



1 November 2017

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Cleansing Notice and Placement Capacity Announcement

Notice pursuant to paragraph 708A(5)(e) of the Corporations Act (Act)

Echo Resources Limited ("Echo" or "the Company") give notice under section 708A(5)(e) of the Corporations Act 2001 (Cth) (Corporations Act) that:

1. Echo has issued 68,181,818 fully paid ordinary shares under the private placement announced on 23 October 2017 (**Placement**) without disclosure to investors under Part 6D.2 of the Corporations Act.
2. As at the date of this notice:
 - a. Echo has complied with the provisions of Chapter 2M of the Corporations Act as they apply to the Company;
 - b. Echo has complied with section 674 of the Corporations Act; and
 - c. there is no 'excluded information' within the meaning of sections 708A(7) and 708A(8) of the Corporations Act which is required to be disclosed under section 708A(6)(e) of the Corporations Act.

ASX Listing Rule 7.1

The Company has become aware that the shareholder resolution for the approval of the additional 10% placement capacity under ASX Listing Rule 7.1A may not have been properly passed at the Company's 2016 Annual General Meeting (despite the results announcement for the 2016 AGM describing the resolution as passed). As a result, the Company has issued 12,112,129 Shares under the Placement which are not within the Company's existing share issuance capacity under the ASX Listing Rules. The Company has been in discussions with ASX and understands it may be required to provide an undertaking to ASX that it will not issue additional securities without shareholder approval (unless within a Listing Rule 7.2 exception, such as a pro rata entitlement offer or share purchase plan) for a period of up to 12 months (the exact period is yet to be advised by ASX). The issue of shares in excess of the Company's available capacity will in no way affect the Placement or the shares issued under the Placement, which will be fully and freely tradeable without restrictions on and from the date of their issue. Further, other than the likely restrictions on issuing new shares as detailed, there is not expected to be any other adverse effect on the Company.

Yours Sincerely,
Kate Stoney
Company Secretary
Echo Resources Ltd