



Echo Resources Limited

ACN 108 513 113

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ASX Announcement
ASX Code: EAR

2017 EXPLORATION PROGRAM RAMPS UP

AT A GLANCE

- Large scale exploration program with 20,000m to be drilled
- Targets include greenfields, follow up and resource extensions
- Program to build on recent success at:
 - **Zaphod**¹ – a greenfields high grade discovery
 - **Orelia**² – substantial resource extensions
 - **Julius**³ – discovery of additional mineralisation following a large step out
 - **Wimbledon**⁴ – good grades in aircore drilling over +400m strike
- Orelia Resource upgrade planned in the coming months.

Echo Resources Limited (ASX: EAR) ('Echo' or the 'Company') has commenced the next phase of its Yandal Gold Project exploration program – a \$3 million, 20,000 metre drilling campaign - to build on recent exploration success, and grow the Company's gold resource and reserve base.

Drilling will advance a range of targets and will include first-pass reconnaissance drilling, at greenfield prospects, to resource definition and extension drilling. A number of new conceptual targets will be tested for the first time with drilling, while part of the program will consist of work toward a resource upgrade for the Orelia deposit in the September quarter.

The upcoming drilling program will include:

- 2,000+ auger holes; to test conceptual targets defined during the detailed structural review
- 10,000m of aircore drilling; targeting greenfields and conceptual prospects
- 7,500m of reverse circulation drilling; targeting brownfields and resource extension targets
- 2,500m of diamond drilling; targeting depth/strike extensions of advanced projects

Echo's Chief Executive Officer, Simon Coxhell, said *"We have had excellent success in the past six months and we are looking to build on that. We are confident that we can continue to grow our resource and reserve base in the Yandal Belt, one of Australia's most prospective gold regions."*

"Echo is applying a whole new way of thinking to our exploration approach. We believe large parts of the Yandal Belt have never been effectively explored and by using smart geology and a minerals system approach we are delivering consistent results."

Following a detailed structural and database review, Echo has generated a strong exploration project pipeline from conceptual greenfields, to resource extension targets. The current drilling program is planned to continue for a number of months to advance a number these targets.

1: Refer ASX announcement 17 August 2017

2: Refer ASX announcement 7 August 2017

3: Refer ASX announcement 27 June 2017

4: Refer ASX announcement 13 June 2017



Auger drilling of conceptual structural targets has begun at a number of prospects within the Company's large landholding, with supplementary detailed gravity surveys planned for late 2017. First-pass aircore drilling has commenced to test the geochemical targets generated in early 2017, with diamond drilling at Orelia to expand and follow up on the spectacular intersections received to date. Reverse circulation drilling at Orelia, Julius, Zaphod and Wimbledon is also planned to target potential depth and strike extensions, and to assist with growing the known resources and reserves.

Meanwhile, third party consultants are interpreting the results from the Orelia drilling conducted in the first half of 2017. This forms part of the Company's ongoing work to potentially release a resource upgrade of the Orelia deposit planned to be delivered in the September quarter.

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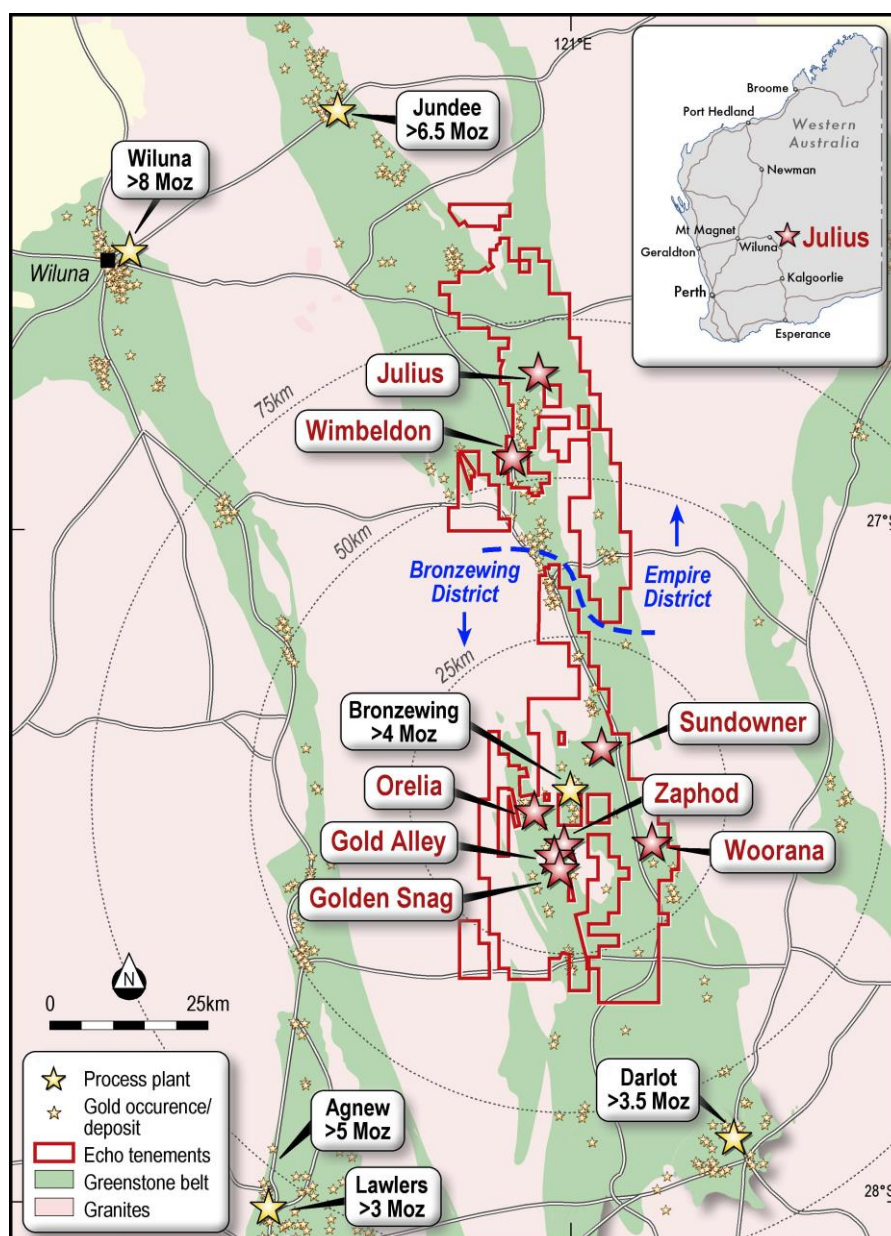


Figure 1: Echo Tenement Plan and Upcoming Drill Targets



ABOUT ECHO

The Yandal Strategy

Echo controls the central Yandal greenstone belt through 100% ownership of 1,600km² of highly prospective tenement holdings as well as the 2 Mtpa Bronzewing Processing Hub.

Echo has embarked on exploration in two distinct districts, both within trucking distance of Bronzewing. The Company has adopted a three-pronged approach by expanding existing high-grade resources, following up recent and historical success and using modern tools and smart geology to uncover new significant gold discoveries. Echo is in an enviable position whereby it has a strong project pipeline ranging from prospective greenfields projects, numerous untested geochemical gold targets to advanced resources which are currently being converted to quality reserves.

Echo's vision is to build a sufficient resource and reserve base to support a transition into production via the Bronzewing Processing Hub whilst also using cutting edge geophysical and geochemical datasets to identify and test genuine greenfields targets.

The Bronzewing District

The Bronzewing district is an area within a 40km radius of Bronzewing and contains the Orelia Gold Deposit as well as a number of other highly prospective targets. Recent work has delivered positive results from depth extension work beneath the existing Orelia open pit as well as the potential that Orelia and the nearby Calista and Cumberland gold zones are developing into a large mineralised gold system, which points to the opportunity of a "Superpit" concept.

The Orelia system has the potential to extend to great depths in the same way the nearby Lotus gold deposit was historically mined to a depth of 500 vertical metres and produced 387,000 ounces from 2.2Mt at 5.5g/t Au¹.

Recent auger geochemical sampling at key areas in the Bronzewing district have also revealed two strong gold-in-soil anomalies that require follow-up testing.

The Empire District

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 (BFS) result in January 2017. Results from recent aircore drilling at Julius have delivered outstanding results that are likely to enable an expansion of the Julius open pit, which currently hosts a Resource of 335,000 ounces (5.2Mt @2.0g/t Au)².

In addition, results from work at the nearby Wimbledon Prospect have highlighted the potential for another open pit mine, with mineralisation now confirmed over more than 400 metres of strike and to a vertical depth of at least 60 metres.

At the Tipperary Gold Prospect, located between Wimbledon and Julius, drilling has highlighted a large low grade gold system and coupled to historical drilling have outlined gold mineralisation over 300 metres of strike length.

¹ Refer to MKO Announcement dated 1 September 2016

² Refer to Appendix 1



Forward Looking Statements and Disclaimers

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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.

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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.



Appendix 1: Mineral Resource & Ore Reserve Estimates

Echo Mineral Resource Estimates

Echo Mineral Resources ⁷	Measured			Indicated			Inferred			Total			Ownership Cut-off	
	Tonnes (Mt)	Grade (g/t Au)	Ounces (Au)	Tonnes (Mt)	Grade (g/t Au)	Ounces (Au)	Tonnes (Mt)	Grade (g/t Au)	Ounces (Au)	Tonnes (Mt)	Grade (g/t Au)	Ounces (Au)		
Julius ⁴	1.8	2.1	124,227	1.6	1.3	67,789	1.8	2.5	142,991	5.2	2.0	335,007	100%	0.8
Regional ⁵							2.8	1.5	134,925	2.832	1.5	134,925	100%	0.5
Corboys ³				1.7	1.8	96,992	0.5	1.8	28,739	2.2	1.8	125,731	100%	1.0
Orelia ²				2.3	2.4	175,306	3.3	1.6	173,493	5.6	1.9	348,799	100%	0.9
Woorana North ²				0.3	1.4	13,811				0.3	1.4	13,811	100%	0.5
Woorana South ²				0.1	1.0	3,129				0.1	1.0	3,129	100%	0.5
Fat Lady ^{1,2}				0.7	0.9	19,669				0.7	0.9	19,669	70%	0.5
Mt Joel 4800N ^{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	6.9	1.7	387,339	8.432	1.8	480,148	17.132	1.8	991,714		

Echo Ore Reserve Estimates

Echo Ore Reserves	Proved			Probable			Total			Ownership	Cut-off
	Tonnes (Mt)	Grade (g/t Au)	Ounces (Au)	Tonnes (Mt)	Grade (g/t Au)	Ounces (Au)	Tonnes (Mt)	Grade (g/t Au)	Ounces (Au)		
Julius ⁶	0.78	2.5	62,500	0.08	2	5,600	0.87	2.4	68,100	100%	0.8
Total Ore Reserves	0.78	2.5	62,500	0.08	2	5,600	0.87	2.4	68,100		

Notes:

- Resources are adjusted for Echo's 70% ownership interest
- 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 in 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.
- 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 in 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.
- 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 in 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.
- Resource estimates include Bills Find, Anomaly 45, 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.
- Reserve estimated by Mr Gary McRae (refer to Competent Persons Statements) in accordance with JORC Code 2012.
- Mineral Resources are inclusive of Ore Reserves.