

CORPORATE

Investment in Online Media Group Pty Ltd

A General Meeting of shareholders held on 27 June 2002 approved on a show of hands a resolution to issue 100 million fully paid ordinary Eastern Corporation Limited shares to Beecher Investments Pty Ltd on terms and conditions set out in the Explanatory Memorandum which accompanied the Notice of Meeting. The shares can be issued at any time within 90 days of the date of the meeting.

Fund Raising

1. Shareholder Share Purchase Scheme

The Directors plan to invite shareholders to subscribe for additional shares under a Shareholder Share Purchase Scheme. The Scheme entitles shareholders, irrespective of the size of their holding, to purchase up to \$3000.00 worth of shares in eastern Corporation Limited, free of all brokerage, commission or stamp duty.

The right to participate in this initial will be available exclusively to persons who are registered as holders of fully paid shares in ECU at 5pm on the record date of 26 July 2002 and whose registered address is in Australia or in any other jurisdiction in which it is lawful for the Company to offer the shares under the scheme.

The Directors plan to place any shortfall up to 15% of the Company's present issued shares to sophisticated investors.

2. Placement of 20 million Shares

The General Meeting also authorised the Directors to offer and issue up to 20 million shares at an issue price of not less than 0.017 cents per share on terms and conditions set out in the Explanatory Memorandum. At present this placement is under negotiation

3. Sabena Limited

As previously reported, the Directors are of the opinion that it is in the best interests of shareholders for the ECU's mineral assets in the Philippines to be held in a separate entity to the media interests. To this end the Company proposes to seek expressions of interest from sophisticated investors to take up between 20% and 100% of Sabena Limited.

The Company has also received an expression of interest from a listed Canadian company for the mineral assets in the Philippines to be vended into the Canadian company.

Rule 5.3

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Eastern Corporation Limited

ABN

11 064 957 419

Quarter ended ("current quarter")

30 June 2002

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation	-	(93)
(b) development	-	-
(c) production	-	-
(d) administration	(6)	(288)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	12	12
1.7 Other (provide details if material)	-	14
Net Operating Cash Flows	6	(355)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	(3)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	111
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	(12)
Net investing cash flows	-	96
1.13 Total operating and investing cash flows (carried forward)	6	(259)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	6	(259)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	-	378
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	2	2
1.17	Repayment of borrowings	-	(150)
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
Net financing cash flows		2	230
Net increase (decrease) in cash held		8	(29)
1.20	Cash at beginning of quarter/year to date	10	47
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	18	18

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	Nil
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

Nil

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	Nil
3.2 Credit standby arrangements	8	8

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	30
4.2 Development	-
Total	30

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	10	2
5.2 Deposits at call	8	8
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	18	10

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	Nil		
6.2	Interests in mining tenements acquired or increased	Nil		

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>	Nil			
7.2 Changes during quarter				
(a) Increases through issues	Nil			
(b) Decreases through returns of capital, buy-backs, redemptions	Nil			
7.3 +Ordinary securities	148,610,091	148,610,091		
7.4 Changes during quarter				
(a) Increases through issues	Nil	Nil		
(b) Decreases through returns of capital, buy-backs	Nil	Nil		
7.5 +Convertible debt securities <i>(description)</i>	Nil			
7.6 Changes during quarter				
(a) Increases through issues	Nil			
(b) Decreases through securities matured, converted	Nil			
7.7 Options <i>(description and conversion factor)</i>	72,163,386	72,163,386	<i>Exercise price 20 cents</i>	<i>Expiry date 30/6/2003</i>
7.8 Issued during quarter	Nil			
7.9 Exercised during quarter	Nil			
7.10 Expired during quarter	8,316,666	Nil	20 cents	30/6/2002
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>	Nil			

+ See chapter 19 for defined terms.

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).

2 This statement does /does not* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: Date:
(Director/Company secretary)

Print name:

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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Eastern Corporation Limited

A.B.N. 11 064 957 419

Report for the Quarter Ending 30 June 2002

TWENTY LARGEST SHAREHOLDERS

The names of the twenty largest holders of ordinary shares are listed below as of 28 June 2002.

<i>Name</i>	No. of ordinary shares	%
1. Clavell Holdings Pty Ltd	14,710,580	9.90
2. Mr Christopher Hood	7,775,290	5.23
3. Mr Albert Lawrence Gerick	4,933,995	3.32
4. Ms Elizabeth Gerick	4,933,995	3.32
5. Devonport Pty Ltd	3,998,251	2.69
6. Phillips Exploration Pty Ltd	3,713,478	2.50
7. Jaldale Pty Ltd	3,610,429	2.43
8. Maranoa Broadcasting Pty Ltd	3,400,000	2.29
9. Piranha Nominees Pty Ltd	3,129,500	2.11
10. Mr Phillip Dickinson	2,924,286	1.97
11. Tesha Pty Ltd	2,753,865	1.85
12. Jambet Downs Pty Ltd	2,697,342	1.82
13. Mr Istvan Sipos	2,652,948	1.79
14. Clavell Holdings Pty Ltd	1,969,398	1.33
15. I E Properties Pty Ltd	1,701,495	1.14
16. Octifil Pty Ltd	1,659,802	1.12
17. Deracraft Pty Ltd	1,507,000	1.01
18. Arco Four Investments Pty Ltd	1,400,000	0.94
19. Mr Fergus Hugh Anderson	1,350,000	0.91
20. JP and KP Nominees Pty Ltd	1,181,773	0.80

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