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ASX Announcement

Waratah Disappointed by Federal Court Decision

The Federal Court of Australia yesterday rejected Waratah Coal Inc's ("Waratah") application to declare invalid the decision on 5 September 2008, by the Federal Environment Minister, Peter Garrett, that Waratah's proposed mine, port and rail project is clearly unacceptable under the terms of the *Environmental Protection and Biodiversity Conservation Act 1999 (Cth)*.

The Company, which is planning a large scale coal mine and infrastructure project, has now proposed building a rail link from the Galilee Basin in Central Queensland to the Abbot Point coal terminal near Bowen in the State's north.

"While we continue to push ahead with the plans to build a new rail link to Abbot Point, we will consider our remaining options for Port Capricorn," said Waratah CEO and President Peter Lynch.

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