

# **ASX ANNOUNCEMENT**

6th October 2021

# CONCEPT STUDY FOR BLACKALL COAL PROJECT

# Highlights:

- EER to seek to take advantage of advances in carbon capture and carbon sequestration technologies
- Multiple paths to commercialisation being reviewed
- Leading firm GOMAC Projects Pty Ltd engaged
- Thermal coal prices at a 10-year high

East Energy Resources Limited (ASX-EER or 'the Company') is pleased to advise that as part of its continuous efforts to explore strategies for the development of its Blackall Coal Project ('Blackall Project') it has engaged GOMAC Projects Pty Ltd ('GOMAC') to conduct a concept study to fully assess all available strategic options and opportunities to develop the Blackall Project. GOMAC specialises in hydro-carbon project development and has extensive experience in undertaking preliminary studies and planning for a diverse portfolio of large and complex energy, infrastructure, and resources projects both in Australia and globally.

The objectives of the study are to identify a commercially viable route for EER to convert its coal resource into the following potential production opportunities:

- · Synthetic natural gas (SNG)
- Hydrogen (H2)
- Coal to fertilisers (CTF)
- · High energy, low emission (HELE) power
- Coal to liquids (CTL)
- Coal to chemicals (CTC)
- · Combinations of the above

All of the above potential opportunities provide for carbon capture and sequestration/storage (CCS) to enable the Blackall Project to continue to progress with minimal carbon dioxide emission risks.

The study will consider Blackall Project as an integrated energy project and include the following main aspects:

- Permitting and regulatory approvals
- · Market studies
- · Coal mining and mine site infrastructure
- Gasification plant
- Process plants
- Pipelines, "offsites", common utilities, and ancillaries
- Commercial agreements: Coal mining, technology, offtakes, utilities and infrastructure, construction contracts.

## **ASX: EER**

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

EER has combined Total JORC Resources of 3.44Bt of Thermal Coal (627.5Mt Indicated and 2817Mt Inferred) located south west of the major deposits of GVK Hancock Coal and Waratah Coal in the Galilee Basin.

#### **Board of Directors**

Mr James Newbury
Executive Chairman/Managing Director

Bryan Duncan Executive Director

Grant Ferguson Executive Director

Ranko Matic Non-Executive Director

Mr Stephen Ross Non-Executive Director

Mr Alastair Smith Non-Executive Director

#### **Contact Us**

### www.eastenergy.com.au

Level 2 22 Mount Street PERTH WA 6000 PO Box 7054 CLOISTERS SQUARE WA 6850

Ph: +61 8 6188 8181 Fax: +61 8 6188 8182

Email: admin@eastenergy.com.au Web: www.eastenergy.com.au



EER also continues to appraise the market outlook for thermal coal and monitor the rail and port infrastructure commitments by Galilee Basin projects, their impact on the potential development of the Blackall Project, as well as investigate and assess any other potential strategic opportunities available.

Executive Chairman James Newbury commented "we believe in the future of the Blackall Project and we are excited about working with a group of the calibre of GOMAC that can develop enhanced strategies to commercialise such a significant resource. Given thermal coal prices are close to all-time highs, there is a generally strong eastern states gas demand/supply dynamic and the positive global outlook for hydrogen, we consider that EER is at a very interesting and exciting stage".

## About GOMAC Projects Pty Ltd

GOMAC is a niche planning and delivery company specialising in supplementing a client's projects team in the mining and hydrocarbon sectors along the east coast of Australia. GOMAC provides project and construction management excellence to the resources and infrastructure industries.

#### The Blackall Coal Project

The Blackall Project consists of three main coal resource areas within MDL464, EPC1398, and EPC1399 and is located immediately to the south of the township of Blackall Project in central-western Queensland. These permits host a combined **JORC Total Coal Resource Estimate of 3.44 billion tonnes** of thermal quality coal. Note 1

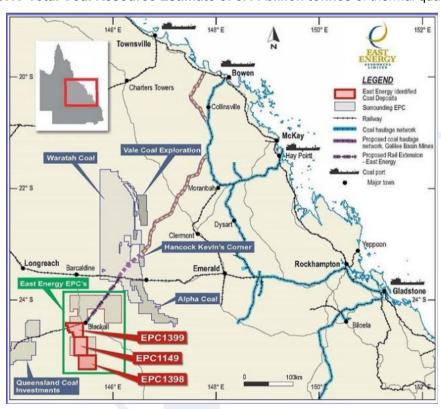


Figure 1: Blackall Project Location Map

Note 1. See ASX announcement dated 10 July 2014 - "EER REPORTS 3.44 BILLION TONNE JORC RESOURCE".

Disclaimer: The Company confirms that it is not aware of any new information or data that would materially affect the resources and all material assumptions and technical parameters underpinning the Resource. Estimates continue to apply and have not materially changed in the meantime"



## **CORPORATE**

The Company intends to engage with the ASX in respect to conditions for reinstatement and will provide shareholders with an update by way of further ASX announcements.

This Report has been authorised for release by the Board of Directors of East Energy Resources Ltd.

# For further information:

James Newbury
Executive Chairman/Managing Director **T** | +61 8 6188 8181

E | admin@eastenergy.com.au W| www.eastenergy.com.au



# **Summary of Mineral Resources**

# Table 1 – EPC 1399 Updated JORC (2012) Coal Resources

Tenement	UPDATED JORC (2012) COAL RESOURCES									
	Inferred (Mt)	Indicated (Mt)	Measured (Mt)							
EPC 1399	1,504	-	-							
TOTAL	1,504 million tonnes									

# Table 2 – EPC 1399 Coal Quality

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Seam Name	Resource Category	Insitu Tonnes (Mt)	Inherent Moisture % (adb)	Ash (adb)	Fixed Carbon % (adb)	Volatile Matter % (adb)	Total Sulphur % (db)	Calorific Value Kcal/kg (adb)						
1 Upper	INFERRED	143	16.4	24.0	33.6	25.6	0.40	4156						
1 Lower	INFERRED	105	15.4	29.0	32.0	23.6	0.30	3846						
2 Upper	INFERRED	123	15.8	30.6 29.8 29.3 30.8		23.7	0.51	3728 3805						
2 Lower	INFERRED	104	16.0			24.0	0.52							
3 Upper-1	INFERRED	193	16.1	23.6	35.2	25.0 26.1	0.48 0.47	4225 4497						
3 Upper-2	INFERRED	169	17.0	19.2	37.7									
3 Lower-1	INFERRED	105	15.7	22.5	35.8	25.8	0.71	4347						
3 Lower-2	INFERRED	96	15.1	27.6	33.1	24.1	0.56	3986						
4 Upper-1	INFERRED	84	15.5	23.9	35.2	25.4	0.62	4280						
4 Upper-2	INFERRED	110	17.4	16.9	38.9	26.8	0.65	4678						
4 Lower	INFERRED	120	16.7	18.9	38.4	26.0	0.55	4559						
5	INFERRED	151	16.3	19.4	38.2	26.1	0.82	4570						
Total	INFERRED	1,504												

## Table 3 – EPC 1398 Existing JORC (2004) Coal Resources

Tenement	EXISTING JORC (2004) COAL RESOURCES										
	Inferred (Mt)	Indicated (Mt)	Measured (Mt)								
EPC 1398	200	-	-								
TOTAL	200 million tonnes										

# Table 4 – EPC 1398 Coal Quality

Resource Category	Insitu Tonnes (Mt)	Inherent Moisture % (adb)	Ash (adb)	Fixed Carbon % (adb)	Volatile Matter % (adb)	Total Sulphur % (db)	Calorific Value Kcal/kg (gar)
INFERRED	200	16.8	21.8	34.5	26.9	0.60	3570

# Table 5 – EPC 1149 Existing JORC (2004) Total Coal Resources

Tenement	EXISTING JORC (2004) COAL RESOURCES											
	Inferred (Mt)	Indicated (Mt)	Measured (Mt)									
EPC 1149	1,113	627.5	ı									
Sub-total	1,113	627.5	-									
TOTAL	1,740.5 million tonnes											

See ASX announcement dated 10 July 2014 - "EER REPORTS 3.44 BILLION TONNE JORC RESOURCE".

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# Table 6 – EPC 1149 Coal Quality (SRK Consulting Sept2012)

Seam Name	JORC Category	Seam Thickness	Coal Area	Coal Volume	In-situ Tonnes	RD <sub>in</sub>	тм	IM	Raw Ash	Raw VM	Raw TS	Raw Gross CV	F1.60 Yield	F1.60 Moisture	F1.60 Ash	F1.60 VM	F1.60 TS	F1.60 Gross CV
		m	Ha	Mm <sup>8</sup>	Mt	g/cc	%ar	%ad	%ad	%ad	%ad	MJ/kg	%ad	%ad	%ad	%ad	%db	MJ/kg
10	IND	0.57	4123.1	23.5	33.1	1.41	29.4	21.5	21.1	25.2	0.41	16.3	78.7	17.8	12.2	29.0	0.34	19.7
10	INF	0.50	7705.7	38.3	54	1.40	30.6	20.1	20.9	25.5	0.41	16.7	81.8	16.3	11.6	29.4	0.34	20.7
1L	IND	0.65	4795.1	31.0	43.7	1.41	29.5	21.9	22.7	24.8	0.45	15.9	80.0	18.1	14.8	28.9	0.40	18.9
1L	INF	0.51	12805.8	65.1	92	1.41	30.3	20.3	22.0	25.9	0.48	16.4	82.2	17.5	13.1	29.2	0.42	19.9
2U	IND	0.51	7151.0	36.6	51.7	1.41	28.9	21.6	22.3	26.0	0.37	16.0	81.6	18.1	13.8	29.0	0.37	19.1
20	INF	0.50	15506.3	78.1	110	1.41	29.2	20.7	21.8	25.3	0.50	16.4	84.1	17.8	12.5	29.7	0.57	20.0
2L	IND	0.53	7378.2	39.1	55.6	1.42	28.6	20.7	23.8	24.4	0.41	15.7	79.3	17.8	13.8	28.7	0.39	19.2
2L	INF	0.50	14834.4	74.0	104	1.41	29.3	20.6	21.3	25.3	0.49	16.6	85.7	18.3	13.6	28.8	0.47	19.6
3U1	IND	0.42	5951.8	25.2	36.2	1.44	27.2	19.2	25.4	24.1	0.46	15.5	75.1	17.3	13.6	28.9	0.45	19.6
3U1	INF	0.50	14507.0	72.1	102	1.42	29.2	20.5	22.1	24.9	0.62	16.4	71.8	18.6	12.6	28.3	0.55	19.7
3U2	IND	0.44	6292.5	27.8	40.4	1.45	27.3	19.6	26.7	24.4	0.39	15.1	73.0	16.7	15.4	28.4	0.41	19.0
3U2	INF	0.46	13197.3	60.8	87	1.44	28.0	19.6	24.8	24.0	0.54	15.7	76.9	19.3	13.8	27.3	0.60	19.1
3L1	IND	0.80	9082.9	72.4	101.2	1.40	29.2	21.2	20.0	26.5	0.50	16.7	81.0	17.8	12.5	29.0	0.45	19.8
3L1	INF	0.64	13803.8	89.0	126	1.41	29.0	20.4	21.9	24.8	0.56	16.4	81.4	18.7	13.0	28.7	0.66	19.6
3L2	IND	0.84	8403.2	70.7	98.6	1.40	30.1	21.5	20.0	25.9	0.46	16.7	83.6	17.8	12.3	28.9	0.47	19.8
3L2	INF	0.65	14910.1	96.3	134	1.39	29.3	20.8	20.1	25.3	0.56	16.8	84.7	17.8	14.1	28.7	0.59	19.5
4U1	IND	0.50	8827.1	44.3	61.7	1.39	29.2	21.3	19.4	26.2	0.47	16.8	83.7	17.8	11.4	29.3	0.43	20.2
4U1	INF	0.55	14198.9	78.4	110	1.40	29.4	20.5	20.6	25.0	0.69	16.9	80.7	17.4	12.2	28.7	0.62	20.3
4U2	IND	0.41	8691.0	35.7	50.1	1.40	29.3	20.9	21.1	25.7	0.45	16.4	82.6	17.6	12.3	29.2	0.44	19.9
4U2	INF	0.45	13539.9	61.3	86	1.40	29.3	20.9	19.8	25.1	0.60	17.0	83.2	17.5	11.9	29.0	0.57	20.4
4L	IND	0.52	7230.4	37.8	53.7	1.42	27.4	20.2	23.6	24.8	0.60	15.8	77.7	17.2	14.3	28.9	0.55	19.4
4L	INF	0.55	13153.1	72.3	103	1.42	28.6	19.8	23.0	25.0	0.94	16.3	79.1	18.1	12.7	29.1	0.85	19.9
5	IND	0.52	197.6	1	1.5	1.41	33.5	18.3	22.3	29.1	1.22	17.1	81.7	13.3	11	32.3	0.72	20.2
5	INF	0.5	738.9	3.7	5	1.42	29.9	18.8	24.1	26.3	0.75	16.4	76.9	15.9	11.2	31	0.72	20.3
Total					1,740.5	1.41	29.1	20.6	21.7	25.2	0.54	16.4	80.9	17.9	13.0	28.9	0.53	19.8

## See ASX announcement dated 10 July 2014 - "EER REPORTS 3.44 BILLION TONNE JORC RESOURCE".

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### Competent Persons Statement – EPC 1399 Resources

The information in this report relating to estimates of Mineral Resources within EPC1399, is based on information compiled by Mr Peter Tighe who is a member of the Australian Institute of Mining and Metallurgy. Mr Tighe is a geological consultant to East Energy Resources Limited. Mr Tighe has had over 30 years' experience in exploration, mining and resource evaluation and 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 Competent Person as defined in the 2012 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 the information, in the form and context in which it appears.

## Competent Persons Statement – EPC 1398 Resources

The information in this announcement relating to the estimates of Mineral Resources within EPC 1398 is based on the 2004 JORC code and information reviewed by Mr Bill Knox, who is a Member of The AusIMM. This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. Mr Knox 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 2012 Edition of the JORC Code. Mr Knox consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

#### Competent Persons Statement – EPC 1149 Resources

The Coal Resource estimation for the Blackall Project Project (EPC 1149) presented in this announcement has been carried out in accordance with the principles and guidelines of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2004) and the Australian Guidelines for Estimating and Reporting of Inventory Coal, Coal Resources and Coal Reserves, 2003. The information in the announcement to which this statement is attached, that relates to East Energy's Blackall Project Coal Resource on EPC 1149 is based on information reviewed by Dr Gerard McCaughan, who is a Member of The AusIMM and is a full time employee of SRK. This information was prepared and first disclosed under the JORC Code



2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. Dr McCaughan 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 JORC Code. Dr McCaughan consents to the inclusion in the announcement of the matters based on this information in the form and context in which it appears.

#### <u>Competent Persons Statement – Exploration Targets</u>

The information in this announcement relating to Exploration Targets within EPC 1398 and EPC 1399 is based on information compiled by Mr Peter Tighe who is a Member of The AusIMM and a geological consultant to 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 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Tighe consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

#### Forward Looking Statements

This Announcement may contain forward looking statements. The words 'anticipate', 'believe', 'expect', 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'could', 'may', 'target', 'plan' and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements are subject to risk factors associated with the Company's business, many of which are beyond the control of the Company. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. You should not place undue reliance on forward-looking statements and neither East Energy Resources Limited nor any of its directors, employees, servants, advisers or agents assume any obligation to update such information.

The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcement.