

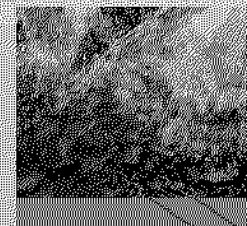


EASTERN
CORPORATION LIMITED

Eastern Corporation

Annual General Meeting

Thursday 16 November, 2006





Proxy Summary

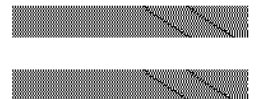
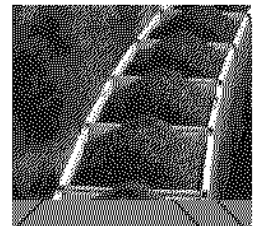
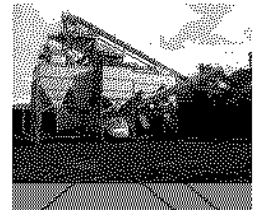
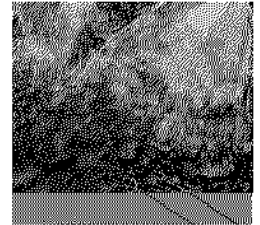
		RESOLUTION						
		1	2	3	4	5	6	7
FOR	SHARES	346,061,215	345,732,715	346,066,715	107,167,715	344,372,559	279,437,728	277,739,449
	Shareholders	81	80	80	79	79	71	58
AGAINST	SHARES	41,500	20,000	36,000	30,000	30,000	235,000	191,000
	Shareholders	2	2	3	3	3	7	5
OPEN	SHARES	2,764,374	2,764,374	2,764,374	241,669,374	4,464,530	2,764,374	4,503,041
	Shareholders	29	29	29	30	30	29	45
TOTAL VOTES	SHARES	348,867,089	348,517,089	348,867,089	348,867,089	348,867,089	282,437,102	282,433,490
	Shareholders	112	111	112	112	112	107	108
ABSTAIN*	SHARES	10,000	360,000	10,000	10,000	10,000	66,439,987	66,443,599
	Shareholders	1	2	1	1	1	6	5
TOTAL PROXIES	SHARES	348,877,089	348,877,089	348,877,089	348,877,089	348,877,089	348,877,089	348,877,089
	Shareholders	113	113	113	113	113	113	113
		Financial Statements & Reports	Election of John McIntyre as Director	Election of Bill Lyne as Director	Election of Howard Stack as Director	Election of Richard May as Director	Remuneration Report	Ratification of Share Issue

* including Excluded votes

Statements, particularly those regarding the possible or assumed future performance, production levels, growth or other trend projections are or may be forward looking statements. Actual results, actions and developments may differ materially from those expressed or implied by these forward looking statements depending on a variety of factors that are largely beyond the Company's control.

Eastern Strategy

- Develop/acquire major export operation in Australia
- Develop/acquire major domestic/export operation in NZ
- Establish a base line domestic business in New Zealand

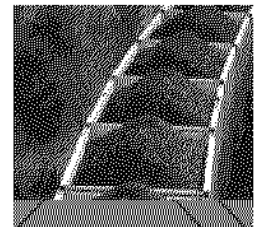
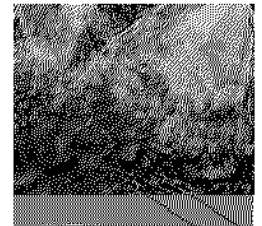


Overview

- Highlights
- Financial results
- Activities
- Broughton JV
- Dorben
- Galilee
- New Zealand coal
- Outlook



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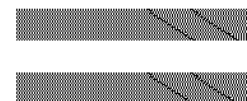
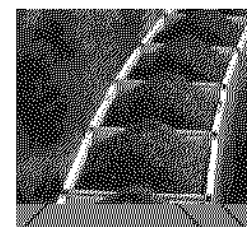
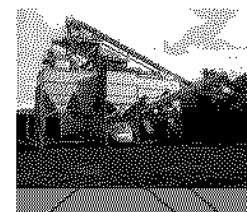
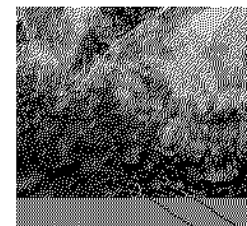




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Highlights for the year

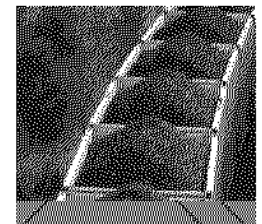
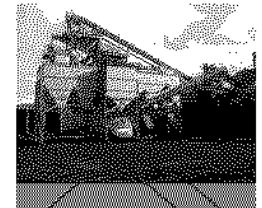
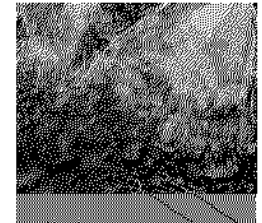
- First year as a coal producer and gaining momentum
- Reported first profit, \$2.2m pre-tax
- Sound cash position, \$3.5m (@ 30 Sept 2006)
- Support from majors
 - Mitsui Coal in joint venture at Broughton
 - AMP Capital Investors



Financial Results 2005/06



	Consolidated	
	2006	2005
	\$000	\$000
INCOME STATEMENT		
Revenue	4,691	93
Other income	4,014	-
	8,705	93
Profit/(loss) before tax	2,219	(12,037)
BALANCE SHEET		
Current assets	10,569	2,167
Current liabilities	(1,974)	(529)
	8,595	1,638
Net assets	13,449	6,333
CASH FLOWS		
Funds from operations	(1,579)	(3,281)
Funds from investing activities	2,926	(3,156)
Funds from financing activities	5,525	6,311
Increase in cash for the year	6,872	(126)

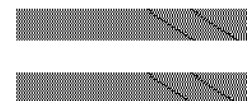
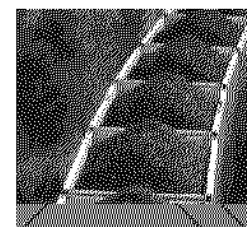
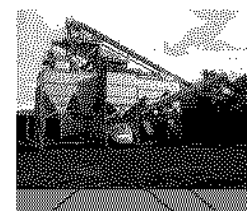
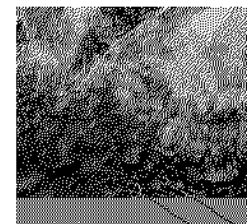




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Activities

- Broughton feasibility
 - completion end 2006
- Acquisitions in New Zealand
 - mine and distribution centre
 - long term supply agreements
- Developing clean coal technology
 - domestic particulate control
- Prospecting and exploration
- Galilee exploration
- Pursued acquisitions
 - several Australian operations
 - New Zealand operation

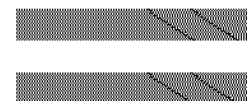
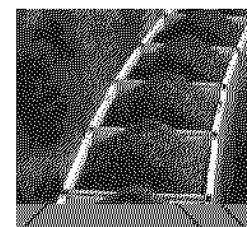
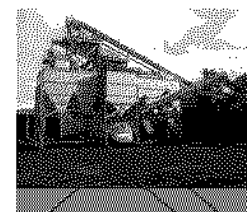
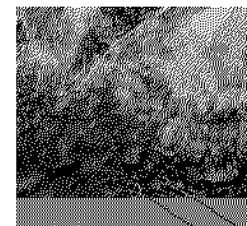




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Broughton Coal Joint Venture

- Eastern 90%, Mitsui Coal 10%
- Mitsui option to increase interest to 30% for \$11m
- Bowen Basin location, adjacent to Rio Tinto's Hail Creek coal project
- Resource increased
- Hard and semi hard coking coal
- Option of producing a secondary thermal coal product

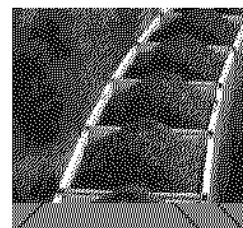
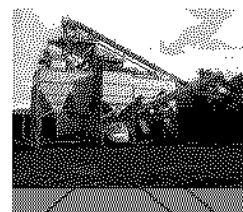
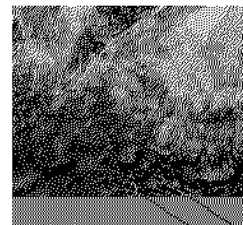




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Broughton Coal Joint Venture

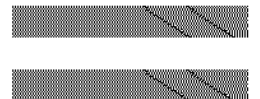
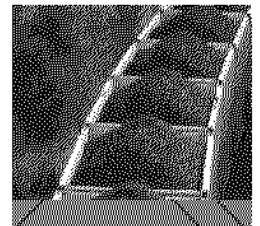
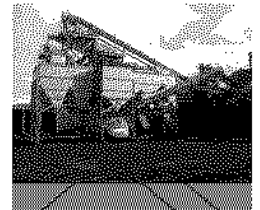
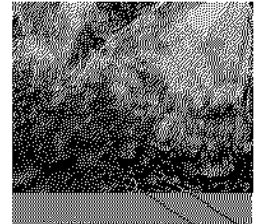
Seam	Measured (Mt)	Indicated (Mt)	Inferred (Mt)
Elphinstone	6.6	1.8	1.4
Hynds	9.9	6.7	3.6
Total	16.5m	8.5m	5m



Ref. Note 1

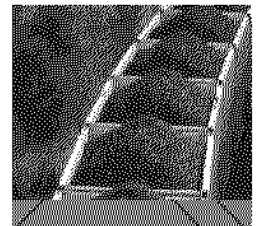
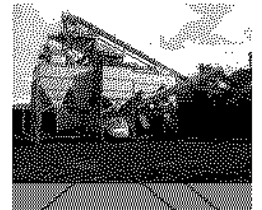
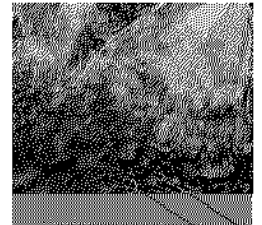
Broughton Coal Joint Venture

- Feasibility study approaching completion
- Current work includes:
 - Identifying the optimal coking/thermal product split
 - Preparing mining and development strategy
 - Development options



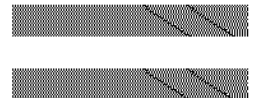
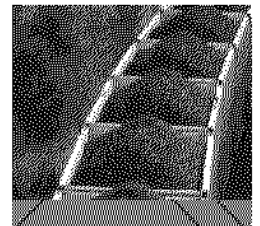
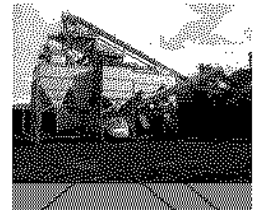
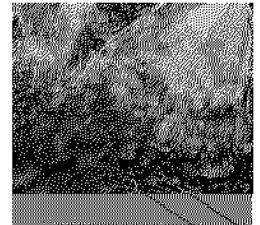
Dorben (Eastern 100%)

- EPC861 located in southern region of Queensland's Bowen Basin
- Adjacent to Cockatoo Coal's Dingo project
- Prospective for PCI (pulverised coal injection) coal
- Exploration programme considering seismics and drilling



Galilee Energy (Eastern 61%)

- Coal seam gas exploration
- Two well exploration programme planned
- Drilling now scheduled to commence March 2007
- Desk top study of prospectivity for conventional petroleum commenced

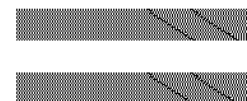
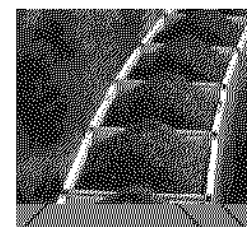
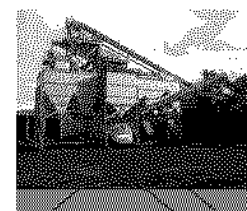
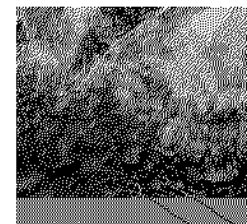




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New Zealand Coal Strategy

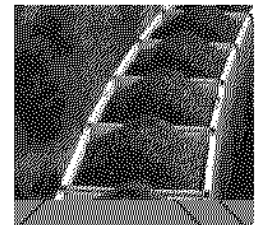
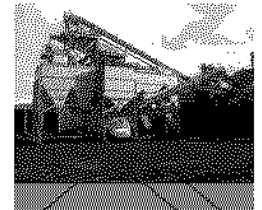
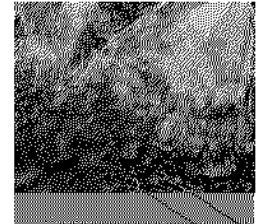
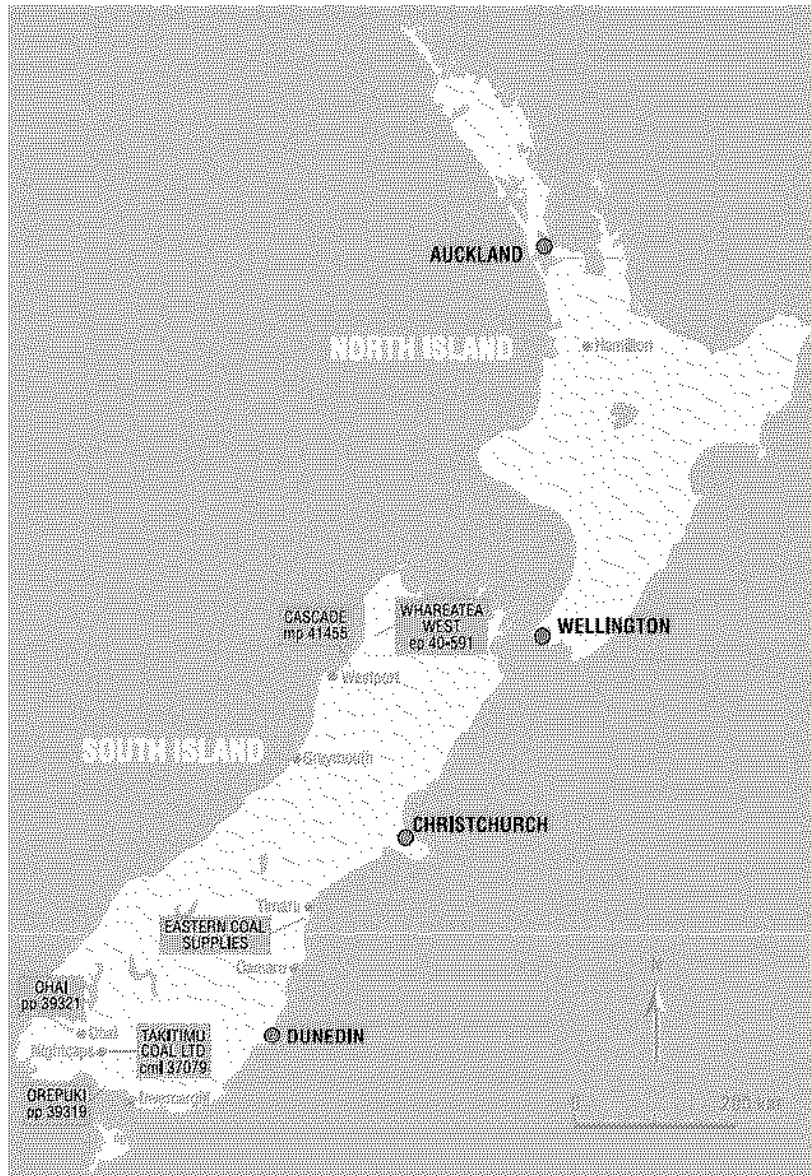
- Increasing NZ coal revenues build momentum for further project acquisition and development opportunities
- Total coal output rate of 65,000 t/yr being increased to meet market demand
- Second coal mine acquired at Takitimu, Sept 2006
- South Island coal blending and distribution business acquired - Eastern Coal Supplies
- Exploration opportunities – Prospecting Permits granted



New Zealand Tenements

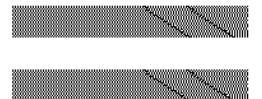
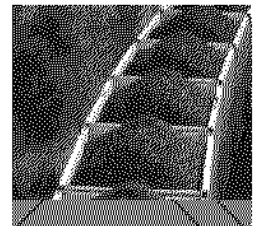
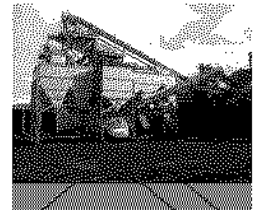
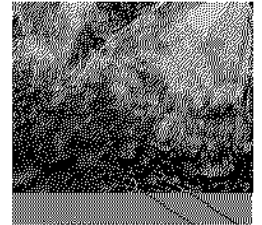


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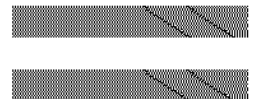
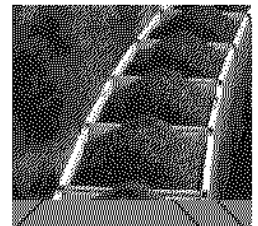
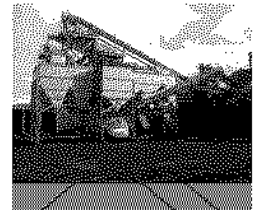
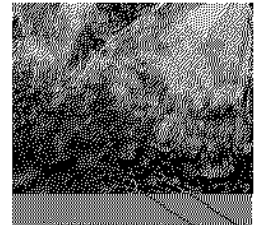
Cascade Coal Mine

- Commercially attractive coal, low ash, low sulphur, high calorific value
- Focus on domestic industrial customers
- Export markets still a target
- Significant operational improvements during the year
- Trials for briquetting coal fines underway



Takitimu Coal Mine

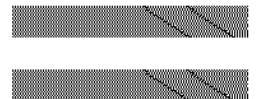
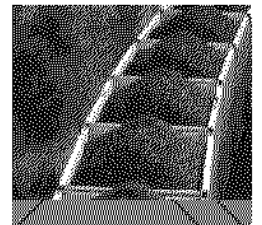
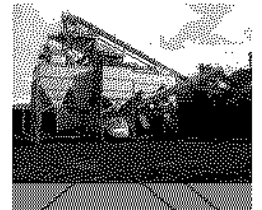
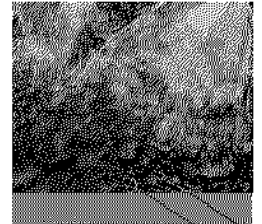
- Acquired September 2006
- Located in historic Ohai / Nightcaps coal mining area
- Sub-bituminous thermal coal – large potential market
- Initial Measured Resource 2.85 million tonnes*, low strip ratio
- Extensive prospecting permit areas under application surrounding Takitimu
- Potential to increase resources



* Ref Note 1

Eastern Coal Supplies

- Stockpiling, blending and distribution business
- Acquired September 2006
- Strategically located mid way between Cascade and Takitimu mines
- Immediate access to several large industrial customers
- Access to export port facilities

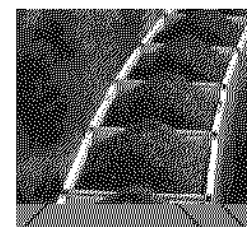
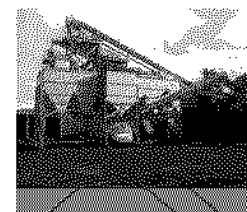
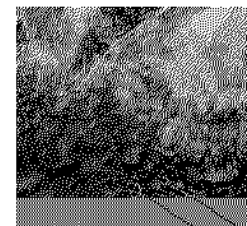




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New Zealand Coal Exploration

- Encouraging early exploration results at Whareatea West, close to Cascade mine
 - 2 metre coking coal horizon intersected
 - Initial resource estimate being prepared
 - Coal quality testing underway
- Southland Prospecting Permits granted
 - Prospective for sub-bituminous thermal coal





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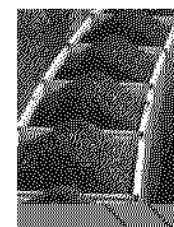
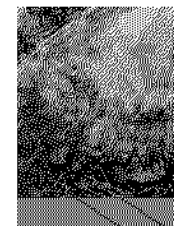
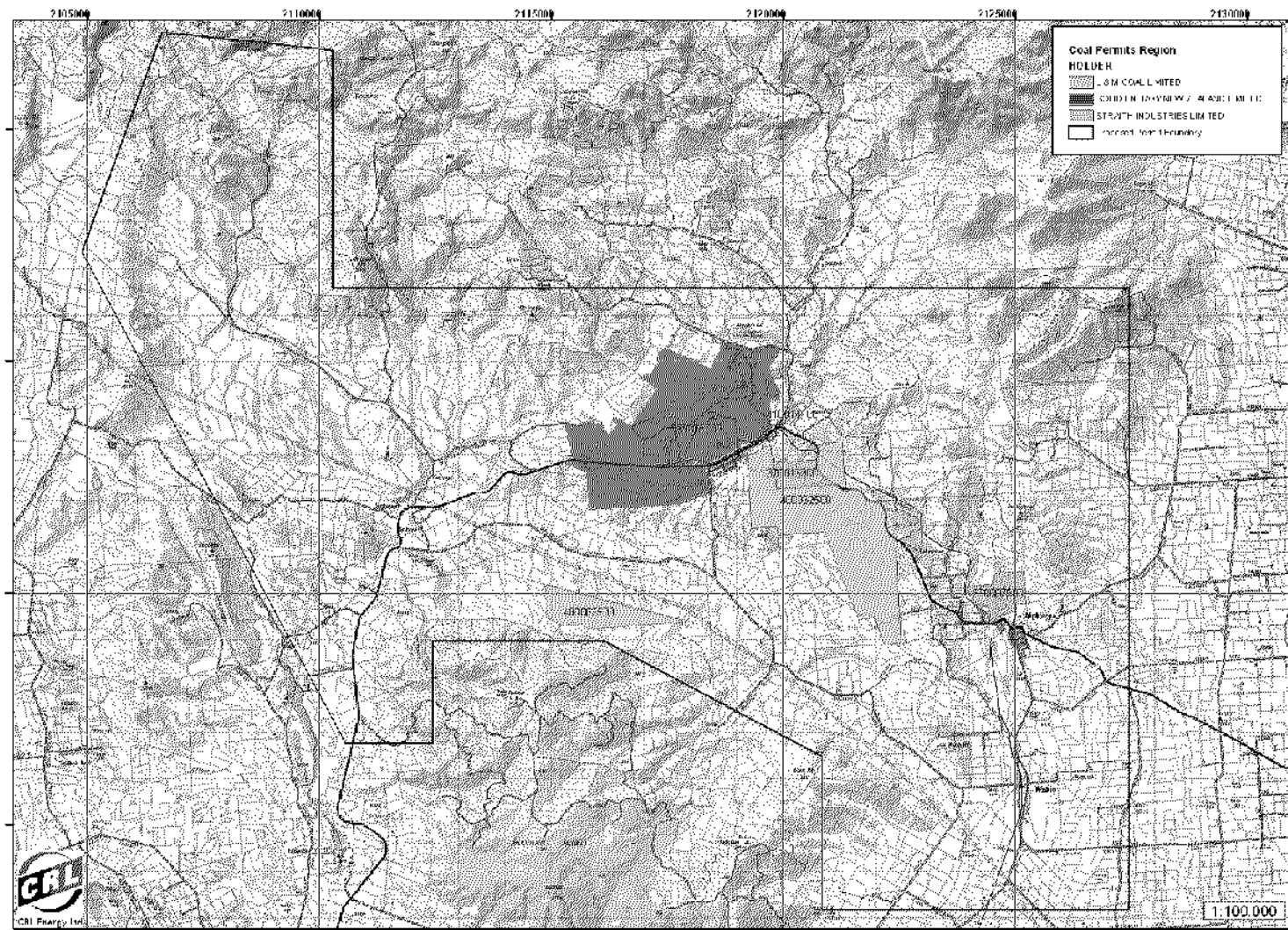
Whareatea Borehole Data

Thickness	Ash	Volatiles	Fixed Carbon	Sulphur	Gross Calorific Value	Crucible Swell No.	Relative Density
M	%	%	%	%	MJ/kg		
0.70	18.6	24.9	55.9	0.52	29.07	8 ½	1.41
0.70	21.5	24.4	53.6	0.45	27.97	9	1.43
0.75	1.8	28.9	68.8	0.67	36.02	9++	1.28
0.75	6.1	27.8	65.6	0.75	34.27	9++	1.31
0.53	4.8	28.0	66.8	0.71	34.80	9++	1.29

Ohai PP



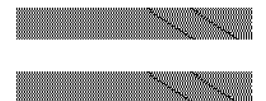
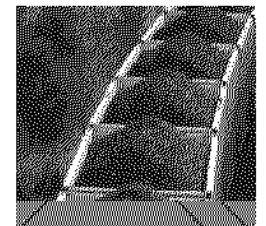
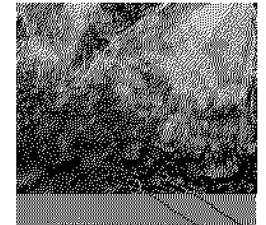
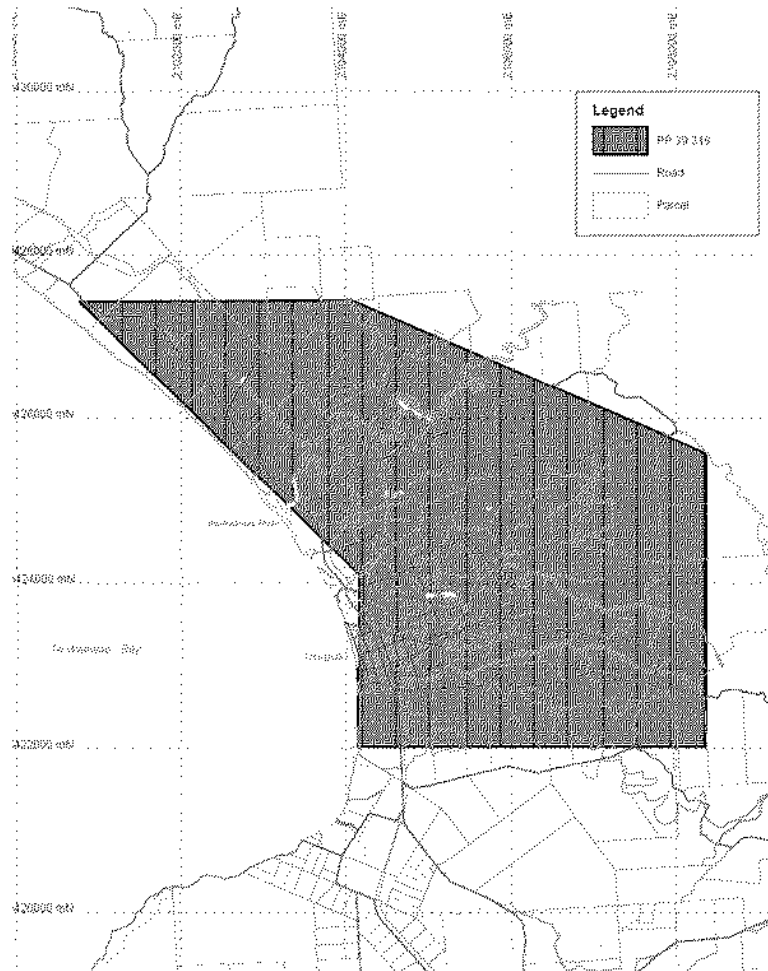
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Orepuki PP



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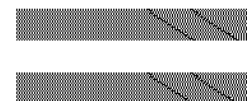
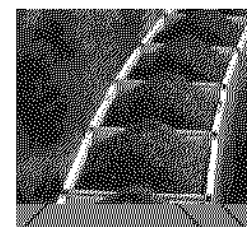
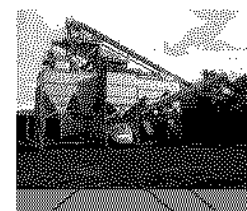
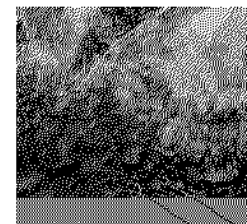




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Outlook

- Complete Broughton feasibility
- Continue market build for Cascade & Takitimu
- Complete initial coal resource estimate and for Whareatea West
- Commence exploration at Southland prospecting permits
- Continue to pursue acquisition and development opportunities in Australia and NZ
- Commence Galilee exploration programme



Note 1.

The information in this report that relates to the estimated coal resource for Takitimu is based on information compiled by Mr Ian Poppitt of Rockmode Pty Ltd, who is a Member of the Australasian Institute of Mining and Metallurgy.

The information in this report that relates to the estimated coal resource for Broughton is based on information compiled by Mr Barry Saunders of Queensland Geological Services Pty Ltd, who is a Member of the Australasian Institute of Mining and Metallurgy.

Mr Poppitt and Mr Saunders have sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they have undertaken 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'.

Mr Poppitt and Mr Saunders consent to the inclusion in the report of the matters based on their information in the form and context in which is appears.



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