EastCoal Inc.: Warrant Exercises

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VANCOUVER, BRITISH COLUMBIA -- (Marketwire - Oct. 18, 2011) - EastCoal Inc. (TSX VENTURE: ECX) (the "Company" or "EastCoal") is pleased to report that it has received proceeds of approximately $19.6 million from the exercise of warrant shares during fiscal 2011, including $5.9 million received in October 2011. In all, approximately 68 million warrant shares, representing 97% of all warrant shares outstanding, were exercised. The balance of the warrant shares expired unexercised.

As a result of the warrant exercises, the Company now has 195.2 million common shares issued and outstanding. A total of 7,225,000 outstanding stock options, with exercise prices ranging from $0.30 to $0.75 per common share, expire between 2012 and 2016.

The President of EastCoal, Mr. John Byrne, commented:

"We are pleased with the response of the warrant holders. Cash on hand currently totals approximately $16.9 million. The Company continues to work towards first coal production in 2012, with the new wash plant due to be installed and operational later this year."

By Order of the Board,

John Byrne
Chairman and CEO

About EastCoal Inc.

The Company changed its name to EastCoal Inc. in early 2011, to reflect its new strategy of developing coal operations. It is focused on the Donbass coal basin of Ukraine which has large coal reserves and excellent prospects.

EastCoal Inc. is currently developing its 100% owned Verticalnaya anthracite mine.

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