

20 July 2009

ASX Announcement

Non-Renounceable Entitlement Offer
Shortfall shares

Eastern Corporation Limited (ECU) confirms that 2,622,549 shortfall shares have been allotted under the Company's Non-Renounceable Entitlement offer announced on 22 May 2009. Holding statements for the shortfall shares have been despatched today with trading to commence on the ASX on 21 July 2009.

The Entitlement Offer which closed on 8 July 2009 received strong support from retail investors with 17,928,042 new shares issued to eligible shareholders, representing a take up of 87%.

Under the terms of the underwriting agreement the remaining shares were taken up by underwriter Patersons Securities Limited and sub-underwriter, Becamal Pty Ltd.

ECU now has 102,752,659 fully paid ordinary shares on issue and 2,042 shareholders. Becamal Pty Ltd, an entity associated with Managing Director, Campbell Smith, remains the Company's largest shareholder, now holding 18% of the issued capital.

Approximately \$5 million was raised under the Entitlement Offer which will be directed to funding ECU's share of exploration for coal seam gas in the Galilee Basin through 67% owned subsidiary Galilee Energy Limited.

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