

August 1, 2008

WARATAH COAL ENTERS INTO INVESTOR RELATIONS AGREEMENT

Vancouver, British Columbia, August 1, 2008: Waratah Coal Inc. (TSX-V:WCI) is pleased to announce that it has retained the services of Mr. Michael Joyner to conduct investor relations services for the Company.

Mr. Joyner will receive a fee of \$115 000 per annum. The term of the contract is 12 months. The Company will also grant an option to Mr. Joyner to purchase 175 000 common shares of the Company at \$2.90 per share for a five year period, subject to regulatory approval. The options will vest in equal stages over 18 months.

The Company also announces that, further to its press release of July 15, 2008, it has paid a success fee of AUS\$500K payable through the issuance of 146 040 shares of the Company at a price of C\$3.36 per share to an arm's length third party for their assistance to Waratah in attaining the Queensland Government's declaration of state significance for the Company's mine, rail, and port project.

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.

On behalf of the Board of Directors,

"Peter Lynch"

President, Chief Executive Officer and Director

For further information please contact:

Michael Joyner (Canada)
Telephone: 416 368 3671
Email: mjoyner@waratahcoal.com

Liam Behnke (Australia)
Telephone: +61 7 3303 0676
Email: lbehnke@waratahcoal.com

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

