

WARATAH COAL INC.
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**WARATAH COAL ANNOUNCES GRANTING OF COAL EXPLORATION TENEMENT IN
MAJOR BOWEN BASIN EXTENSION**

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TSX Venture Exchange
Trading Symbol: WCI

EPC 1073 Bindaree Granted

Waratah Coal Inc. (“Waratah”) is pleased to announce the granting of an Exploration Permit for Coal EPC 1073 “Bindaree”. The Bindaree license is located in the eastern portion of the Bowen Basin in central Queensland, adjacent to excellent infrastructure that supports significant production from other coal mines in the region. The Bindaree licence is 100% owned and managed by Waratah. The Bowen Basin in Queensland, Australia is one the world’s most prolific coal producing basins. Waratah is exploring for extensions to high value coking coal units in the Bowen Basin, as part of its extensive exploration base.

Bindaree covers exploration targets for high value coking and thermal coal in the lower Bowen Basin Coal Measures in an area that has previously been subject to very limited coal exploration. Importantly, the stratigraphic sequence targeted by Waratah also hosts significant coal seams along strike to the north which are currently the subject of exploration drill programs by major coal companies.

Research by Waratah has identified coal seams of up to 5m net thickness in mineral exploration drill holes. The type and quality of the coal is yet to be determined. The prospectivity of the area is further supported by the additional identification of coal seams in an identical stratigraphic position to the previously mentioned drill hole in other mineral exploration drill holes in the area. Waratah has secured through Bindaree and EPC Application 1074 “Bindaree North” an estimated 110km of strike extension with good coal exploration potential in a previously unidentified area.

Waratah is currently completing standard government regulatory agreements to allow access for the commencement of exploration activities in 2007.

About Waratah

Waratah’s strategy is to build shareholder value, through acquisition, exploration and development of coal projects in Australasia. This strategy has being developed by a synthesis of Waratah’s core skills in project evaluation, structured acquisition, exploration and project development and operations, an area where Waratah executives have significant experience.

Waratah has 32.0 million shares outstanding and has \$3 million in cash, with no debt.

On behalf of the Board of Directors,

“Peter Lynch”
President, Chief Executive Officer and Director

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Statements in this news release, other than purely historical information, including statements relating to the Company’s future plans and objectives or expected results, constitute Forward-looking statements. Such statements are based on numerous assumptions and are subject to all the risks and uncertainties inherent in the Company’s business, including risks related to mineral exploration and development. Consequently, actual results may vary materially from those described in the forward-looking statements.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.