



MEDIA RELEASE
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East Energy continues with aggressive push to get to JORC Indicated Resource

Perth-based coal exploration company, East Energy Resources Limited (East Energy) **(ASX:EER)** has released recent activities and results from drilling in the southern portion of their Blackall Tenement (EPC 1149) located in the Eromanga Basin.

East Energy commenced an expanded exploration campaign in the last quarter of 2009, with the aim of upgrading the Blackall Coal Project to a JORC Indicated Resource.

During the December 2009 Quarter and leading into the March 2010 Quarter, an aggressive drilling program continued on a 7 day a week basis with two drill crews and two geologists to support the fast tracking of this aim. The drilling program was only temporarily interrupted by heavy rains during January and February

A total of 32 core holes were drilled taking the total number of cores holed in this part of the tenement to 67, with hundreds of coal samples sent for analysis at ACIRL laboratories in Emerald. The initial results from this testing are expected within the next few weeks.

“The drilling is focusing on the coal seams that are located between 10 and 60 metres from the surface and results obtained in these first few months are exciting. Coal intersections of up to 10 metres cumulative thickness have been found in some holes” said Peter Tighe, Exploration Manager for East Energy.

“Initial results from the lab analysis has confirmed that the Blackall deposit contains major continuous coal resources that are suitable for thermal coal power generation. The ability to extract coal from depths as shallow as 12 metres below the surface will make this one of the lowest cost coal mining projects in Australia” he continued.

As recently reported, drilling in the northern half of the lease has met with great success and it is likely that another large coal resource will be added to the project once results from this work have been properly assessed.

“Almost every time we drill at Blackall we are intersecting coal, at reasonably shallow depths. The results to date have far exceeded our expectations” added Mark Basso, Managing Director.

“The process of moving from a JORC Inferred Resource to a JORC Indicated Resource is of primary importance to us at East Energy. It will provide a much greater level of confidence for investors and more accurate modelling to assist in developing a detailed mine plan.

We expect that by the end of Quarter 4, 2010, we will have completed sufficient drilling to take the Blackall deposit to a JORC Indicated resource status” said Mr Basso.

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Competent Persons Statement

*The information in this report relating to resources is based on information compiled by Peter Tighe who is a member of the **Australian Institute of Mining and Metallurgy** and who is employed by **East Energy Resources Limited**. Mr Tighe has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Tighe consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*