



**MEDIA RELEASE**  
**4 June 2008**

## **Drilling for 79 - 90 million tonne mineralisation target at major QLD coal project on track**

### **Key points:**

- East Energy completes final activities ahead of drilling campaign at Blackall Coal project in Queensland,
- Tenement hosts historical 79 – 90 million tonne mineralisation target<sup>1</sup>,
- Company believes scope exists to increase the mineralisation target considerably and plans to commence an aggressive drilling campaign shortly,
- Negotiations with drilling contractors regarding access to rigs are now complete with firm orders in place,
- East Energy to fast-track delineation of JORC compliant resource at project,

Perth-based coal exploration company East Energy Resources (East Energy) will soon commence an aggressive drilling campaign at the highly prospective Blackall Coal Project (EPC 1149), in the Adavale Basin in Queensland, following the finalisation of necessary pre-exploration activities.

This tenement, made up of 300 sub blocks, is known to contain a significant thermal coal resource. Historical estimates based on previous drilling and other data confirms the presence of a 79 – 90 million tonne mineralisation target. Importantly, this historical estimate is based on drilling that was undertaken in a small area of the 900 km<sup>2</sup> tenement.

As part of its pre-exploration activities East Energy has lodged its Notice of Entry forms and will be meeting with the pastoral lease holders early next week. The company has also finalised negotiations with two drilling contractors and formal purchase orders, to undertake the drilling work, have been issued.

The East Energy technical team is in the final stages of completing the drilling program for the project. The company confirms that exploration drilling will commence very shortly.

“It is the intention of the company to conduct an extensive drilling program with the sole focus of confirming a JORC compliant resource at the project as soon as practically possible,” said East Energy Chairman Terry Byrt.

“We know, based on historical drilling and evaluation, that this project hosts a sizeable mineralisation target which has strong development potential.

“It is our intention to spend the best part of the next six months drilling at the project so as to prove up this mineralisation target and aggressively explore the previously un-explored areas of the tenement.”

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<sup>1</sup> Mineralisation target is not JORC Compliant (Refer ASX announcement 22 January 2008)



## **ENDS**

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## **Competent persons statement**

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Ian Splatt who is a member of The Australasian Institute of Geoscientists. Mr Splatt 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 Splatt consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

## **Company Background**

East Energy Resources has acquired the rights to two coal tenements in the Bowen Basin and Adavale Basin in Queensland.

The Norwich Park tenement is an exploration phase project with identified coal material in the western portion of the block. Coal measures are being mined adjacent to the tenement area and further data review, exploration and drilling is required to assess the area.

The Blackall tenement includes a potential quantity of coal measures of thermal coal which has been defined by a limited number of drill holes. Large adjacent areas remain to be evaluated.