



ASX ANNOUNCEMENT

8 APRIL 2011

EAST ENERGY RAISES \$7.56M THROUGH THE CONVERSION OF OPTIONS

Coal exploration company, East Energy Resources Limited (East Energy) (ASX: EER) is pleased to announce that it has raised \$7.569 million through the successful conversion of options in the Company during the six month period ended 31 March 2011.

The options expired on 31 March 2011 and were exercisable at 20c. The conversion of the options has resulted in the issue of 37,846,956 new ordinary shares in East Energy.

The Company is delighted by the level of uptake by option holders. This includes Noble Group Limited which converted all of its option holding (25,000,000 options).

The funds raised will be used to progress the application for a Mining Development Licence at the Company's Blackall Coal Project (EPC 1149) in the Eromanga Basin in central Queensland, and for scoping studies at the project plus additional exploration in the northern portion of the project area.

The conversion of options places East Energy in a very sound financial position, and represents a strong measure of confidence in the Company and its project.

East Energy managing director Mark Basso said, "It was pleasing to note that most of the major shareholders of East Energy were supportive in taking up large quantities of their options, with the Noble Group taking up 100% of their option holding."

ENDS

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EAST ENERGY RESOURCES LTD

ASX: EER

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

It has a JORC Inferred Resource of over 1.2Bt of Thermal Coal at its Blackall Tenement, located south west of the major deposits of Hancock Coal and Waratah Coal in the Galilee Basin.

A JORC Indicated resource statement is due for release in April 2011

Capital Structure

Share Price: \$0.38

Market Cap: \$63.25M

Shares on Issue: 166,449,305

Board of Directors

Mark Basso, Managing Director

Ranko Matic, Non-Executive Director

Malcolm Castle, Non-Executive Director

Rex Littlewood, Non-Executive Director

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