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FOR IMMEDIATE RELEASE
29 November 2005

EastCoast Energy announces third quarter results to 30 September 2005

TORTOLA, British Virgin Islands. EastCoast Energy Corporation ("EastCoast Energy" or the "Company") announces its results for the quarter ended 30 September 2005.

FINANCIAL AND OPERATING HIGHLIGHTS

	Three months ended 30 Sept 2005	Three months ended 30 June 2005	Change	Nine months ended 30 Sept 2005
Financial (US$'000 except where otherwise stated)				
Revenue - Industrial	1,308	512	156%	2,170
Revenue - Power	751	-	-	751
Total Operating Revenue	2,059	512	302%	2,921
Total Revenue	2,156	512	320%	3,018
Profit/(loss) for the period	785	(275)	401%	(8)
Netback (US$/mcf)	1.68	3.86	(56%)	1.99
Working Capital	3,559	2,789	26%	3,559
Shareholders' Equity	16,096	15,240	6%	16,096
Profit/(loss) per share – basic (US$)	0.03	(0.01)	428%	(0.004)
Profit/(loss) per share – diluted (US$)	0.03	(0.01)	428%	(0.004)
Outstanding Shares ('000)				
Class A shares	1,751	1,751	-	1,751
Class B shares	21,513	21,513	-	21,513
Options	1,987	1,987	-	1,987
Operating				
Additional Gas sold (mmscf) - Industrial	260.7	119.7	118%	477.3
Additional Gas sold (mmscf) - Power	905.4	-	-	905.4
Average price per mcf (US$) - Industrial	7.26	6.19	17%	6.58

Average price per mcf (US$) - Power	1.24	-	-	1.24

There are no comparatives for the nine months ended 30 September 2005 as the Company was spun out from PanOcean Energy Corporation and commenced operations on 31 August, 2004.

Third Quarter Highlights

- Earned profit before tax in Q3 of US$0.8 million and net cash flow from operations of US$0.6 million.

- As the Songo Songo field operator, EastCoast produced 4.2 bcf of natural gas in Q3 2005 compared with 3.1 bcf in Q2 2005. This brings the total gas production since commencement of commercial operations at Songo Songo to 14.5 bcf.

- Increased EastCoast's Q3 sales of Additional Gas to Dar es Salaam industrial customers from 120 mmscf (1.3 mmscf/d) in Q2 to 261 mmscf (2.8 mmscf/d).

- Signed an Interim Agreement to supply 19.5% of the gas consumption of the six turbine units at the Ubungo Power Plant (maximum 9.1 mmscf/d) as Additional Gas. This increased Additional Gas power sales to an average of 7.9 mmscf/d since the commencement of commercial operations at an average price of US$1.24/mcf.

- Signed new gas sales contracts with Lakhani Industries Limited Textile and Murzah Oil Mills Limited for an estimated 0.5 mmscf/d. A 3.6 kilometer pipeline is being constructed to these customers at a forecast cost of US$0.9 million.

- Shot 589 kilometers of seismic over the Songo Songo licence acreage. Since the end of Q3 the seismic programme has been completed and the data is currently being processed and interpreted.

- Signed a 382 square kilometer farm-in agreement with Ndovu Resources Limited, a subsidiary of Aminex plc, for lands on the Ndovu PSA adjacent to the Songo Songo field. 328 kilometers of seismic has been acquired over this acreage.

Message from the President and CEO

During the third quarter of 2005 EastCoast Energy's commitment to build a profitable and sustainable international natural gas company generated favourable results. After only one year in operation the Company can now report its first profitable quarter with solid net operating cash flow. The signing of our first power plant gas supply agreement in Dar es Salaam and the addition of two new industrial gas customers have boosted EastCoast's current gas sales to over 11.0 mmscf/d and quarterly net cash flow to US$0.6 million on revenue of US$2.1 million.

EastCoast produces, processes and delivers gas from the Songo Songo gas field to markets in Dar es Salaam. Natural gas sold by EastCoast is called Additional Gas. This is gas production in excess of the volume owned by the Tanzania Petroleum Development Corporation which is called Protected Gas and is primarily used for power generation at the Ubungo Power Plant ("Ubungo"). During Q3 total production of both Protected Gas and Additional Gas from Songo Songo totaled 4.2 billion cubic feet (bcf). This brings total gas production since startup of commercial operations in July 2004 to 14.5 bcf.

The greatest potential for EastCoast to monetize its Additional Gas reserves is within East Africa's power sector. The first step in using Additional Gas to service this market was made with the signing of an Interim Agreement with Songas Limited to supply gas to Ubungo whose gas supply needs increased as a result of the addition of a sixth turbine ("UGT 6"). To facilitate the efficient utilization of the Ubungo turbines, 19.5% of all gas that is supplied to UGT 1-6 is considered Additional Gas under the agreement. This percentage represents the volume of gas required for UGT 6 in proportion to the total gas requirements. Additional Gas sales to Ubungo have averaged 7.9 mmscf/d since UGT 6 entered into commercial operations. This agreement covers the supply of Additional Gas until 31 December 2005 at which point it is expected that it will be superseded by a 19-year agreement. It is forecast that a price of between 2.32mmbtu (US$2.13/mcf) and US$1.96/mmbtu (US$1.80/mcf) will be achieved in Q4 if the availability of the turbines at Ubungo returns to expected levels.

EastCoast sees good opportunities to expand gas sales in East Africa and is working with the power utility, TANESCO, on the installation of 105 MWs of new generation that is forecast to be operational in 2007 and the conversion of an existing 100 MW thermal plant to gas. These new loads will require up to 42 mmscf/d of Additional Gas supply and the construction of a third gas processing train on Songo Songo Island to supplement the existing two trains. The pipeline to Dar has sufficient capacity for this offtake. This level of new demand can be met from existing proven and probable reserves.

The Company continues to develop the sales of Additional Gas to the industrial sector and sales increased from 2.3 mmscf/d to 2.8 mmscf/d during Q3. It is forecast that in excess of 3 mmscf/d will be achieved in Q4 despite some seasonal drop in sales to the textile sector and closures caused by the holiday season. In addition, during the quarter, the Company signed two gas sales contracts with Lakhani Industries Limited Textile and Murzah Oil Mills Limited for an estimated 0.5 mmscf/d of additional gas over a five-year period. A 3.6 kilometer extension to the Company's distribution network is being constructed to connect these customers at an estimated cost of US$0.9 million. This extension is expected to be complete by the end of Q1 2006.

To provide long-term gas supply sustainability, EastCoast is looking for additional gas reserves in the Songo Songo area. The Company recently completed the acquisition of 589 kilometers of 2D seismic over the Songo Songo licence area to augment the 450 kilometers of seismic that was reprocessed earlier this year. The new seismic is currently being processed and the results are expected to be available by year end in conjunction with some revised mapping work and new gas in place reserve estimates on the Songo Songo field. If an appropriate exploration prospect is identified, a well could be drilled in 2006.

In addition, the Company entered into a low risk, high upside farm-in agreement with Ndovu Resources Limited, a subsidiary of Aminex plc, in September 2005. The farm-in includes 382 square kilometers of the offshore Nyuni Production Sharing Agreement ("Nyuni PSA") adjacent to the Songo Songo field. Under the agreement, the Nyuni PSA will be divided into two areas, "A" and "B". Area "A" consists of the western portion of the PSA and is the subject of the farm-in. Area "B" will cover the balance of the PSA area and includes the Nyuni prospect that was drilled by Aminex plc and partners in 2003 with reported oil shows.

By extending EastCoast's 2D Songo Songo area seismic program onto the adjacent Nyuni PSA farm-in lands the Company acquired 328 kilometers of seismic shortly after the end of Q3. The seismic is currently being processed and interpreted. As a consequence of this acquisition, the Company has until 30 September 2006 to elect whether or not to participate in an exploration well in Area "A" which has to be spudded by November 2007. If the Company elects to drill a well then, subject to certain terms and back-in conditions, EastCoast will pay 64% of the costs of that well to earn a total aggregate 50% interest in Area "A".

As at 30 September, 2005 the Company is in a strong financial position with working capital of US$3.6 million. It is forecast that with current gas sale volumes and current gas prices, the Company will be able to finance its work commitments to the end of 2005 and still retain working capital in excess of US$1.5 million.

EastCoast is encouraged by our increased natural gas sales and by our ongoing discussions with the power sector. We see the potential for new gas supply contracts being negotiated in 2006. Your Company is committed to continue to develop new gas production and new markets for natural gas in East Africa. This is a positive environment in which we are working and we look forward to continued positive results.

Peter R. Clutterbuck
President & CEO

25 November 2005