



December 13, 2007

**Waratah Coal is pleased to announce the granting of two (2) coal exploration leases in the Laura Basin, Queensland, Australia: EPC 1058 and EPC 1059.**

Waratah Coal Inc (TSX symbol WCI) advises it has been granted two (2) new exploration permits known as EPC 1058 (Fairlight) and EPC 1059 (Cooktown) in the Laura Basin in Queensland, Australia.

The Laura Basin is one of Mesozoic stratigraphy on the eastern side of Cape York peninsula. It forms a broad synclinal depression of Jurassic and Cretaceous sediments trending NNW. These sediments unconformably overlie an uneven basement of folded Palaeozoic sediments and granites.

Coal occurrences are common in the lower Dalrymple Sandstone. Within the Laura Basin known **coking** coal resources have been identified at Bathurst Range (G6-G8 with a CSN of 7-9) in the Bathurst Seam in amounts greater than 50 Mt (seam thickness >1.5 m).

Past exploration of the area has been relatively poor and reviews of historic data including geological, geophysical, and drilling programs indicate that the areas within the present lease have good potential for the discovery of export coking coal deposits.

The two EPCs cover areas that show pronounced gravity lows that indicate the existence of coal bearing sequences. The main prospective target is the Jurassic Dalrymple sandstone formation which will be tested for coal-bearing horizon.

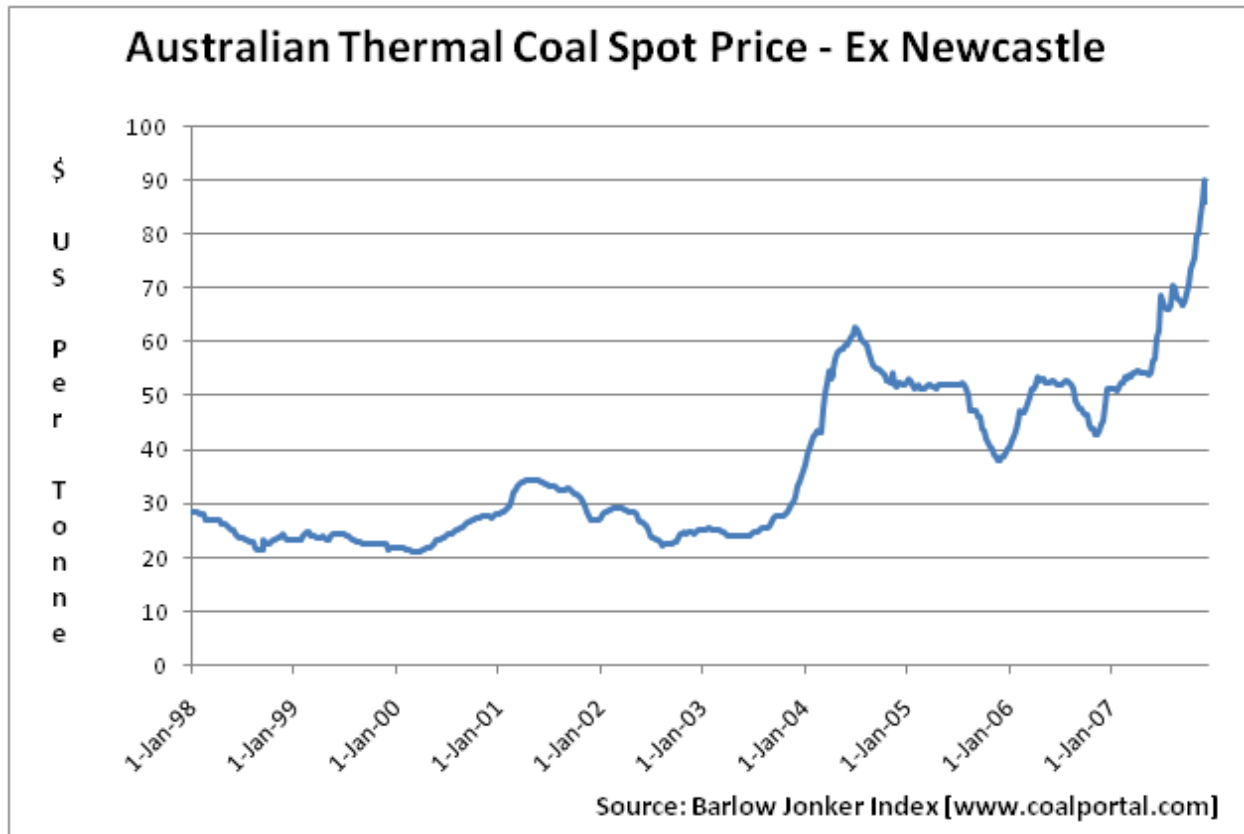
Target areas in each EPC have been identified and regions of approximately 25 sq. Km in each respective EPC have been identified for the initial exploratory program. Almost no previous exploration drilling has occurred in these prospective areas.

Scout exploration programs are planned for each EPC respectively and initially some 30 drill holes have been strategically positioned to begin to test the extent of potential coal deposits. Where relevant, a number of the coal seam intersections will be cored for analysis

Barlow Jonker report that the average price of Australian Hard Coking Coal exports to Europe (per quarter) was USD 110.58 / Mt in the second quarter of 2007 and they forecast this to rise to USD 116 / Mt for the first quarter of 2008.



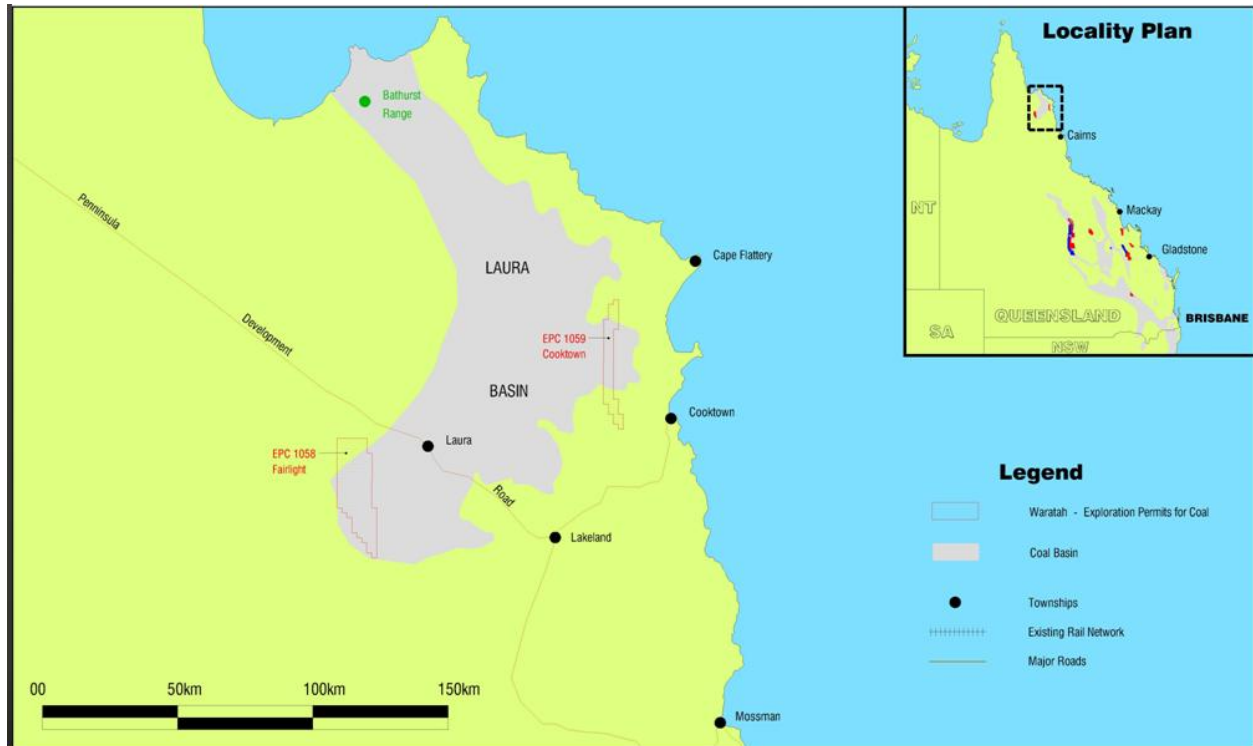
# Waratah Coal



**Figure 1 - Australian Thermal Coal Spot Price [Jan 1998 – Current]**

The Laura Basin is centered about 15°00' South and 144° East, approximately 145 km WNW of Cooktown, and about 260 km NW of Cairns. The Laura Basin is a coastal intra-cratonic Mesozoic basin located in Northeast Queensland, comprising up to 1,500 m of Middle Jurassic to Upper Cretaceous sediments overlying the Coen Metamorphics. The Laura Basin occupies some 34,000 sq. km. (18,000 sq. km of which is onshore).

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**Figure 2 - Location of Waratah Coal's Laura Basin Exploration Permits Coal (EPCs)**

Access to the area is via the Cape York Peninsula (Peninsular Development) road, various station roads and access tracks. Port facilities with close access to the buoyant South East Asian markets are available at the nearby Port of Cape Flattery.

{In 2006–07, the Port of Cape Flattery handled 37 ships carrying 1.82 Mt of silica sand. This was up by 30.6% on the previous year.}

Jurassic coal measures are widely distributed in Australia, being second only to those of the Permian.

Waratah Coal has the largest land holding in the as yet undeveloped Galilee Basin in Queensland, Australia. Waratah recently announced inferred coal resources of 2.145 Billion tonnes at its premier Galilee Basin Project.



Investors and shareholders are encouraged to review the information relating to the companies projects on its website [www.waratahcoal.com](http://www.waratahcoal.com)

For further information:

Peter Lynch

Waratah Coal President and CEO

T: +61 7 3303 0692

E-mail: [plynch@waratahcoal.com](mailto:plynch@waratahcoal.com)

Henry Wright

T: 604 681 5755

E-mail: [hwright@waratahcoal.com](mailto:hwright@waratahcoal.com)

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

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