Some rumours say it's going to be on Unreal Engine 3. From the pictures I can't really tell, I mean it looks like it can be UE3. EALA's previous game, MOH: Airbourne was on that engine and that wasn't too long ago. And it doesn't really look like Crysis either.

The EALA team has never made their own engine either (SAGE being parts of W3D and Emperor: Battle For Dune's engine) so I doubt they'll start now with an FPS game.