

28th March, 2008

WARATAH COAL INC. CLOSSES \$40 MILLION BROKERED PRIVATE PLACEMENT

Waratah Coal Inc. ("Waratah" or the "Company") is pleased to announce that it has closed the brokered private placement previously announced on March 13, 2008, and as increased on March 14, 2008, issuing 12,698,413 units of the Company (the "Units") at a price of \$3.15 per Unit raising aggregate gross proceeds of \$40,000,000.95 (the "Offering").

Each Unit comprises one common share and one-half of one transferable common share purchase warrant of the Company (each whole such purchase warrant, a "Warrant"). Each Warrant is exercisable into one additional common share of the Company at an exercise price of \$4.50 per common share until March 28, 2010.

The Offering was brokered by a syndicate of agents led by Jennings Capital Inc. and included M Partners Inc. and Canaccord Capital Corporation (the "Agents"). The Agents received a cash commission of 6.0% of the gross proceeds of the Offering. The Agents were also issued 761,904 broker's warrants (the "Broker's Warrants"). Each Broker's Warrant entitles the holder to acquire one additional common share of the Company at an exercise price of \$3.15 per common share until March 28, 2008.

All of the securities issued under the private placement are subject to a four-month hold period expiring on July 29, 2008.

Proceeds from the Offering will be used for exploration and development expenditures for the Company's Galilee Basin Project and Waratah's other coal projects in Australia and for working capital purposes.

About Waratah

Waratah's strategy is to build shareholder value, through acquisition, exploration and development of coal projects in Australia. This strategy is 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. Seven coal projects have already been acquired, with more in application, and drilling programs well underway at Waratah's South Alpha project and Nymboida project. Recent drilling confirmed the presence of premium quality coking coal at the Nymboida Project and extensive coal seams in the Galilee Basin.

Waratah has approximately 40 million shares outstanding, has approximately CAD\$5.5 million in cash and no outstanding debt.

On behalf of the Board of Directors,

"Peter Lynch"

President, Chief Executive Officer and Director

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

This press release does not constitute an offer to sell or a solicitation to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended ("the U.S. Securities Act") or any state securities law and may not be offered or sold in the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available

Cautionary language:

Except for the historical and present factual information contained herein, the matters set forth in this news release, including words such as "expects", "projects", "plans", "anticipates" and similar expressions, are forward-looking information that represents management of Waratah Coal's internal projections, expectations or beliefs concerning, among other things, future operating results and various components thereof or the economic performance of Waratah Coal. The projections, estimates and beliefs contained in such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause Waratah Coal's actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include, among other things, those described in Waratah Coal's filings with the Canadian securities authorities. Accordingly, holders of Waratah Coal shares and potential investors are cautioned that events or circumstances could cause results to differ materially from those predicted. Waratah Coal disclaims any responsibility to update these forward-looking statements.

