



Media Release
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Over half a Billion Tonne coal mineralisation target identified in Blackall EPC 1149

Key points

- **Drilling program for 2008 has been completed ahead of schedule**
- **Analysis of drill core intersections and wireline logging results from over 200 drill holes have increased the in ground coal target to an estimated 500 – 550 Million tonnes¹**
- **Coal core samples from last stages of exploration drilling are now being assayed**
- **Final modelling of the deposit and JORC-compliant resource statement due early 2009**

Perth-based, Queensland-focused, coal explorer East Energy Resources Ltd ("East Energy" or the "Company" **ASX: EER**) has completed aggressive drilling programs on its 100% owned Blackall Coal Project (EPC 1149) in Central Queensland, the results of which have led to a massive increase in the targeted tonnage for the project.

The company is confident that analytical work now underway, following completion of the Stage 3 and 4 drilling programs, will see the earlier target of 200 to 220 million tonnes of thermal coal increase significantly to 500 to 550 million tonnes. This target is based on the extensive RAB drilling and coring that has been completed on the tenement for 2008. Further resource modeling will be undertaken by a specialist consultancy firm in order to meet the JORC requirements for a resource statement.

In accordance with section 18 of the JORC Code, the company wishes to state that the potential quantity and quality of this mineralisation target is conceptual in nature, with insufficient verification of exploration to define a mineral resource. It is uncertain if further exploration will result in the determination of a mineral resource.

“Assays carried out so far from the drilling programs now point strongly to a big increase in the targeted mineralisation from the original 79 - 90 million tonnes to 500 - 550 million tonnes.” Managing Director Mark Basso said.

“The anticipated resource increase is not unexpected as we have drilled more than 300 square kilometres of our 867 square kilometre Exploration Permit area. Exploration results and the assays flowing from laboratory analysis carried out at ALS in Emerald, from the core samples, indicate an average cumulative coal seam thickness of more than 4m.

Exploration and modelling conducted by the Company gives confidence that blending of the thermal coal on site will produce an average air dried CV of approximately 5000 k/cal per kg.

The resource definition drilling, covering most of the southern half of the exploration permit over a four month period, involved 200 RAB (Rotary Air Blast) holes and over 40 core holes on the Company’s Adavale Basin project area. Unweathered, significant, coal seams have been discovered as close as 12.77m below ground level.

“Once we have the assay results from all of the drilling we have carried out on the Blackall Coal Project and have had these independently verified and confirmed we expect to be in a position to announce a JORC-compliant resource figure for this project. We are working towards releasing the JORC resource statement in the first quarter of 2009,” said Mr Basso.

Ends

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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.*

Company Background

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

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.