

# ASX / Media Announcement

23 February 2012



## EAST COAST MINERALS COMPLETES CAPITAL RAISING

### HIGHLIGHTS

- Completion of capital raising of \$3.6 million.

Australian-based exploration and mining company, East Coast Minerals NL (ASX: ECM) (“ECM” or the “Company”), is pleased to announce that it has completed the placement to sophisticated investors of \$3.6 million or 118.6 million ordinary shares.

The Company announced on 21 February 2012 that under the offer to sophisticated investors, a total of 126.7 million or \$3.8 million would be raised (“Offer”). However, a few investors did not meet the deadline for completion of their payment. It is expected that these applications will be finalised and allotted shortly.

The key terms of the placement are as follows:

- issue price of 3 cents per share;
- number of shares taken up under the Offer- 118.6 million; and
- one free option for every four shares taken up (29.7 million in total) exercisable at 4 cents per share with an expiry date of 14 July 2013, the issue of which is subject to shareholder approval.

The revised capital structure of the Company following the Offer and the cancellation of the Convertible Preference Shares and the options issued to Exchange Minerals is set out in the accompanying Appendix 3B.

(END)

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Executive Director  
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## About East Coast Minerals

East Coast Minerals is an Australian-based exploration and mining company listed on the Australian Securities Exchange (ASX: ECM) and the Open Market of the Frankfurt Stock Exchange (Symbol: 9EC, ISIN: AU000000ECM6, WKN: 863804).

### About ECM's Wolfsberg Lithium Project (80% ownership)

ECM's Austrian Lithium Project, which going forward the Company will be referring to as the Wolfsberg Lithium Project, is located in Carinthia, 270 km south of Vienna (Figure 1). The Project is 20 km from Wolfsberg, an industrial town.

The Project is pegmatite-hosted and has an inferred JORC resource of **18 million tonnes grading 1.6% Lithium Oxide** ( $\text{Li}_2\text{O}$ ).

It is estimated that over €8 million has been spent on the Project to date, primarily by the Austrian Government in the 1980s. This work included more than 16,000 metres of drilling, metallurgical and processing studies, 1,389 metres of underground decline and trial mining. Despite the extensive work undertaken on the Project, the mine was not put into production at the time due to the then modest lithium price. With lithium now firmly established as a metal of strategic importance, ECM intends to fast-track the development of the Wolfsberg Lithium Project using established Australian underground bulk-mining techniques.

The Wolfsberg Lithium Project benefits from valid Exploration and Mining Licences. It is close to existing infrastructure and centrally located in Europe. It is considered to be of strategic importance to European manufacturers, and in the view of the Company has the potential to deliver substantial shareholder wealth in both the short and the medium term.

### About ECM's Elizabeth Hill Silver Mine (100% ownership)

Silver was mined by ECM and Legend Mining from the Elizabeth Hill underground mine between 1998 and 2000. 16,800 tonnes of ore grading 2,100 g/t silver (70 oz/t) were mined to produce 1,170,000 ounces of silver. A shallow resource of 7,000 tonnes grading 700 g/t silver (22 oz/t) for 157,000 ounces remains.

**More information:** [www.eastcoastminerals.com](http://www.eastcoastminerals.com)

## Competent Persons Statement

The information in this report that relates to exploration results is based on information compiled by Ed Mead who is a member of the Australian Institute of Mining and Metallurgy was former employee and Director of East Coast Minerals. Mr Mead 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'. Ed Mead consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.



Figure 1: Austrian Lithium Project Location

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

East Coast Minerals N.L.

ABN

82 000 738 885

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |  |   |
|---|--|---|
| 1 | +Class of +securities issued or to be issued   | Ordinary fully paid shares                |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | 118,633,333 ordinary fully paid shares    |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Rank equally with other fully paid shares |

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>Yes</p>				
<p>5 Issue price or consideration</p>	<p>1. \$0.03 each</p>				
<p>6 Purpose of the issue          (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>118,633,333 ordinary shares were issued pursuant to a placement to professional investors as announced on 21 February 2012.</p>				
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>23 February 2012</p>				
<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="694 1646 901 1691">Number</th> <th data-bbox="901 1646 1299 1691">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="694 1691 901 1915">404,640,949</td> <td data-bbox="901 1691 1299 1915">Ordinary fully paid</td> </tr> </tbody> </table>	Number	+Class	404,640,949	Ordinary fully paid
Number	+Class				
404,640,949	Ordinary fully paid				

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+ See chapter 19 for defined terms.

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	116,744,444	Ordinary fully paid shares escrowed to 2 December 2012
	18,860,939	Ordinary fully paid shares escrowed to 30 December 2012
	40,967,538	Ordinary 8c shares paid to 2c.
	6,250,000	Options to acquire partly paid 'A' Shares expiring 27 November 2012
	5,000,000	Options to acquire partly paid 'A' shares @ 9c each, credited as paid to 1c, with options exercisable 60 days following ASX trade of ECM shares at a price of equal to or greater than 20c. Options not exercised within 3 yrs will lapse (30 April 2013). Partly paid shares issued following exercise of these options not fully paid up within 3 yrs of their issue will be forfeited.
	77,054,658	Options exercisable @ 4c, expiring on 14 July 2013.
	12,000,000	Options exercisable @ 4c, expiring on 08 December 2013.
	5,000,000	Options exercisable 4c expiring on 31 December 2013

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Rank equally.
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## Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?	
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+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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|----|---|--|
| 12 | Is the issue renounceable or non-renounceable?  |  |
| 13 | Ratio in which the +securities will be offered  |  |
| 14 | +Class of +securities to which the offer relates  |  |
| 15 | +Record date to determine entitlements  |  |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?  |  |
| 17 | Policy for deciding entitlements in relation to fractions   |  |
| 18 | Names of countries in which the entity has +security holders who will not be sent new issue documents<br><br><small>Note: Security holders must be told how their entitlements are to be dealt with.<br/>Cross reference: rule 7.7.</small> |  |
| 19 | Closing date for receipt of acceptances or renunciations  |  |
| 20 | Names of any underwriters   |  |
| 21 | Amount of any underwriting fee or commission  |  |
| 22 | Names of any brokers to the issue   |  |
| 23 | Fee or commission payable to the broker to the issue  |  |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders   |  |

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+ See chapter 19 for defined terms.

25	If the issue is contingent on +security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	
33	+Despatch date	

### **Part 3 - Quotation of securities**

*You need only complete this section if you are applying for quotation of securities*

- 34 Type of securities  
(tick one)
- (a) X Securities described in Part 1 (existing class of shares)  
1,087,697 ordinary fully paid shares
- (b) All other securities  
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid,

+ See chapter 19 for defined terms.



## Appendix 3B New issue announcement

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employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

- 35  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
- 1 - 1,000
  - 1,001 - 5,000
  - 5,001 - 10,000
  - 10,001 - 100,000
  - 100,001 and over
- 37  A copy of any trust deed for the additional +securities

### Entities that have ticked box 34(b)

- 38 Number of securities for which +quotation is sought
- 39 Class of +securities for which quotation is sought
- 40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?
- If the additional securities do not rank equally, please state:
- the date from which they do
  - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
  - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
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+ See chapter 19 for defined terms.

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

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42 Number and <sup>+</sup>class of all <sup>+</sup>securities quoted on ASX (including the securities in clause 38)

Number	<sup>+</sup> Class

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<sup>+</sup> See chapter 19 for defined terms.

**Quotation agreement**

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.


- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:   
.....  
(Company Secretary)

Date: 23 February 2012

Print name: Lynton McCreery

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+ See chapter 19 for defined terms.



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23 February 2012

Company Announcement Office  
ASX Limited  
20 Bridge Street  
Sydney NSW 2000

### CLEANSING NOTICE

East Coast Minerals NL (the “Company”) gives this notice pursuant to section 708A (5) (e) of the Corporations Act 2001 (Cth) (“Act”) in relation to the appendix 3B attached.

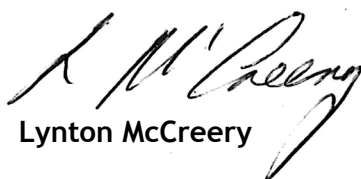
The Company advises that the 700,000 fully paid ordinary shares were issued without disclosure to investors under part 6D.2 of the Act.

As at the date of this notice, the Company has complied with:

- (a) The provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
- (b) Section 674 of the Corporations Act.

There is no excluded information for the purposes of Sections 708A (7) and (8) of the Corporations Act.

Yours sincerely



Lynton McCreery  
Company Secretary