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended.

Effective January 1, 2017, the WCC Plan was amended and restated. As part of the restatement process, the Plan was merged into the WCC Plan effective December 31, 2016 (see Note 6).

b. Contributions

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Except for those who elect to opt out, the Plan offered automatic enrollment of new employees at a 6% contribution rate of their annual compensation. The Plan matched the contributions 100% for each dollar contributed up to a maximum of 6% of pay. Participants who elected to contribute less than 6% of pay will receive an automatic increase of 1% each year on anniversary of their participation date. Participants have the option to opt-out of this service. Contributions were made partially in WCC common stock and partially in cash for the period from inception (January 31, 2016) through December 31, 2016.

Participants could direct their contributions to invest in any combination of available investments within the Plan. The employer match was contributed in either cash or WCC common stock, at the Company's discretion. Participants could redirect employer-matching contributions made in WCC common stock at any time to invest in any combination of available investments.

The Company will make a profit sharing contribution equal to 8.5% of participant's pay, plus 5.7% in excess of the social security taxable wage base for the Plan year.

The Plan had a Roth 401(k) feature which allowed after-tax contribution dollars to be eligible for tax-free investment earnings if the distribution was qualified. Roth 401(k) contributions and regular contributions were combined for purposes of the Internal Revenue Service ("IRS") annual deferral limit.

According to the Plan agreement, WCC was required to make a profit sharing contribution to the Plan on behalf of each participant each pay period. During 2016, $775,579 was contributed by WCC.

c. Participant Accounts

Each participant's account was credited or charged with the participant's contribution and allocation of the Company's contribution and plan expenses and earnings (losses). Allocations were based on participant earnings or account balances, as defined. The benefit to which a participant was entitled was the benefit that could be provided from the participant's vested account.

d. Distributions

On termination of service, death, disability, or attaining retirement, a participant could elect to receive an amount equal to the value of the participant's vested interest in his or her account in either a lump-sum amount, partial distribution or in installment payments not longer than the life expectancy of the participant or their designated beneficiary.

A participant could request a hardship withdrawal if they met certain requirements as outlined in the Plan document. A participant who attained age 59-1/2 could request to withdraw from the Plan all or a portion of the participant’s account representing participant contributions and the vested portion of employer contributions per the Plan document.

The Plan had a cash out limit of $5,000. If the participant had a vested balance that exceeded $1,000 but was less than the cash-out limit and did not elect to rollover the distribution to an eligible retirement plan or receive the distribution directly, then the trustee would pay such distribution in a direct rollover to an individual retirement plan designated by the Plan administrator.

e. Vesting

Vesting of the Company's matching contribution for participants was based on years of continuous service. A participant was 50% vested after one year and 100% vested after two years.

3. Certification of Investments

Prudential certified in writing to the Plan administrator that the stated amounts for investments at fair value as of December 31, 2016 and the income earned or losses incurred on the investments for the period ended December 31, 2016, as reflected in the accompanying financial statements and the supplemental schedules, are complete and accurate.

The Plan administrator elected the method of compliance as permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the Plan administrator instructed the Plan's auditors not to perform any auditing procedures with respect to the investment information certified by Prudential, except for comparing the information contained therein to information included in the financial statements and the supplemental schedules.

4. Notes Receivable from Participants

Participants could request one loan from the Plan, which could only be taken from participant contribution account balances. The maximum loan could not exceed 50% of the fair value of the participant's account balance up to a maximum of $50,000, and could be further limited by other provisions of the IRC. The loans were generally repayable over a maximum period of five years and the interest rate was equal to a reasonable interest rate commensurate with current interest rates charged for loans made under similar circumstances. Loans for a primary residence could be repaid over a period of up to 15 years. Principal repaid and interest paid were credited to the participant's account. Outstanding loan balances as of December 31, 2016 before being transferred to the WCC Plan were $1.1 million. The interest rates on loans outstanding at December 31, 2016 ranged from 4.25% to 9.25% and maturity dates ranged from January 2017 to October 2023. Outstanding loans were transferred to the WCC Plan on December 31, 2016.

5. Income Taxes

The Plan received an acknowledgment letter from the IRS that their application was under review for a determination that the Plan qualifies under the applicable provisions of the IRC and, therefore, was exempt from federal income taxes. The Plan has not been amended since receiving the acknowledgment letter. The Plan Administrator believed that the Plan was designed and was operated in compliance with the applicable requirements of the IRC.

The FASB issued guidance on accounting for uncertainty in income taxes. Management evaluated the Plan's tax positions and concluded that the Plan maintained its tax exempt status and had taken no uncertain tax positions that require adjustment to the financial statements or taken an uncertain tax position that more likely than not would not be sustained upon examination by the IRS. Therefore, no provision or liability for income taxes was included in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

6. Plan Termination

The Company had the right to terminate the Plan subject to the provisions of ERISA. The Company merged the Plan as of December 31, 2016 and transferred all assets into the WCC Plan.

Transfers In

As a result of WCC's acquisition of SJCC on January 31, 2016, $28.4 million in assets from BHP USA Retirement Plan were transferred into the Plan.

Transfers Out

On December 31, 2016, WCC merged the Plan and transferred $28.8 million of net assets available for benefit into the WCC Plan.

7. Investments

Activity in the Westmoreland Common Stock Fund included both participant and non-participant directed investments. A distinction between participant and non-participant directed assets was not maintained, therefore the presentation for the Westmoreland Common Stock Fund was reported as non-participant directed and participants could make the investment decision related to holding this stock. This fund provided the participant the option to invest in WCC common stock which was issued at the prevailing price on the open market. Before being transferred into the WCC Plan, the Westmoreland Common Stock Fund held 20,966 shares at December 31, 2016. The market value of the stock on this date was $17.67 per share.

8. Non-Participant-Directed Investments

Changes in non-participant-directed investments for the period from inception (January 31, 2016) through December 31, 2016 were as follows:

	Westmoreland Common Stock Fund
Net assets available for benefits at inception (January 31, 2016)	$ —
Additions (deductions) to net assets attributed to:	
Company contributions	192,412
Employee contributions	551
Employee rollover contributions	61,979
Investment income:	
Interest and dividends	22
Net appreciation of investments, including realized and unrealized gains and losses	242,754
Distributions to participants	(37,742)
Administrative expenses	(3,235)
Participant directed common stock transfers	(86,275)
Increase in net assets available for benefits	370,466
Transfers out to the WCC Plan on December 31, 2016	(370,466)
Net assets available for benefits at December 31, 2016	$ —

9. Forfeitures

Forfeitures due to a participant's withdrawal prior to full vesting of employer contributions could be applied to employer contributions or used to offset administrative expenses. There were no forfeitures used to offset administrative expenses and employer contributions for the period from inception (January 31, 2016) through December 31, 2016. As of December 31, 2016, there were no forfeited non-vested accounts that transferred into the WCC Plan.

10. Risks and Uncertainties

During 2016, the Plan provided for various investment options in pooled separate accounts, mutual funds, a common stock fund, a guaranteed income fund and a guaranteed basis fund. Investment securities, in general, are exposed to various risks, such as significant world events, interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect amounts presented in the statement of net assets available for benefits.

Additionally, some investments held by the Plan were invested in the securities of foreign companies, which involve special risks and considerations not typically associated with investing in U.S. companies. These risks include devaluation of currencies, less reliable information about issuers, different securities transaction clearance and settlement practices, and possible adverse political and economic developments. Moreover, securities of many foreign companies and their markets may be less liquid and their prices more volatile than those securities of comparable U.S. companies.

During 2016, the Plan provided participants the ability to invest in various pooled separate accounts and mutual funds which could, in turn, invest in securities with contractual cash flows, such as asset backed securities, foreign investments, collateralized mortgage obligations and commercial mortgage backed securities, including securities backed by sub-prime

mortgage loans. The value, liquidity and related income of those securities were sensitive to changes in economic conditions, including real estate value, delinquencies or defaults, or both, and could have been adversely affected by shifts in the market's perception of the issuers and changes in interest rates.

11. Related Party and Party-In-Interest Transactions

The Plan invested in certain pooled separate accounts, mutual funds, a guaranteed income fund, and a guaranteed basis fund managed by Prudential, the Plan's trustee, and also invested in a common stock fund whose stock was that of the Company's; therefore, these transactions qualified as party-in-interest transactions. These transactions were exempt from prohibited transaction regulations.

The Plan provided for loans to participants. These transactions qualified as party-in-interest and were exempt from prohibited transaction regulations.

12. Subsequent Events

The Company has evaluated subsequent events related to the Plan through the auditors' report date, which is the date the financial statements were available for issuance and determined that there have been no events that have not been disclosed elsewhere in this report that have occurred that would require adjustments to disclosures in the financial statements.

SAN JUAN COAL COMPANY SALARIED 401(K) PLAN

Schedule H, Line 4j - Schedule of Reportable Transactions

EIN: 23-1128670

Plan #002

Period from Inception (January 31, 2016) through December 31, 2016

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
Identity of Party Involved	Description of Asset	Purchase Price	Selling Price	Lease Rental	Expense Incurred with Transaction	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain or (Loss)
Individual transactions in excess of 5% of plan assets:								
Prudential	Guaranteed Income Fund	$ 2,593,534	$ —	$ —	$ —	$ 2,593,534	$ 2,593,534	$ —
Prudential	Large Cap Grow/JP Morgan	3,031,993	—	—	—	3,031,993	3,031,993	—
Prudential	Core Plus Bond/PGIM Fund	2,273,809	—	—	—	2,273,809	2,273,809	—
Prudential	Pru Day One IFX Targ Bal	2,406,798	—	—	—	2,406,798	2,406,798	—
Prudential	SA/T Rowe Pr Eq Inc Strat	2,908,271	—	—	—	2,908,271	2,908,271	—
Prudential	SA/T Rowe Pr Eq Inc Strat	—	3,377,895	—	—	3,170,918	3,377,895	206,977
Prudential	Dryden S&P 500 Index Fund	1,750,725	—	—	—	1,750,725	1,750,725	—
Prudential	Prugov Money Market Fd A	6,876,788	—	—	—	6,876,788	6,876,788	—
Prudential	Prugov Money Market Fd A	18,136,578	—	—	—	18,136,578	18,136,578	—
Prudential	Prugov Money Market Fd A	—	25,013,365	—	—	25,013,365	25,013,365	—
Prudential	Prugov Money Market Fd A	2,447,539	—	—	—	2,447,539	2,447,539	—
Prudential	Prugov Money Market Fd A	—	2,447,539	—	—	2,447,539	2,447,539	—
Prudential	Amer: Europacific Grow R4	5,266,933	—	—	—	5,266,933	5,266,933	—
Prudential	Inves Diversified Div Y	3,377,916	—	—	—	3,377,916	3,377,916	—
Series of non-securities transactions in excess of 5% of plan assets:								
Prudential	Guaranteed Income Fund	$ 4,985,839	$ —	$ —	$ —	$ 4,985,839	$ 4,985,839	$ —
Prudential	Guaranteed Income Fund	47,148	—	—	—	47,148	47,148	—
Series of securities transactions in excess of 5% of plan assets:								
Prudential	Large Cap Grow/JP Morgan	$ 3,780,868	$ —	$ —	$ —	$ 3,780,868	$ 3,780,868	$ —
Prudential	Core Plus Bond/PGIM Fund	3,059,609	—	—	—	3,059,609	3,059,609	—
Prudential	Pru Day One IFX Targ Bal	3,555,534	—	—	—	3,555,534	3,555,534	—
Prudential	SA/T Rowe Pr Eq Inc Strat	3,301,683	—	—	—	3,301,683	3,301,683	—
Prudential	SA/T Rowe Pr Eq Inc Strat	—	3,514,157	—	—	3,301,910	3,514,157	212,247
Prudential	Dryden S&P 500 Index Fund	1,892,451	—	—	—	1,892,451	1,892,451	—
Prudential	Prugov Money Market Fd A	27,460,905	—	—	—	27,460,905	27,460,905	—
Prudential	Prugov Money Market Fd A	—	27,460,905	—	—	27,460,905	27,460,905	—
Prudential	Amer: Europacific Grow R4	6,318,140	—	—	—	6,318,140	6,318,140	—
Prudential	Inves Diversified Div Y	3,852,936	—	—	—	3,852,936	3,852,936	—
Securities transactions related to individual transactions in excess of 5% of plan assets: None of the securities transactions exceeded the threshold amounts								