ASX ANNOUNCEMENT

21 February 2013

Clarification and Replacement Announcement of Proposed Acquisition of Tasmanian Coal Project

South East Asia Resources Limited (ASX: **SXI**) (**Company**) wishes to hereby clarify and withdraw certain statements made regarding the potential acquisition of a Tasmanian Coal Project and potential production targets and estimated non JORC resources targets made in its announcement released on 20 February 2013. **The Company hereby withdraws the announcement released on 20 February 2013 and replaces that announcement with this announcement.**

The Company is pleased to announce that it has entered into a non-binding Term Sheet recording an 'in-principle' understanding of the terms by which, South East Asia Energy Resources (Australia) Pty Ltd (**SEA**), a wholly-owned subsidiary of the Company, is to be granted an option to acquire Tiger Coal Pty Ltd and Energy Investments Pty Ltd ("**Target Companies**"), the holders of three coal exploration licences in Tasmania, Australia.

The three exploration licenses, pertaining to the Central Midlands of Tasmania, cover an approximate area of 700 km^2 with potential for shallow open cut bituminous coal. The inherent qualities of this type of coal are preferred by cement producers.

The Central Midland project area is serviced by extensive infrastructure including two nearby large regional towns, highway, and rail with direct access through the area and direct 150km to Bell Bay deep-water port. The project area is predominantly low rainfall open grazing country with year round access.

First stage due diligence has been undertaken by SEA which has included discussions both directly and indirectly with Tasrail, Tasports , Mines Department Consultants, Contractors and local stakeholders. The project area has previously been the subject of extensive exploration and feasibility works however, the Company has not yet determined any JORC reserves or resources.

The Term Sheet contemplates the completion of formal legal documentation by March 2013 with completion of the acquisition by 31 July 2013 after detailed (technical and legal) due diligence, including an exploration program with the aim to establish a JORC measured resource of at least 30 million tonnes.

Given under utilisation of infrastructure and resources within Tasmania, including rail, road, ports, transport, construction and civil contractors with highly competent local workforce, the Company sees this project as having the potential to provide a low cost, low capital, and efficient export coal production complementing the Company's similarly modeled Indonesian coal projects.

The Material Terms of the Term Sheet are as follows:

- a $100,000 non-refundable option fee;
- due diligence and an exploration program to be carried out by during the option period;
- 4 month option period, which may be extended to 31 July 2103, if required to finalise resource estimation, upon a further payment of $25,000.
- rebating of the option fee against the acquisition price if the option is exercised
- an acquisition payment of up to $15 million if a JORC measured resource of at least 30 million tonnes is established
- royalty payments linked to coal sales
- negotiation of formal agreements

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About South East Asia Resources Limited

South East Asia Resources is a resources focused resource exploration company listed on the Australian Securities Exchange (ASX code: SXI) and Frankfurt Stock Exchange (FSE code: R1E), with a vision to find, prove and extract value from world class resource projects in South East Asia. The Company is building a resources portfolio with its cornerstone project Malala Molybdenum Project in the Toli Toli Province in North Sulawesi, Indonesia and interests in the Penajam East Coal Project in Penajam Regency of East Kalimantan, Indonesia.

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