



ASX ANNOUNCEMENT

29 APRIL 2011

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 31 MARCH 2011

HIGHLIGHTS

- A further 18 chip holes and 24 partially cored holes were completed in the southern part of the lease, finalising the current program of resource definition drilling in the Carlow field.
- East Energy's consultants, Xenith Consulting, completed the geological modeling of the coal deposit ready for the next stage of JORC resource assessment.
- Heavy rain early in the quarter saw some delays to commencing 2011 field operations.
- Core drilling commenced at the Alambi field

EXPLORATION

Blackall EPC 1149

During the quarter the company finalized the current stage of resource definition drilling over the Carlow field in the southern half of EPC 1149.

Wet weather during the early part of the year saw a slow start to field operations in 2011.

Southern Field - Carlow

A further 18 chip holes and 24 partially cored holes were completed in the southern part of the lease finalising the current program of resource definition drilling in the Carlow field.

This completed the drilling required for the next stage of resource assessment and Xenith Consulting commenced assessment of all the data with the aim of achieving a JORC compliant Indicated Resource over much of the Carlow field.

Northern Field - Alambi

Core drilling at Alambi commenced late in the quarter. On the recommendation of the company's geological consultants, Xenith Consulting, the drill spacing has been reduced to a 2 km grid. This is to increase the level of confidence in the geological structure and provide additional coal quality data.

EAST ENERGY RESOURCES LTD

ASX: EER

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

It has a JORC Inferred Resource of over 1.2Bt of Thermal Coal at its Blackall Tenement, located south west of the major deposits of Hancock Coal and Waratah Coal in the Galilee Basin.

Capital Structure

Share Price: \$0.585

Market Cap: \$97.37M

Shares on Issue: 166,449,305

Board of Directors

Mark Basso, Managing Director

Ranko Matic, Non-Executive Director

Malcolm Castle, Non-Executive Director

Rex Littlewood, Non-Executive Director

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Once coal quality has been established and seam correlations completed, the data should provide the basis for substantial additional JORC Inferred resources.

Peter Tighe
Exploration Manager

ENDS

Competent person statement

*The information in this report relating to resources is based on information compiled by Peter Tighe who is a member of the **Australasian Institute of Mining and Metallurgy** and who is employed by **East Energy Resources Ltd**. 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.*