



# EASTMAIN

## **NEWS RELEASE**

**TSX Symbol: ER**

December 30, 2011

### **Eastmain allocates \$10 million for 2012 exploration in James Bay, Québec**

Toronto, Ontario, December 28, 2011. Eastmain Resources Inc. ("Eastmain") (TSX:ER) is pleased to announce the Corporation has allocated a 2012 exploration budget of \$10 million for James Bay, Québec. Work will include an estimated 50,000 metres of drilling, with the principal objective of expanding and advancing the Eau Claire gold deposit to the development stage. The 2012 budget includes \$2 million for exploration of its wholly-owned Eastmain Mine and Reservoir projects, with an allocation of up to \$1 million for each property. Eastmain has also allocated up to \$1 million in funding towards the next phase of drilling at the Éléonore South joint venture.

Despite the current market turmoil, the Eastmain team is proud of its accomplishments over the past 12 months. Eastmain completed 39,380 metres of drilling on its two high-grade gold deposits, Eau Claire and Eastmain Mine during the year, successfully expanding both deposits. Combined drilling and surface work at Clearwater extended the surface footprint of the quartz-tourmaline gold vein system by approximately 1,000 metres to the west, creating a total surface area of high potential gold mineralization of about 4.5 square kilometres. The Company also joint ventured the Radisson Project and raised gross proceeds of \$5.75 Million at an 80% premium during a severe downdraft in the precious metals market. Management contributed \$108,550 in funding in a private placement at year-end to the Company as well.

#### *Clearwater Project*

68 HQ drill holes were completed on the Clearwater Project for a total of 26,320 metres, which focused on expanding gold resources at the Eau Claire gold deposit. Visible gold was observed in quartz-tourmaline veins in 26 drill holes. The 2011 program has extended the limits of the Eau Claire gold deposit by 600 metres to the west, with the discovery of multiple gold-bearing veins within the 850 West and Gap zones. Many gold-bearing drill intercepts are within 200 metres of surface, the elevation limit used in the previous resource estimate for gold resources amenable to extraction by open pit, based on a 0.5 g/t Au cut-off factor and a gold price of \$1100. The 2011 drill program was successful in defining numerous gold-bearing vein intercepts ranging from 3.8 g/t Au over 17.0 metres to 17.9 g/t Au over 12.2 metres. Assay data is pending for several thousand split-core samples.

Numerous new vein discoveries, including the Rebecca Zone and Pascal Veins were also generated from over 8.2 km of surface trenching completed in 19 trenches during 2011. The Rebecca Zone which consists of a 10-metre-wide section of multiple quartz-tourmaline veins and altered rock, with abundant visible gold noted in at least two veins, outcrops on a hill within the 850 West Zone. Grab samples from the Pascal Veins, located 500 metres west of the 850 West Zone assayed up to 66.5 g/t Au. To date there has been no drilling or trenching in the vicinity of the Pascal Veins. Further work on this zone will be completed in 2012.

Drilling targeted at expanding near surface, high-grade open pit gold resources within the 850 West Zone; continued vertical definition of the main Eau Claire deposit; and drill testing regional exploration targets along the Clearwater gold belt will resume in February/March 2012.

"Considerable progress has been made at our flagship project at Clearwater this year with respect to the expansion of potential near surface resources at the Eau Claire gold deposit. Eau Claire is one of the highest grade, undeveloped open pit gold resources<sup>3)</sup> in the country; with initial mine-ready infrastructure nearby, it is located within one of the most favourable mining districts in the world. The Corporation has adequate funding to maintain an accelerated drilling program through next year to help demonstrate that the Eau

Claire gold deposit could be a stand-alone, low-cost, long-life, highly-profitable future gold mine," stated Dr. Donald Robinson, President and CEO.

#### *Eastmain Mine*

28 NQ drill holes were completed within the A, B and C Zones at the Eastmain Mine property for a total of 13,060 metres. Assays are pending for several thousand split-core samples. Drill hole EM11-52 intersected two gold-bearing horizons within the A Zone including a two-metre-wide upper zone grading 5.04 g/t Au and 0.38% copper at a down-hole depth of 424 metres and a 5.5-metre main zone interval of 5.84 g/t Au and 0.26% copper at a depth of 443 metres. Visible gold was observed in five drill holes during the 2011 drill program, including at least one drill hole from each of the three known mineralized zones. Assays are pending for these intervals.

The Québec government recently reported that a Certificate of Authorization has been granted for the construction of the Route 167 extension highway which will provide permanent road access from the communities of Chibougamau and Mistissini to the Eastmain Mine property and beyond. This new infrastructure will stimulate exploration in the region and significantly improve project logistics by reducing transportation costs.

#### *Éléonore South JV*

The Éléonore South joint venture (JV) is an early-stage exploration property located adjacent to the multi-million ounce Roberto gold deposit (Éléonore Project) currently being developed by Goldcorp Inc. A kilometric-size gold geochemical rock anomaly, underlain by similar geology, mineralization, structure and alteration as the mine property, was previously defined through trenching and drilling completed by Eastmain on the joint venture property.

Work originally proposed for 2011 was postponed due to joint venture partners' commitments to other projects. Goldcorp received approvals for construction of the Éléonore project, which is expected to have an average life-of-mine production of approximately 600,000 ounces of gold per year (Goldcorp news release November 14, 2011). Éléonore will be one of Canada's largest gold mines in Canada, situated within one of the most attractive mining jurisdictions in the world.

Prior to commencing the next phase of drilling at Éléonore South, now proposed for 2012, a technical review of existing data, including 3D modeling of geophysical data, was recommended at the most recent JV management meeting. Eastmain, the project manager, has allocated up to \$1 million towards the next phase of drilling, which will include structural interpretation of existing drill holes and additional ground and airborne surveys.

#### *Reservoir Project*

A scheduled exploration program on the Reservoir Project was postponed to 2012 due to limited available diamond drills and technical personnel. Previous trenching and drilling outlined a large gold-copper mineralized system, with drill intercepts which assayed up to 8.0 g/t gold, 23.5 g/t silver and 4.21% copper and surface channel samples including up to 36 g/t gold, 52 g/t silver and 5% copper. The project is situated west of Clearwater and south of Éléonore within a highly favourable gold-rich geological setting.

#### *Radisson Project*

The Radisson project straddles a similarly-aged structural and stratigraphic setting, near a break between complex volcanic and sedimentary rocks, as the setting at Goldcorp's Roberto Gold deposit. Honeybadger Exploration Inc. ("HBE") acquired an option to earn a 50% interest in the project from Eastmain in exchange for a cash payment of \$50,000, the issuance 5,000,000 shares of HBE and by incurring \$2.5 million in exploration expenditures, including 6,000 metres of drilling over a three-year period. HBE completed target definition work in the fall, including 164 line-kilometres of rock and soil sampling, and 168,575 kilometres of ground magnetic surveys in preparation for an initial phase of drilling in 2012.

## Corporate

In addition to raising gross proceeds of \$5.75 million in a flow through private placement completed December 2, 2011, today the Company completed a non-brokered private placement of 83,500 flow-through common shares at a price of \$1.30 per flow-through share, for aggregate gross proceeds of \$108,550. Management and directors subscribed for the entire placement. There were no warrants or commissions paid for this second placement.

### *About Eastmain Resources Inc. (TSX:ER)*

Eastmain is a Canadian gold exploration company with 100% interest in the Eau Claire and Eastmain gold deposits which together contain 632,000 ounces of gold in Measured & Indicated resources<sup>1)</sup>, 255,750 ounces of gold in Historical Measured and Indicated resources<sup>4)</sup> plus 1,020,000 ounces of gold in Inferred resources<sup>2)</sup>.

The Corporation has \$17 Million in its treasury and holds an interest in 12 exploration projects within the James Bay District, including the Éléonore South property, which lies immediately south of Goldcorp's multi-million-ounce Éléonore property, in a similar geological setting. Eastmain has allocated \$10 million for exploration of its key gold projects in Québec for 2012.

For further information please contact Eastmain Resources Inc.: Dr. Donald J. Robinson, President or Catherine Butella, Exploration Manager at (519) 940-4870, fax (519) 940-4871, by e-mail: [info@eastmain.com](mailto:info@eastmain.com) or visit our website at [www.eastmain.com](http://www.eastmain.com).

*Forward Looking Statements – Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of Eastmain, including, but not limited to the impact of general economic conditions, industry conditions, dependence upon regulatory approvals and the availability of financing. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements.*

- 1) *Measured & Indicated Resources (which may potentially be extracted by both open and underground mining methods) of 3,354,000 tonnes containing 632,000 ounces gold @5.86 g/t gold uncapped – Eau Claire NI43-101 NR Apr 26, 2011*
- 2) *Inferred Resources (which may potentially be extracted by both open and underground mining methods) of 5,322,000 tonnes containing 1,020,000 ounces gold @ 6.06 g/t gold uncapped – Eau Claire NI43-101 NR Apr 26, 2011*
- 3) *Near-surface Open Pit Measured & Indicated Resources for Eau Claire (only that portion of the Eau Claire deposit that could potentially be mined by open-pit methods): 2,729,000 tonnes containing 502,000 ounces @5.72 g/t gold – Eau Claire NI43-101 NR Apr 26, 2011; NR May 19, 2011*
- 4) *255,750 ounces gold – Measured & Indicated Historical Non-NI43-101 Compliant Resources at Eastmain Mine (Campbell 2004 AR) and should not be relied upon. A qualified person from Eastmain has not done sufficient work to classify the historical estimate as current mineral resources, and therefore the historical estimate should not be treated as current mineral resources.*