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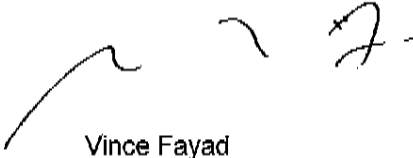
To:	ASX Market Platform	Date:	12 April 2012
Company:	ASX	Time:	11:19 AM
Fax no:	1300 135 638	Number of pages:	5 (including cover page)
From:	Vince Fayad		

Dear Sir/Madam

On behalf of East Coast Minerals NL (ECM), could you please file the attached the announcement as soon as possible.

Thank you for your assistance.

Yours sincerely



Vince Fayad

ASX / Media Announcement

12 April 2012



ECM reduces the debt owing to KMI and achieves significantly improved terms for the remaining amount owing

HIGHLIGHTS

- Debt owing to KMI has been reduced from €5.5 million to €3.0 million by a payment of €2.5 million
- Remaining debt of €3.0 million has been novated to East Coast Minerals
- Enhanced terms for the remaining amount outstanding to KMI, including a €1.5 two year convertible note at an interest rate of 5% per annum and any outstanding amount of the convertible note, converting into ordinary ECM shares @ A\$0.10
- Risk for non repayment of the amount owing to KMI has been mitigated

Australian-based exploration and mining company, East Coast Minerals NL (ASX: ECM) ("ECM" or the "Company"), is pleased to announce that it has been successful in renegotiating the outstanding debt owing to the former vendor of the Wolfsburg Lithium Project ("Project"), Kärntner Montanindustrie GmbH ("KMI") on more favourable terms.

The key terms of the restructure are as follows:

1. ECM will pay €2.5 million to KMI, plus interest from the date of the loan by KMI to ECM's 80% owned subsidiary, ECM Lithium AT GmbH ("ECM Lithium") up to 31 March 2012 of €63,815 ; and
2. the remaining outstanding amount of € 3.0 million is to be assumed from ECM Lithium by the Company and to be restructured through a novation as follows:
 - a) €1.5 million unsecured loan payable by ECM in three tranches of €0.5 million - 30 June 2012, 31 December 2012 and 30 June 2013. The loan is to attract interest at the rate of 5.0% per annum; and
 - b) €1.5 million - unsecured convertible note ("Con Note") issued on the following terms:
 - i. term - two years from 12 April 2012;
 - ii. interest rate of 5% per annum;
 - iii. can be repaid in whole or part anytime by the Company from the date of entering into the Con Note up to the maturity date;

- iv. unsecured;
- v. is not transferrable without the consent of the Company; and
- vi. at the end of the term of the Con Note, can be repaid in at the election of the Company or converted into shares based on a pre agreed formula of:

Principal sum of €1.5 million, less repayments multiplied by a fixed exchange rate of 1.25 times and converted by a fixed price of 10 cents. In the event that none of the principal sum outstanding is paid by the maturity date of the Con Note the maximum number of ECM shares that would be issued is 18.75 million ordinary shares, which represents 3.3% of ECM's current issued capital.

In return, KMI has agreed to terminate its previous security rights.

The above restructure not only provides ECM with more comfortable period of time in which deal with the repayment of the loan, but more importantly eliminates the uncertainty associated with the former loan whereby KMI could exercise its rights to enforce its security of taking back the Project in the event of the failure by ECM Lithium to fulfill its obligations under the terms of the acquisition by KMI.

ECM has also provided to KMI its best endeavors to have the above amounts repaid ahead of the agreed terms. However, these endeavors are not binding. In addition, the Company continues to work closely with KMI in terms of executing the strategy for the development of this strategic project.

Mr Sevag Chalabian has commented *"the achievement of the above restructure based on the above terms and conditions is a direct result of the excellent relationship that has been forged with KMI. The above terms are considered to be highly favorable to the Company and are considered to be a further step towards wealth creation. Above all, management can now get on with the taking Wolfsburg Project to the next level without the worry of meeting the former onerous commitments. Achievement of this important milestone can be attributed by the recent capital raising efforts lead by Bell Potter Securities"*.

(END)

Vince Fayad

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 (Li₂O)**.

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

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 and is a former 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.

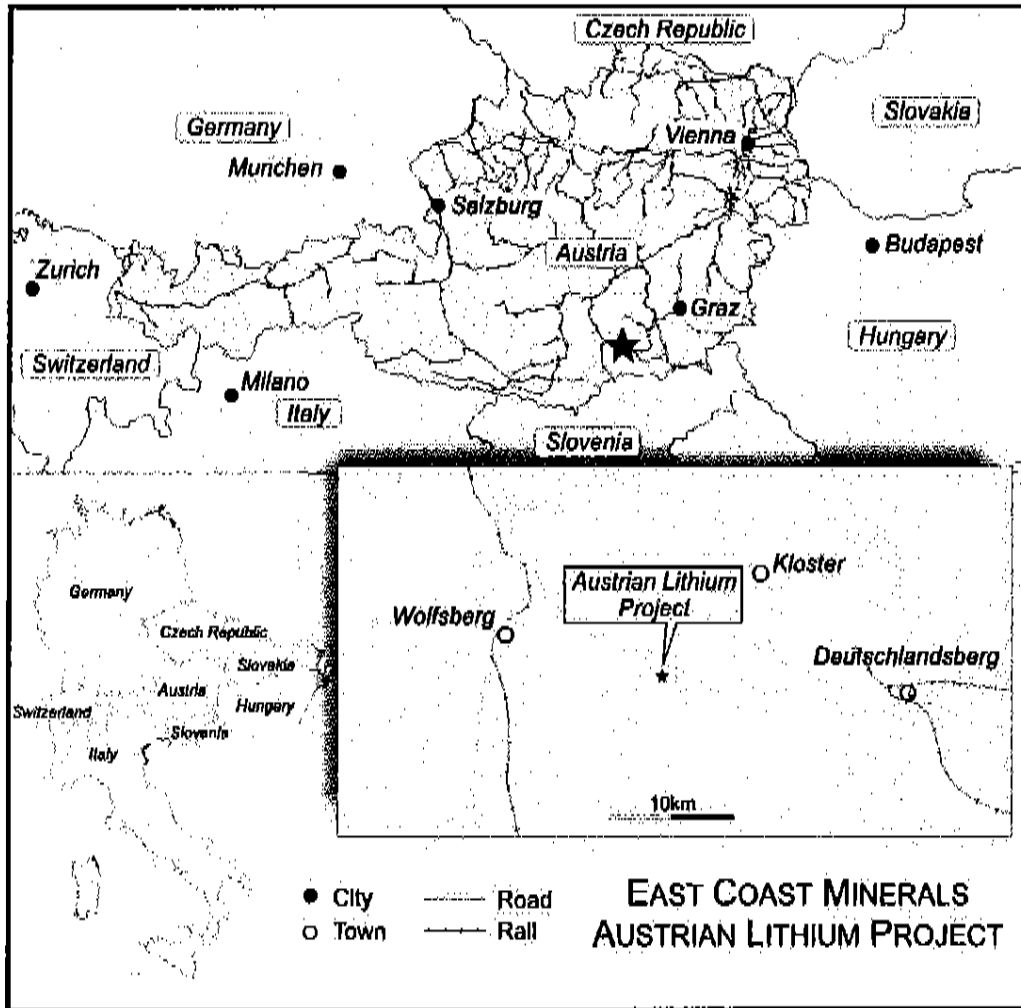


Figure 1: Austrian Lithium Project Location