

20 January 2009

## ASX Release

### **New directors strengthen oil and gas experience at Eastern Corporation's coal seam gas subsidiary, Galilee Energy Limited**

Emerging coal seam gas company Eastern Corporation Limited (ASX:ECU) is pleased to announce the appointment of two new directors with extensive international experience in oil and gas to the Board of Galilee Energy Limited (ECU 67%).

- Mr. Steven Koroknay has joined the Board of Galilee Energy as non-executive Chairman. Former Chairman Mr Rino Camarri continues on the board as a Director.
- Mr Lester Campbell (Cam) Rathie, skilled in coal seam gas development and monetisation, has joined as a non-executive Director.

In a farmin with AGL Limited, ECU, through Galilee Energy, is focusing on the exploration and development of coal seam gas in Queensland's Galilee Basin.

**Mr Koroknay** is a Director of ECU, appointed in December 2008. He is a prominent figure in the international oil and gas industry in which he has more than 30 years' experience and in which he has provided both high level technical management and successful company building leadership.

His experience extends to coal as former Chairman of CIM Resources, and to coal seam gas having consulted to Transfield in respect of their CSG assets in Queensland.

Mr Koroknay's early career was with Esso, managing Bass Strait operations and rising to Technical Manager of Esso's upstream activities in Australia as well as completing assignments in the United States. Joining Bridge Oil, he rose to Executive Director – Resources, contributing significantly to the company's growth in Australia and the United States including oil and gas exploration and development in the Cooper and Surat Basins. Subsequently he founded Anzon Energy and Anzon Australia, companies engaged in oil and gas exploration and development in Indonesia and Bass Strait, Australia, respectively.

Mr. Koroknay is also a non-executive director of Innamincka Petroleum.



**Mr Rathie** has a broad range of energy-related expertise including coal seam gas, skills well suited to Galilee as an emerging coal seam gas company.

His expertise includes field appraisal and development planning and management, facilities design and commissioning, well testing, well performance monitoring and wellbore maintenance, and coal seam gas development and monetisation.

Mr Rathie has worked for 38 years in oil and gas exploration and development in Australia and countries including Indonesia, Mexico, Canada, Dubai, Vietnam, Algeria, and the United Kingdom. For 10 years he held senior positions with BHP Petroleum developing and managing offshore oil projects, after which he was a founder of Upstream Petroleum, providing project and operational management and engineering services to the Australian oil and gas industry. In his capacity with Upstream Petroleum he acted as Operations Manager for Sunshine Gas in its initial conventional gas and coal seam gas exploration in the Surat and Bowen Basins, providing the engineering and field teams for these projects.

Mr Rathie is now a consultant advising the CEO and Queensland Manager of the oil and gas service company AGR Asia Pacific. In that position, he helped to initiate AGR's alternative energy group including coal seam gas activities.

Mr Rathie is a Life Member of the Society of Petroleum Engineers.

### **Galilee Energy Limited**

ECU's 67% owned subsidiary, Galilee, holds tenements ATP 529P and 799P in the Galilee Basin near Longreach in Central Queensland.

In ATP 529P, AGL can earn up to a 50% interest by investing \$37 million in a production pilot and exploration and appraisal programme with Galilee under a farmin agreement in which AGL is the operator. The final well in the Glenaras 5 spot production pilot was drilled in late November 2008. In 2009, the wells will be completed, pumps installed and a dewatering program commenced.

At ATP799, Galilee has undertaken ground and aerial surveys as the initial phase of a seismic programme scheduled for 2009. \$4.6 million was raised through a rights issue to Galilee shareholders to fund the first stages of this programme.

### ***About Eastern Corporation Limited***

Eastern Corporation Limited (ECU) is an emerging energy company targeting coal seam gas production in the Galilee Basin of Queensland through its 67% interest in Galilee Energy Limited. ECU is engaged in coal production and exploration in New Zealand, and has a coking coal tenement in Queensland's Bowen Basin.

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