



ASX MEDIA RELEASE

27 September 2012

EAST ENERGY SECURES \$5.5M FUNDING FACILITY

East Energy Resources Limited (“East Energy” or “Company” ASX:EER) is pleased to announce that it has entered into a 4 year facility agreement for funding of up to \$5,500,000 in the form of a secured draw down facility with Idalia Coal Pty Ltd (“Idalia”).

Funds provided under this facility will provide East Energy with working capital to maintain its exploration program for its Blackall Coal Project (EPC 1149) as well as explore other project opportunities that may become available to the Company from time to time.

Idalia is 50.1% owned by Camvill Pty Ltd, which is a subsidiary of the Noble Group Limited (“Noble”). Noble, through its subsidiary Onglory Pty Ltd, owns 30.46% of East Energy.

The funding will be provided on a staggered basis with \$2.5m being available to draw down immediately, and then \$1m being available to draw down each year thereafter for three years, if required. An amount of \$1.2m of the initial drawdown will be received by East Energy within the next couple of days.

Interest on the facility may be capitalized for the term of the facility, at the discretion of East Energy. The applicable interest rate is the 6-month bank bill swap rate plus a margin of 7.5%. East Energy will be providing security for this facility with a personal property security over the Company’s assets and a mortgage over the Company’s tenement.

Repayment of the facility can be made at any time and without restriction within the four year term, with a six month extension available to East Energy. Should this extension be required at the end of the four year term, Idalia has the right, subject to any shareholder approval required, to convert any part of the drawn down balance of the facility into ordinary shares in East Energy.

The ASX Listing Rules require East Energy to obtain shareholder approval for the security arrangements under the general security deed executed by the Company to secure the facility; this approval will be sought at the upcoming annual general meeting of East Energy in November 2012. The notice of meeting and explanatory information will be provided in due course.

ENDS

EAST ENERGY RESOURCES LTD

ASX: EER

East Energy Resources is a coal exploration and development company primarily focused in the Eromanga Basin in Queensland.

East Energy has a JORC Resource of 1.74Bt of Thermal Coal at its Blackall Project, located south west of the major deposits of Hancock Coal and Waratah Coal in the Galilee Basin.

Capital Structure

Share Price: \$0.115

Market Cap: \$19.14M

Shares on Issue: 166,449,305

Board of Directors

Mark Basso, Managing Director

Ranko Matic, Non-Executive Director

Rex Littlewood, Non-Executive Director

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