Echo Resources Limited
ACN 108 513 113

19 April 2017
ASX Announcement
ASX Code: EAR

EMPIRE DISTRICT GOLD PICTURE CONTINUES TO GROW

HIGHLIGHTS

- Drilling at the Shady Well gold prospect has returned excellent near-surface gold results. Shady Well is located 20km south of Julius and near the recently-announced Orpheus prospect (location map page 3)
- AC drilling terminated on the contact of mafic-ultramafic lithologies in highly weathered felsic volcaniclastic sediments. Identified mineralisation remains open at depth and along strike to the north and south
- Significant intersections (4m composites, 1m re-splits to be submitted) to date from Shady Well include:
  - 14 metres @ 4.83 g/t Au from 28 metres to EOH (EWAC074, incl. 4m @ 15.91)
  - 24 metres @ 3.24 g/t Au from 24 metres (EWAC072)
  - 8 metres @ 4.90 g/t Au from 12 metres (EWAC070)
  - 24 metres @ 0.98 g/t Au from 8 metres (EWAC067)
- AC drilling in the Empire District and RC drilling at the Orelia gold deposit in the Bronzewing District continues with the next round of results due soon.

Echo Resources Limited (ASX: EAR) ('Echo' or the 'Company') is pleased to advise its gold exploration program across the Yandal Belt in WA has continued to deliver highly encouraging results.

Echo's CEO, Simon Coxhell said the drilling at the Shady Well gold prospect in the Empire District has highlighted another deeply weathered potentially open-pittable gold deposit.

"Air core drilling at Shady Well intersected basalt and ultramafic rocks with minor sediments and felsic intrusive porphyries located on the contacts. This is an ideal geological environment in the Yandal belt for the discovery of additional gold mineralisation and these mineralised contacts require further drilling. All of these lithologies are deeply weathered to in excess of 60 metres vertical depth, with positive implications for ongoing resource and reserve development.

"These significant gold results continue to confirm the potential to outline additional near surface gold reserves within our large tenement package. The Shady Well mineralisation is open at depth and along strike and further drilling to expand and evaluate this mineralised system will be ongoing. The calibre of the intersections at shallow depths is particularly encouraging" he said.

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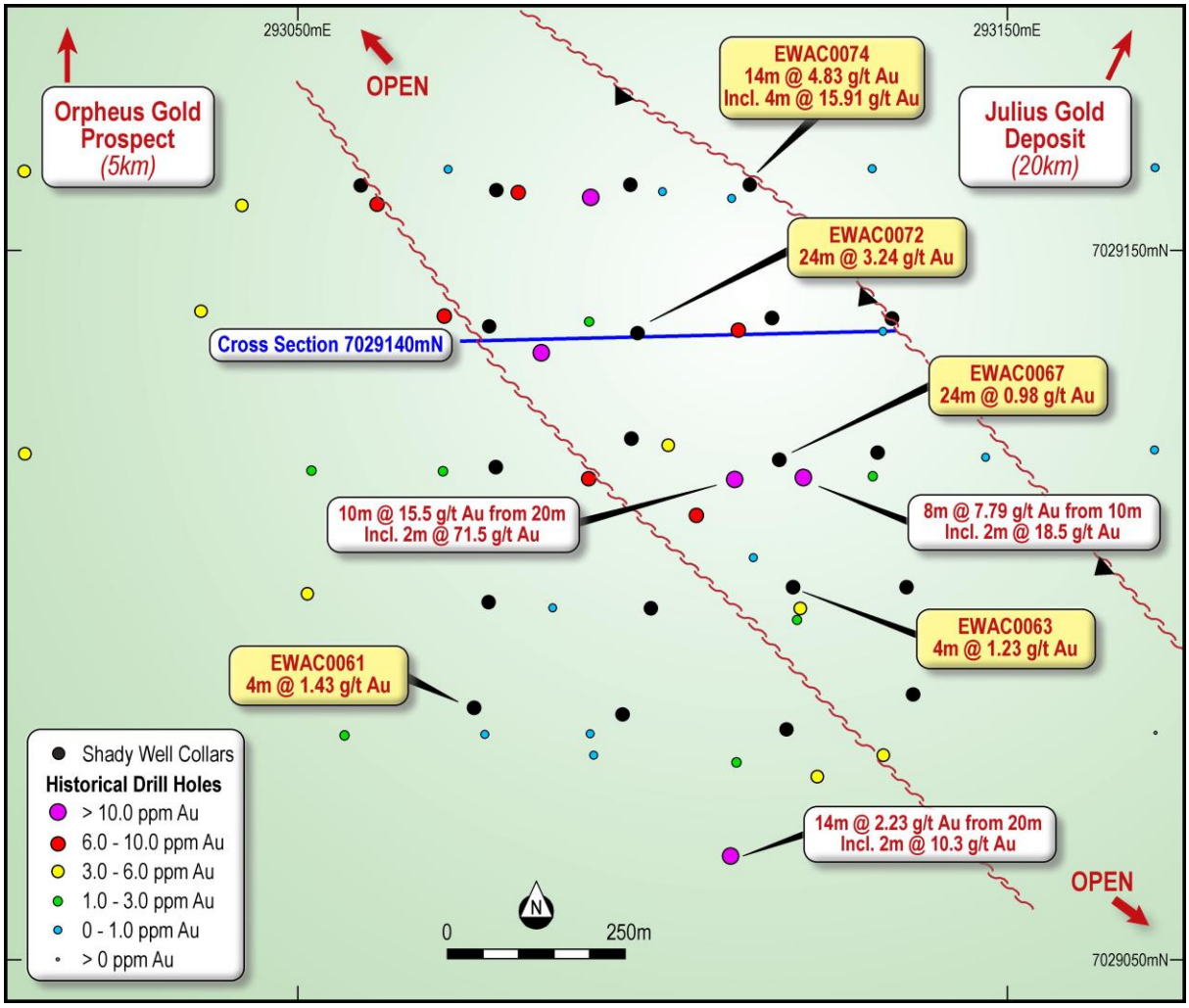
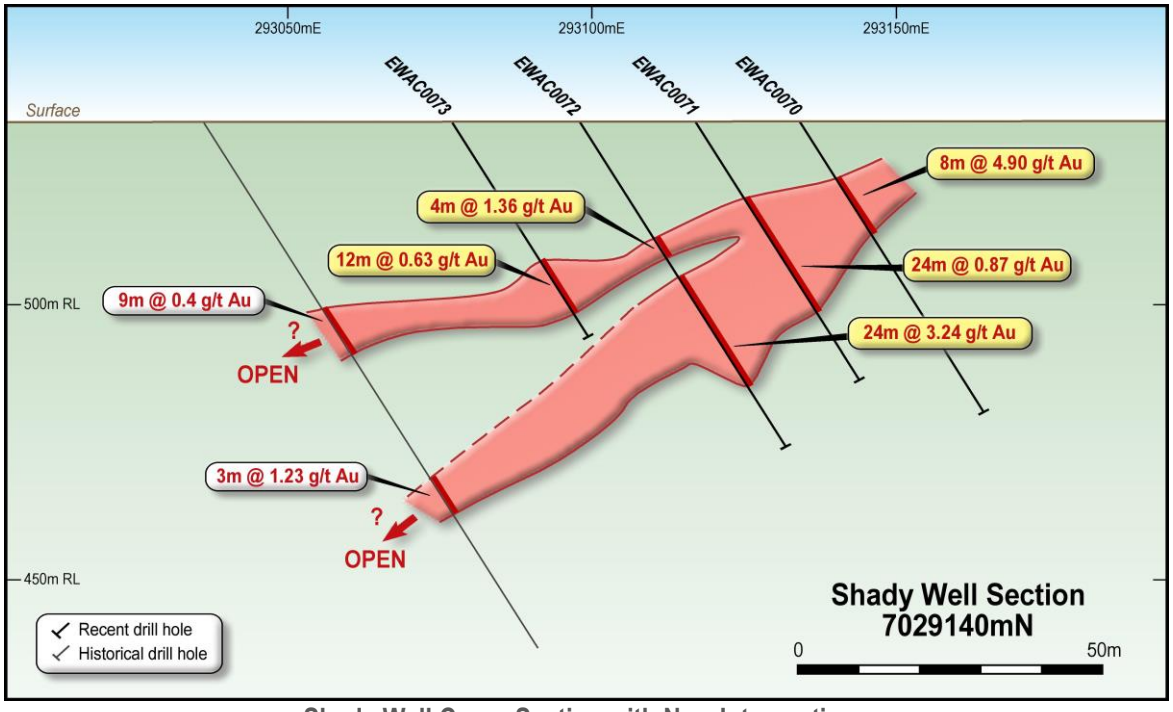


Shady Well Plan View with New/Historical Holes and Key Intersections



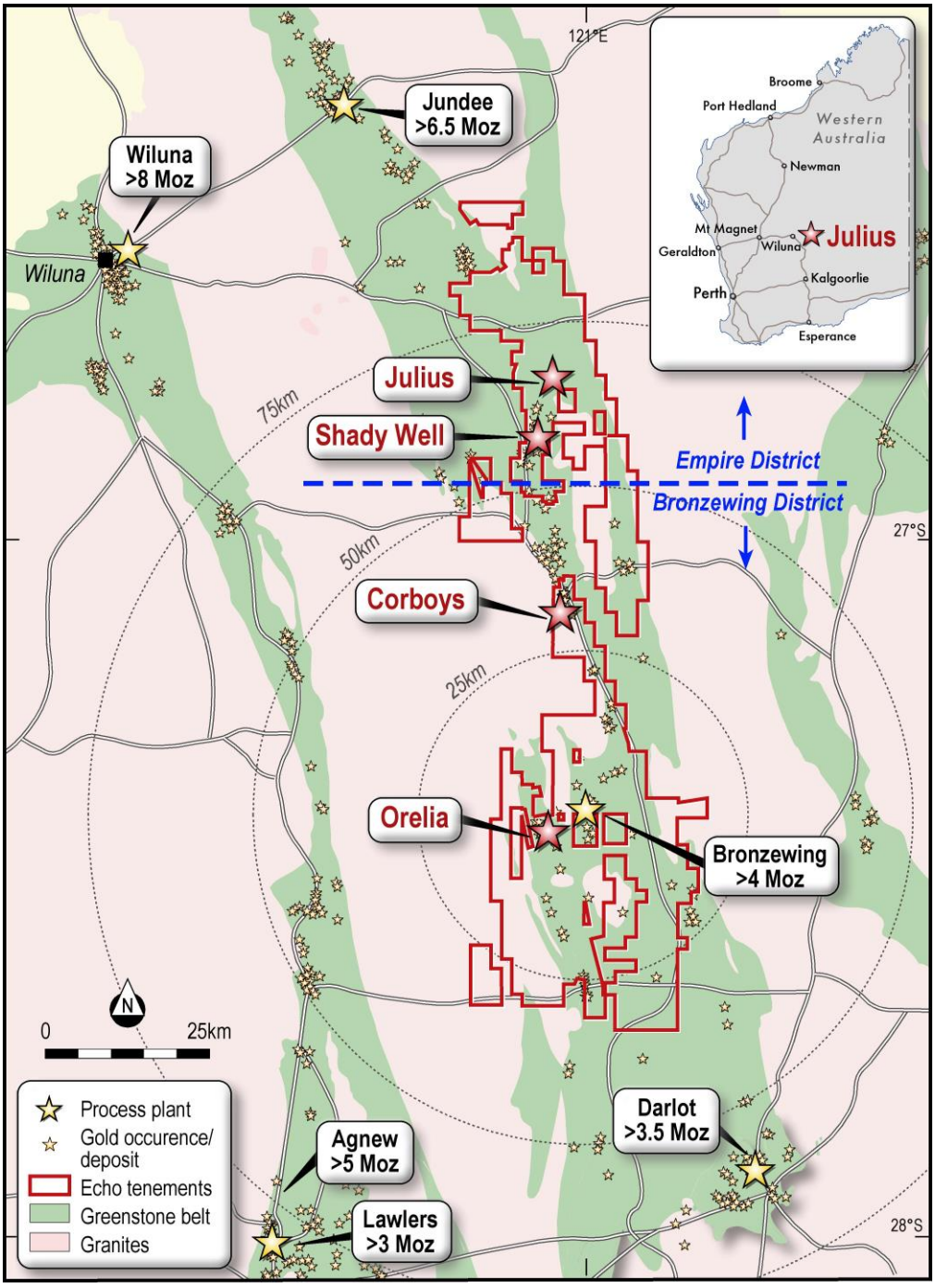
Shady Well Cross-Section with New Intersections

Ongoing Drilling Program & Exploration Strategy

Echo's exploration program is focussed on building Reserves across the Company's strategic Yandal landholding to provide sufficient mine life to support a decision to mine. Results received to date are highlighting multiple mineralised occurrences which require extensive follow up drilling to determine the size of these potential gold deposits. Once the company understands the gold distribution and controls in the oxide portion of these deposits deeper drilling can then be applied to test for higher grade zones at depth.

Echo can quickly move to production utilising its key infrastructure asset, the 2Mtpa Bronzewing Processing Hub, which a bankable feasibility study has confirmed can be refurbished and operational in less than six months from a decision to mine for a capital outlay of just A$12.5 million (refer to ASX announcement 18 January 2017).

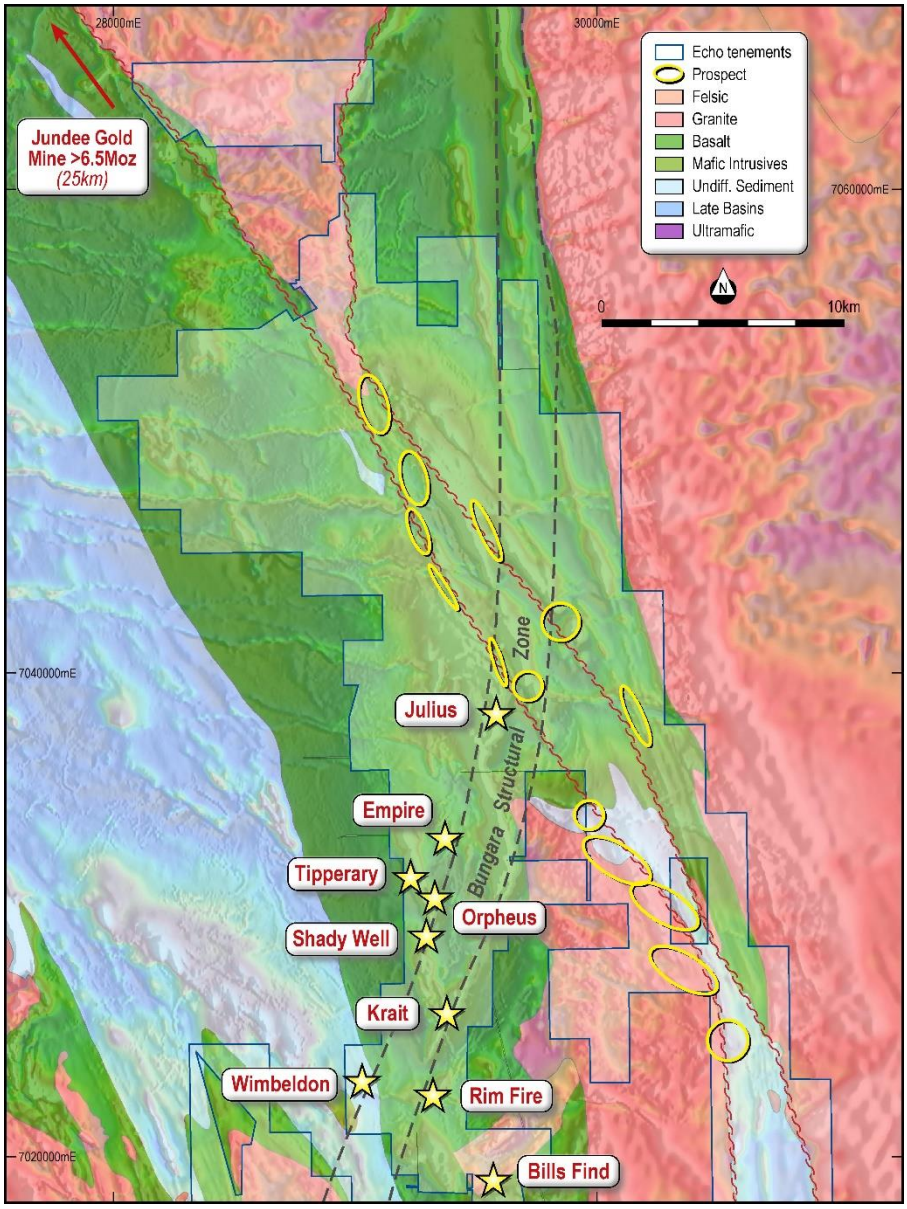
Echo controls 1,600km^2 of the highly prospective Yandal greenstone belt in Western Australia with brownfields and greenfields targets in two distinct districts, both within trucking distance of the Bronzewing Processing Hub.



Echo Tenement Holdings & Key Deposits

The Bronzewing District is an area within a 40km radius of the Bronzewing Processing Hub and contains the Orelia gold deposit, where current drilling is targeting known high grade mineralisation at the base of the existing open pit and is located only 8km from the processing hub.

The Empire District covers an area 40-80km north of the Bronzewing Processing Hub and contains the Julius gold deposit, which will provide a key plank in any production re-start following a positive Bankable Feasibility Study result in January 2017.



Empire District Magnetic Prospectivity

The current exploration program will take approximately four months to complete and will see around 22,000 meters of drilling conducted across targets in the Empire and Bronzewing Districts.

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Appendix 1: Detailed Results

(note: all results are 4m composites)

Hole	From (m)	To (m)	Width (m)	Grade (g/t Au)	Easting	Northing	Total Depth (m)	Dip	Azimuth
EWAC0058	4	12	8	0.49	293137	7029087	79	-60	90
EWAC0059	20	36	16	1.20	293119	7029082	83	-60	90
EWAC0060	40	48	8	1.56	293096	7029084	84	-60	90
EWAC0061	16	20	4	1.43	293075	7029085	89	-60	90
EWAC0062	12	16	4	0.92	293136	7029102	79	-60	90
EWAC0063	20	28	8	1.2	293120	7029102	71	-60	90
EWAC0063	40	44	4	1.23	293120	7029102	71	-60	90
EWAC0064	44	48	4	0.94	293100	7029099	64	-60	90
EWAC0065	20	28	8	0.75	293077	7029100	95	-60	90
EWAC0066	12	24	12	0.65	293132	7029121	73	-60	90
EWAC0067	8	32	24	0.98	293118	7029120	59	-60	90
EWAC0068	20	24	4	0.89	293097	7029123	71	-60	90
EWAC0069	28	32	4	0.62	293078	7029119	80	-60	90
EWAC0070	12	20	8	4.90	293134	7029140	61	-60	90
EWAC0071	16	40	24	0.87	293117	7029140	54	-60	90
EWAC0072	24	48	24	3.24	293098	7029138	68	-60	90
EWAC0073	28	40	12	0.63	293077	7029139	45	-60	90
EWAC0074	28	42 (EOH)	14	4.83	293114	7029159	42	-60	90
including	36	40	4	15.91	293114	7029159	42	-60	90
EWAC0075	32	36 (EOH)	4	0.93	293097	7029159	36	-60	90
EWAC0076	32	59 (EOH)	27	0.82	293078	7029158	59	-60	90
EWAC0077	40	44	4	1.29	293059	7029159	74	-60	90

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 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

JORC Code, 2012 Edition

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	• Recent exploration in the Empire District, located approximately 8 kilometres south of the Julius Gold Deposit has comprised aircore drilling of 20 holes for 1,366 metres. • Initially, and relating to this ASX release, 4 metre composite samples were collected from all drilling • 4 metre composite samples consist of ~2 kilogram samples, collected via spear from the drill spoils. • One metre samples were collected for follow up analysis. For the 1m samples approximately 2kg of material collected from each metre by riffle splitting of the sample interval collected via the rig cyclone. • Drill hole collar locations were recorded by handheld GPS survey with accuracy +/-2 metres. • Analysis was conducted by submitting the 2kg sample whole for preparation by crushing, drying and pulverising at Intertek/Genalysis Laboratories for gold analysis via aqua regia/ICP-MS •
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*	• Aircore drilling with a 4-inch blade bit. Drilling was conducted until blade refusal.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Drill sample returns as recorded were considered excellent. • There is insufficient data available at the present stage to evaluate potential sampling bias.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* • *The total length and percentage of the relevant intersections logged.*	• Drill chip logging is a qualitative activity with pertinent relevant features recorded: lithology, mineralogy, mineralisation, structural, weathering, alteration, colour and other features of the samples. • Rock chip boxes of all sample intervals were collected. All samples were logged.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• No core was sampled-Aircore drilling only. • Sample preparation for all samples follows industry best practice and was undertaken by Genalysis/Intertek Laboratories in Perth where they were crushed, dried and pulverised to produce a sub-sample for analysis. • Sample preparation involving oven drying, fine crushing to 95% passing 4mm, followed by rotary splitting and pulverisation to 85% passing 75 microns. • QC for sub sampling follows Intertek procedures. • Field duplicates were taken at a rate of 1:30. • Blanks were inserted at a rate of 1:30 • Standards were inserted at a rate of 1:30. • Sample sizes are considered appropriate to the grain size of the material being sampled.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• The methods are considered appropriate to the style of mineralisation. Extractions are considered near total. • No geophysical tools were used to determine any element concentrations at this stage. • Laboratory QA/QC involves the use of internal lab standards using certified reference material, blanks, splits and duplicates as part of the in-house procedures. Repeat and duplicate analysis for samples shows that the precision of analytical methods is within acceptable limits.

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• The Company's Geologist has visually reviewed the samples collected. • No twin holes drilled • Data and related information is stored in a validated Mapinfo or Micromine database. Data has been visually checked for import errors. • No adjustments to assay data have been made.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• All drillholes have been located by handheld GPS with precision of sample locations considered +/-5m. • Location grid of plans and cross sections and coordinates in this release use MGA94, Z51 datum. • Topographic data was assigned based on a DTM of the Empire district.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• The holes are nominally spaced on a 20 metre (E-W spacing) with hole spacing along each section ranging from 20 metres spacing along each section line. • Data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for Mineral Resource estimation procedures. • Sample compositing has occurred on all samples in this release (4 metre composite samples).
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• The orientation of sampling is considered adequate and there is not enough data to determine bias if any. • Interpreted lithologies strike north-north-west. Drilling was approximately orthogonal to this apparent strike and comprised angled l drill holes.
Sample security	• *The measures taken to ensure sample security.*	• Chain of custody is managed by the Company and samples are transported to the laboratory via Company staff with samples safely consigned to Intertek for preparation and analysis. Whilst in storage, they are kept in a locked yard. Tracking sheets are used track the progress of batches of samples.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No review or audit of sampling techniques or data compilation has been undertaken at this stage.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Empire District is located within the central Yandal Greenstone Belt. The Empire District covers a number of 100% owned granted mining leases held by Echo Resources Ltd. Newmont Yandal Operations has the right to buy back a 60% interest in any gold discovery containing aggregate Inferred Mineral Resources of at least 2 million ounces of gold. A third-party net smelter royalty of 1.5% applies in respect of all minerals produced from the tenement. • The tenement is in good standing • No impediments to operating on the permit are known to exist.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Exploration in the Empire district has been completed by Asarco, Chevron, Newmont and others. Anomalous RAB, aircore and RC drilling in the area by previous operators have been returned.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Highly oxidized/weathered greenstones, sediments and intrusive felsic rocks, with quartz veining with minor sulphides.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above*
		• A total of 20 drillholes for 1,366 metres were drilled on nominal 20 metre centres, focused on the oxide zone.
		• Full drillhole details for the results received to date are provided in this announcement. Appropriate maps and plans also accompany this announcement.

Criteria	JORC Code explanation	Commentary
	sea level in metres) of the drill hole collar ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No averaging or aggregation techniques have been applied. • No top cuts have been applied to exploration results. • No metal equivalent values are used in this report.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	• The orientation or geometry of the mineralised zones strikes in a north-northwest direction and dips shallowly to the southwest. • True width is variable and further work to clarify is required.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Appropriate maps are included in main body of report with gold results and full details are in the tables reported.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All results for the target economic mineral being gold have been reported.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Previous work in the district by others has estimated total gold resources within the Empire District to total 100,00 ounces.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Future RC, diamond and aircore drilling is being considered to further evaluate the Julius Gold Deposit. • Refer to maps in main body of report for potential target areas.