



22 February 2017
ASX Announcement
ASX Code: EAR

ECHO KICKS OFF 2017 DRILLING CAMPAIGN

HIGHLIGHTS

- Drilling has commenced in the Empire District targeting Julius-style deposits south of the existing 335,000 ounce Julius gold deposit with 12,000m of drilling planned
- Drilling at the Orelia gold deposit is due to commence early March and will target known high grade mineralisation at the base of the existing open pit located only 8km from the Bronzewing Processing Hub
- Various high priority conceptual targets which have never been tested will also be drilled over the next 12 weeks to test for new gold mineralised systems
- First results from this comprehensive program are anticipated to be available in early March

Echo Resources Limited ('Echo' or 'the Company') has started its 2017 drilling campaign as a part of an aggressive exploration push to grow global gold Resources and Reserves across its dominant landholding (1,600km²) in the highly prospective Yandal greenstone belt of Western Australia.

Echo's priority focus is mineralised systems able to be quickly converted to Reserves, capitalising on the Company's 2Mtpa Bronzewing Processing Hub which can be refurbished in less than 6 months for only A\$12.5M (refer ASX announcement 18 January 2017).

This field program will focus on a series of ready-to-drill targets, encompassing brownfield and greenfield prospects that have been developed in conjunction with a detailed review of the Metaliko Resources Limited database following the successful merger (refer to ASX announcement dated 13 January 2017).

Echo's Chief Executive Officer, Simon Coxhell, said: *"The focus for the past 12 months has been almost solely concentrated at the Julius gold deposit leading to the completion of the Bankable Feasibility Study in early January 2017 which demonstrated robust financial returns. The aim now is to add to the quality reserve base of the Company ultimately leading to recommencement of processing at Bronzewing and the future growth of Echo".*



2017 Exploration and Development Program

The 2017 exploration and development program is focussed on targeted exploration to increase existing Reserves in parallel with readying the Bronzewing Processing Hub for production.

The program focuses on a range of targets including the advanced Orelia gold deposit (currently host to an existing Indicated and Inferred Mineral Resource Estimate of 5.6Mt @ 1.9 g/t for 349,000 ounces¹ and located only 8 kilometres from the Bronzewing Processing Hub) as well as a number of greenfield prospects with numerous existing anomalous intersections requiring follow-up exploration.

Empire District

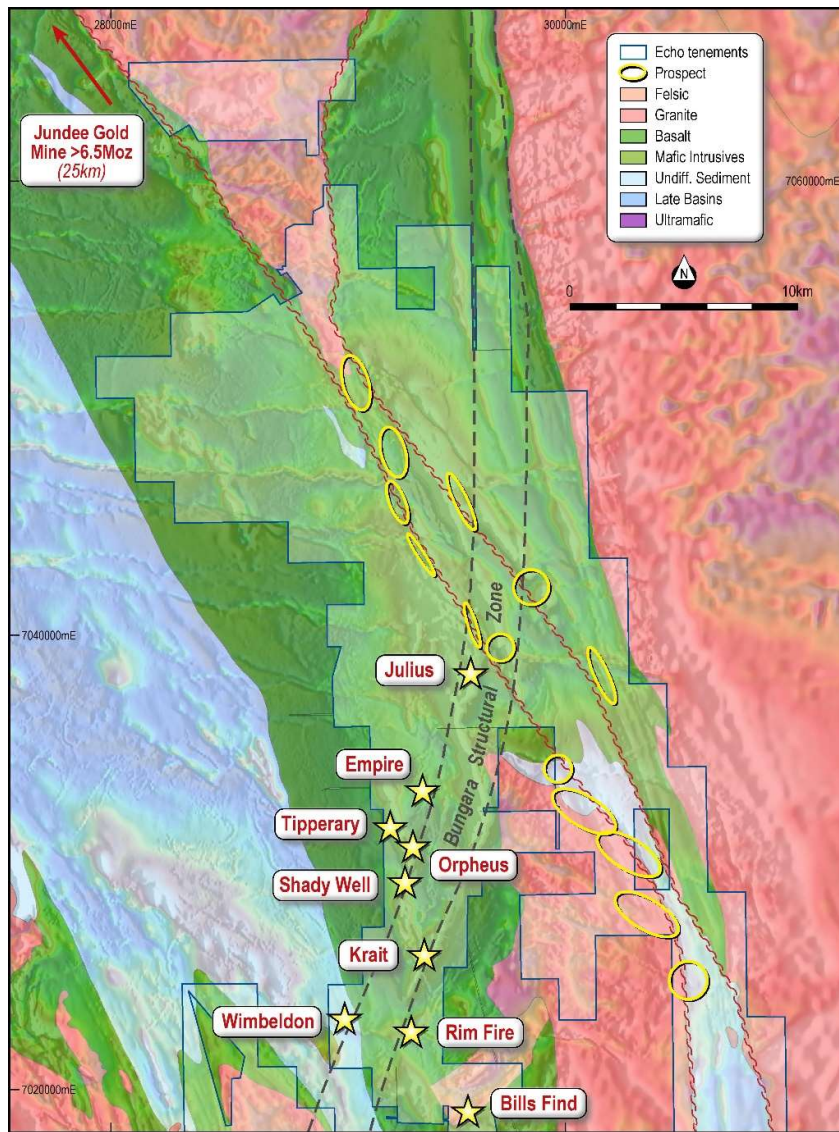
Located 30 kilometres south of Julius, there are a number of existing gold deposits (defined by Newmont before 2004) hosting high grade gold intersections that require follow up drilling to better assess likely economics and the extent of the deposits as well as understand the prospect for expansion. These known deposits have had very little or no work completed over the past 15 years and represent excellent potential to expand the Company's Resource and Reserve base.

In addition, Southern Geoscience Australia was commissioned in 2016 to complete a comprehensive review of all available geological datasets in the region. Review of Echo's 1,600km² tenure was then completed to highlight key areas prospective for discovery of the next million ounce gold deposit.

A total of 53 targets were identified sharing similar geological and geophysical characteristics to multi-million ounce gold deposits in the district with a majority of these prospects and deposits occurring adjacent to a large scale structural anomaly, previously termed the Bungara Structure. This can be seen in both the magnetic and gravity datasets the Company has been interpreting and appears to play a large role in the distribution of known gold occurrences.

Further review by Echo prioritised 14 targets with first-pass exploration now underway.

¹ Refer to Appendix 1: Global Resource Estimates and the ASX: MKO announcement dated 1 September 2016



Empire Historical Deposits and Exploration Targets with Magnetics Underlay

The Orelia Gold Deposit

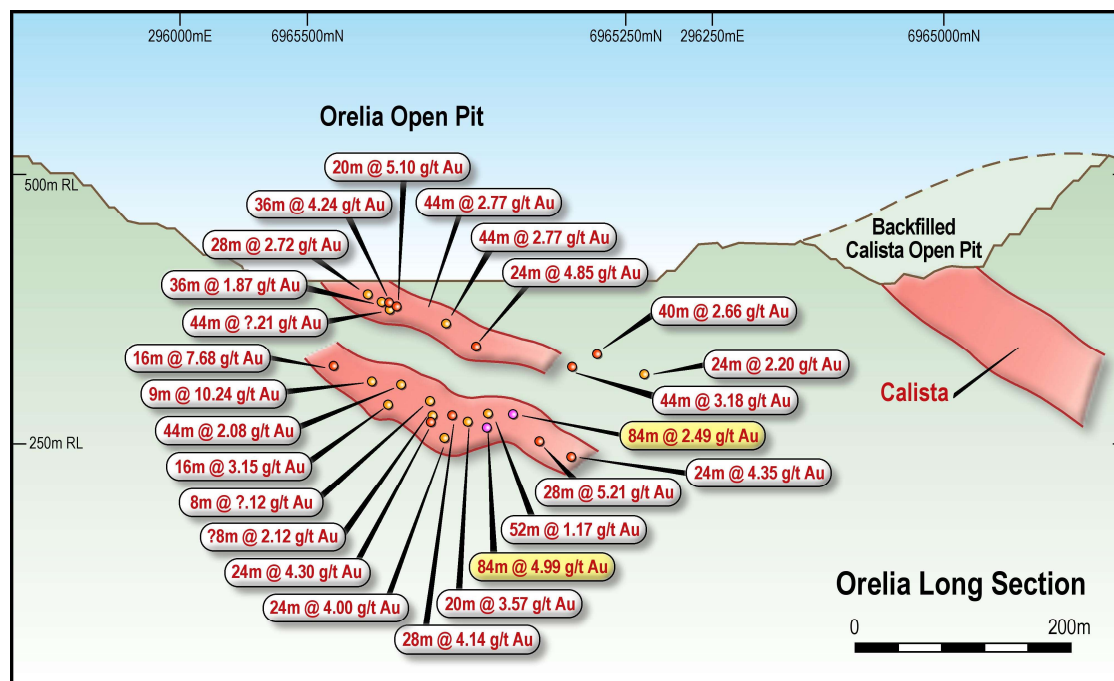
The Orelia Gold Deposit includes three mineralised systems; Orelia, Calista and Cumberland and is located eight kilometres southwest of the Bronzewing Processing Hub. Mineralisation is controlled by north-north west striking sub-vertical fault zones and low angle splay structures to the southwest. The Orelia gold mineralisation is focussed within and on the margins of a large dolerite unit which trends through the western side of the deposit.

The Orelia system has been previously mined and the current pit floor sits at approximately 100 metres below the natural surface with substantial cut-back already completed in preparation to mine to 220 metres depth, before operations ceased in 2013 at which time gold prices were approximately A\$1,300 per ounce.

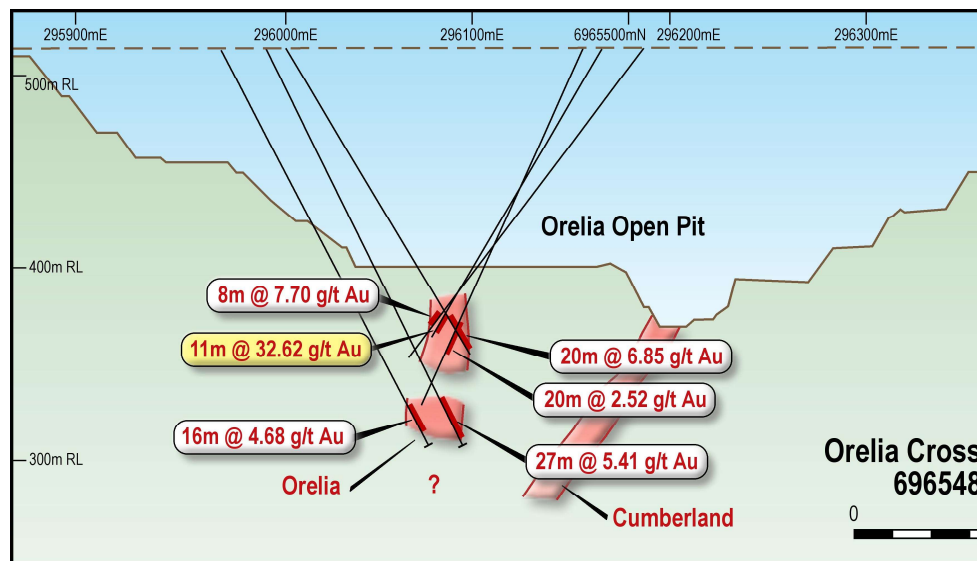


Orelia Pit Aerial Image

Historical drilling has identified a large mineralised gold system with significant potential to grow the existing Resources and Reserves. A low-cost resource development program is planned to commence in early March to corroborate existing data and support Reserve development at the project.

Orelia Gold Deposit – Long Section: Historical Intercepts² Below Current Pit Floor

² Refer to ASX:MKO announcement dated 1 September 2016 for full details of historical exploration results and Competent Persons Statements in Appendix 2.



Orelia Gold Deposit – Cross Section: Historical Intercepts⁵ Below Current Pit Floor

Other Regional Targets

The Company has planned a number of drill-ready anomalous targets which have been identified through detailed review of all available datasets. Echo, in conjunction with Southern Geoscience Consultants, has integrated all available geophysical, remote sensing, geochemical and geological datasets, to develop a coherent framework to known mineralisation. This framework increases our understanding of the broader gold mineralising systems, while guiding grassroots exploration over Echo's large tenement holding of highly prospective greenstone belt. With this integrated approach we are confident in our future exploration endeavours.

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Appendix 1: Echo Global Resource Estimates

Echo Mineral Resource Estimates⁷

Echo Mineral Resources	Measured			Indicated			Inferred			Total			Ownership	Cut-off
	Tonnes (Mt)	Au g/t	Au oz	Tonnes (Mt)	Au g/t	Au oz	Tonnes (Mt)	Au g/t	Au oz	Tonnes (Mt)	Au g/t	Au oz		
Julius ⁴	1.8	2.1	124,227	1.6	1.3	67,789	1.8	2.5	142,991	5.2	2.0	335,008	100%	0.8
Regional ⁵							2.1	1.5	99,925	2.1	1.5	99,925	100%	0.5
Corboys ³				1.7	1.8	96,992	0.5	1.9	28,739	2.1	1.8	125,455	100%	1.0
Orelia (MKO) ²				2.3	2.4	175,306	3.3	1.6	173,493	5.6	1.9	348,880	100%	0.9
Woorana North (MKO) ²				0.3	1.7	13,811				0.3	1.7	13,811	100%	0.5
Woorana South (MKO) ²				0.1	2.6	3,129				0.1	2.6	3,129	100%	0.5
Fat Lady (MKO) ^{1,2}				0.7	0.9	19,669				0.7	0.9	19,669	70%	0.5
Mt Joel 4800N (MKO) ^{1,2}				0.2	1.7	10,643				0.2	1.7	10,643	70%	0.5
Total Mineral Resources	1.8	2.1	124,227	6.7	1.8	387,339	7.7	1.5	445,47	16.2	1.8	956,520		

Echo Mineral Reserve Estimates

Echo Mineral Reserves	Proved			Probable			Total			Ownership	Cut-off
	Tonnes (Mt)	Au g/t	Au oz	Tonnes (Mt)	Au g/t	Au oz	Tonnes (Mt)	Au g/t	Au oz		
Julius ⁶	0.78	2.5	62,500	0.08	2.0	5,600	0.87	2.4	68,100	100%	0.8
Total Mineral Resources	0.78	2.5	62,500	0.08	2.0	5,600	0.87	2.4	68,100		

Notes:

1. Resources are adjusted for Metaliko 70% ownership interest

2. Resources estimated by Coxrocks (refer to Competent Persons Statements) in accordance with JORC Code 2012. For full Mineral Resource estimate details refer to the Metaliko Resources Limited announcement to ASX on 1 September 2016. Metaliko is not aware of any new information or data that materially affects the information included the previous announcement, and all material assumptions and technical parameters underpinning mineral resource estimates in the previous announcement continue to apply and have not materially changed.

3. Resources estimated by HGS (refer to Competent Persons Statements) in accordance with JORC Code 2012, for full details of the Mineral Resource estimate refer to the Metaliko Resources Limited announcement to ASX on 23 August 2016. Metaliko is not aware of any new information or data that materially affects the information included the previous announcement, and all material assumptions and technical parameters underpinning mineral resource estimates in the previous announcement continue to apply and have not materially changed.

4. Resources estimated by Mr Lynn Widenbar (refer to Competent Persons Statements) in accordance with JORC Code 2012, for full details of the Mineral Resource estimate refer to the Echo Resources Limited announcement to ASX on 23 November 2016. Echo Resources Limited is not aware of any new information or data that materially affects the information included the previous announcement, and all material assumptions and technical parameters underpinning mineral resource estimates in the previous announcement continue to apply and have not materially changed.

5. Resource estimates include Bills Find, Shady Well, Orpheus, Empire & Tipperary Well and were estimated by Golders (refer to Competent Persons Statements) in accordance with JORC Code 2004, for full details of the Mineral Resource estimates refer to the Echo Resources Limited prospectus released to ASX on 10 April 2006.

6. Reserve estimated by Mr Gary McRae (refer to Competent Persons Statements) in accordance with JORC Code 2012.

7. Mineral Resources are inclusive of Ore Reserves.

Appendix 2: Cautionary and Competent Persons Statements



Forward Looking Statements and Disclaimers

This announcement is for information purposes only and does not constitute a prospectus or prospectus equivalent document. It is not intended to and does not constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase or otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, nor shall there be any offer, sale, issuance or transfer of securities in any jurisdiction in contravention of any applicable law.

This announcement contains forward looking statements. Forward looking statements are often, but not always, identified by the use of words such as "seek", "target", "anticipate", "forecast", "believe", "plan", "estimate", "expect" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions.

The forward looking statements in this announcement are based on current expectations, estimates, forecasts and projections about Echo and Metaliko and the industry in which they operate. They do, however, relate to future matters and are subject to various inherent risks and uncertainties. Actual events or results may differ materially from the events or results expressed or implied by any forward looking statements. The past performance of Echo or Metaliko is no guarantee of future performance.

None of Echo, Metaliko or any of their directors, officers, employees, agents or contractors makes any representation or warranty (either express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement, except to the extent required by law.

You are cautioned not to place undue reliance on any forward looking statement. The forward looking statements in this announcement reflect views held only as at the date of this announcement.

No New Information or Data

This report contains references to Mineral Resource estimates, which have been cross referenced to previous market announcements made by Echo and Metaliko. Echo and Metaliko confirm they are not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Competent Persons Statements

The information in this report that relates to Exploration Targets and Exploration Results relating to Orelia (Cockburn) are based on information compiled by Mr David O'Farrell, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr O'Farrell is a consultant to Metaliko Resources Limited. Mr O'Farrell has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr O'Farrell consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report relating to Julius Resource Estimation is based on information compiled by Mr Lynn Widenbar, a consultant of Echo Resources Limited, who is a member of the Australasian Institute of Mining and Metallurgy. The information in this announcement that relates to Exploration Results and metallurgical considerations at Julius is based on information compiled by Simon Coxhell, a Director of Echo Resources and a member of the Australasian Institute of Mining and Metallurgy. Both have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Widenbar and Mr Coxhell consent to the inclusion in the report of the matters based on the information in the form and context in which it appears.

The information in this report relating to Echo's exploration activities and exploration potential at Julius and Metaliko's Cockburn, Woorana North, Woorana South, Fat Lady and Mt Joel Mineral Resource estimates is based on information compiled by Mr Simon Coxhell, a Director of Echo Resources Limited, who is a member of the Australasian Institute of Mining and Metallurgy. He has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Coxhell consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

The information in this report relating to Echo's Regional Mineral Resource estimates is based on information compiled by Stephen Godfrey, a full-time employee of the independent geological consulting group Golder Associates Pty Ltd. He has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Godfrey consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.



The information in this report relating to Metaliko's Corboys Deposit Mineral Resource estimate is based on information compiled by Andrew James Hawker, a Competent Person who is a Member or Fellow of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Hawker is the Principle Geologist employed by HGS Australia. He has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Godfrey consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

The information in this report that relates to Ore Reserves for the Julius Gold Deposit is based on information compiled by Mr Gary McRae of Minecomp Pty Ltd, a member of the Australasian Institute of Mining and Metallurgy and is a consultant to Echo Resources Limited. The information was prepared under the JORC Code 2012. Mr McRae has sufficient experience that is relevant to the style of mineralisation, type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr McRae consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

The information in this announcement that relates to Exploration Results and previous historic drilling results is based on information compiled by Simon Coxhell, a Director of Echo Resources and a member of the Australasian Institute of Mining and Metallurgy. He has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Coxhell consents to the inclusion in the report of the matters based on the information in the form and context in which it appears