

ASX ANNOUNCEMENT

QUARTERLY ACTIVITIES REPORT

For the quarter ended 31 March 2018

HIGHLIGHTS

Orelia Delivers Strike Extensions

- RC drilling was completed 200m north of the existing Orelia open pit, with significant intersections including:
 - 9m @ 17.34 g/t Au from 54m (ORC033)
 - 11m @ 2.82 g/t Au from 104m, incl. 2m @ 11.96 g/t (ORC031)
- RC drilling highlighted an extension of the mineralised Orelia system well north of the existing open pit highlighting that extensions to the north are likely
- Resource definition diamond drilling enhances the understanding of the Orelia ore body and highlights the quality of the high-grade zones
 - 34m @ 10.74 g/t Au from 95m (ODDH010)
 - 29.3m @ 5.30 g/t Au from 88m incl. 1.25m @ 65.62 g/t Au (ODDH007)
 - 23.7m @ 3.53 g/t Au from 60m (ODDH009)
- Deep diamond drilling at Orelia intersected mineralisation at previously untested depths, including:
 - 10m @ 1.81 g/t Au from 538m, incl. 2m @ 5.43 g/t Au (ODDH013)
 - 2m @ 6.31 g/t Au from 441m (ODDH013)
 - 1m @ 2.95 g/t Au from 507m (ODDH012)
- Deep drilling highlights that mineralisation extends at least 150 metres below the current resource base and provides confidence in possible extensions of the Lotus/Orelia system to significant vertical depth

Echo Targets New Gold Corridor

- Echo will now focus part of its exploration effort on a new area running northwest from the Julius Gold Deposit, up to and around the Ramone Gold Prospect recently discovered by Northern Star Resources ("NST")

ASX ANNOUNCEMENT

23 April 2018

ASX CODE

EAR

KEY ASSETS

- Julius
- Orelia
- Bronzewing Hub

DIRECTORS

Barry Bolitho
Non-Executive Chairman

Simon Coxhell
Managing Director &
Chief Executive Officer

Gary Lethridge
Finance Director

Anthony McIntosh
Non-Executive Director

Mark Hanlon
Non-Executive Director

Robin Dean
Non-Executive Director

Kate Stoney
Company Secretary

REGISTERED OFFICE

Level 1, 7 Rheola Street
West Perth WA 6005

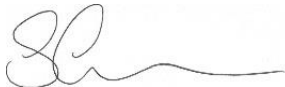
T +61 (8) 9389 8726
F +61 (8) 9467 2896

- Ramone is located midway between Echo's Julius deposit and NST's Jundee deposit where the gold mineralisation has been defined over 400 metres of strike to date, returning intersections such as 24m @ 6.2 g/t and 27m @ 2.6 g/t (see ASX: NST release dated 20 February 2018 titled Exploration Update)
- During the second half of 2017 Echo completed an infill gravity survey over large portions of its exploration tenure between Julius and Jundee. This survey defined a substantial low gravity corridor, previously interpreted as a major plumbing control on the distribution of gold mineralization within the district
- The new gravity survey data specifically highlights this zone and provides confidence in the interpretation which is helping to unlock the controls on gold mineralization within Echo's substantial land holding, particularly at under explored areas north of Julius

Corporate

- Echo announced the appointment of experienced mining executive Gary Lethridge as Finance Director

For further information please contact:

A handwritten signature in black ink, appearing to read "SC", followed by a horizontal line.

Simon Coxhell, CEO and Managing Director

simon@echoresources.com.au

Office Phone +61 8 9389 8726

Additionally, valuable information on the structural and lithological controls on mineralisation was gathered from the drilling with further multi-element geochemistry and petrographic work being undertaken to understand the hydrothermal footprint of the system.



Figure 2: Orelia Plan View with Holes and Key intersections

The drilling conducted by the Company has validated the geological model of stacked sigmoidal shaped gold zones with a shallow southerly plunge and gives Echo increased confidence in the predictability of confirming these ore shoots at depth.

Echo Targets New Gold Corridor

At the beginning of March, Echo announced that it had discovered a new highly-prospective exploration area within its 1,600km² landholding in the Yandal gold belt, after the Company identified a number of targets and geological controls based on recent gravity surveys completed within the Company's tenement areas.

The project area was identified by aeromagnetic and gravity survey work conducted by Echo in 2017, and the prospectivity of this area was recently confirmed by the recent success of Northern Star Resources with the Ramone Gold Discovery ('Ramone', refer to ASX: NST release dated 20 February 2018).

A geological trend can be identified running northwest between the Julius Gold Deposit ('Julius') and Ramone, with Echo's tenement position dominating this prospective structural corridor.

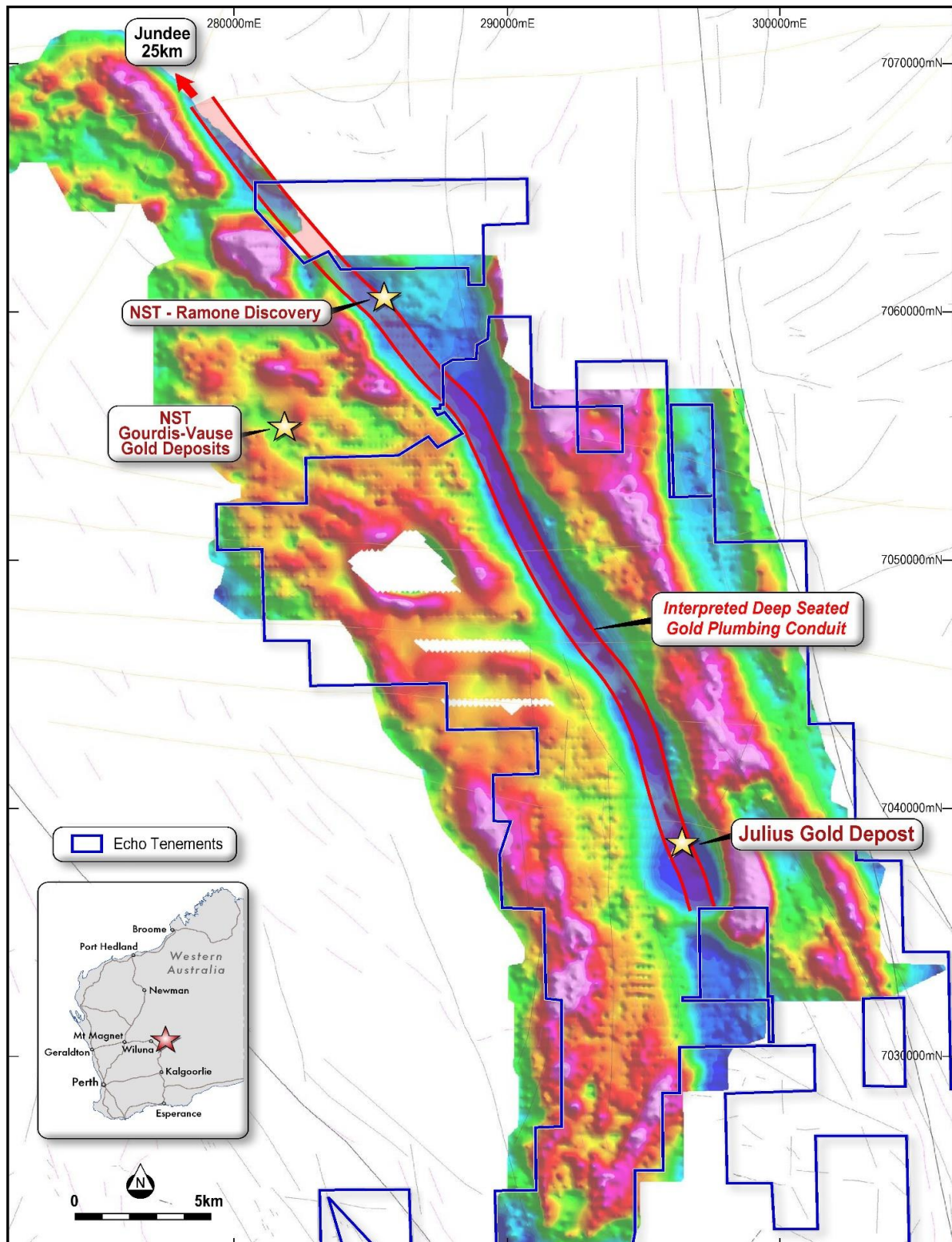


Figure 6: Gravity Image: North Julius, Tenements and Interpreted Major Gold Structure

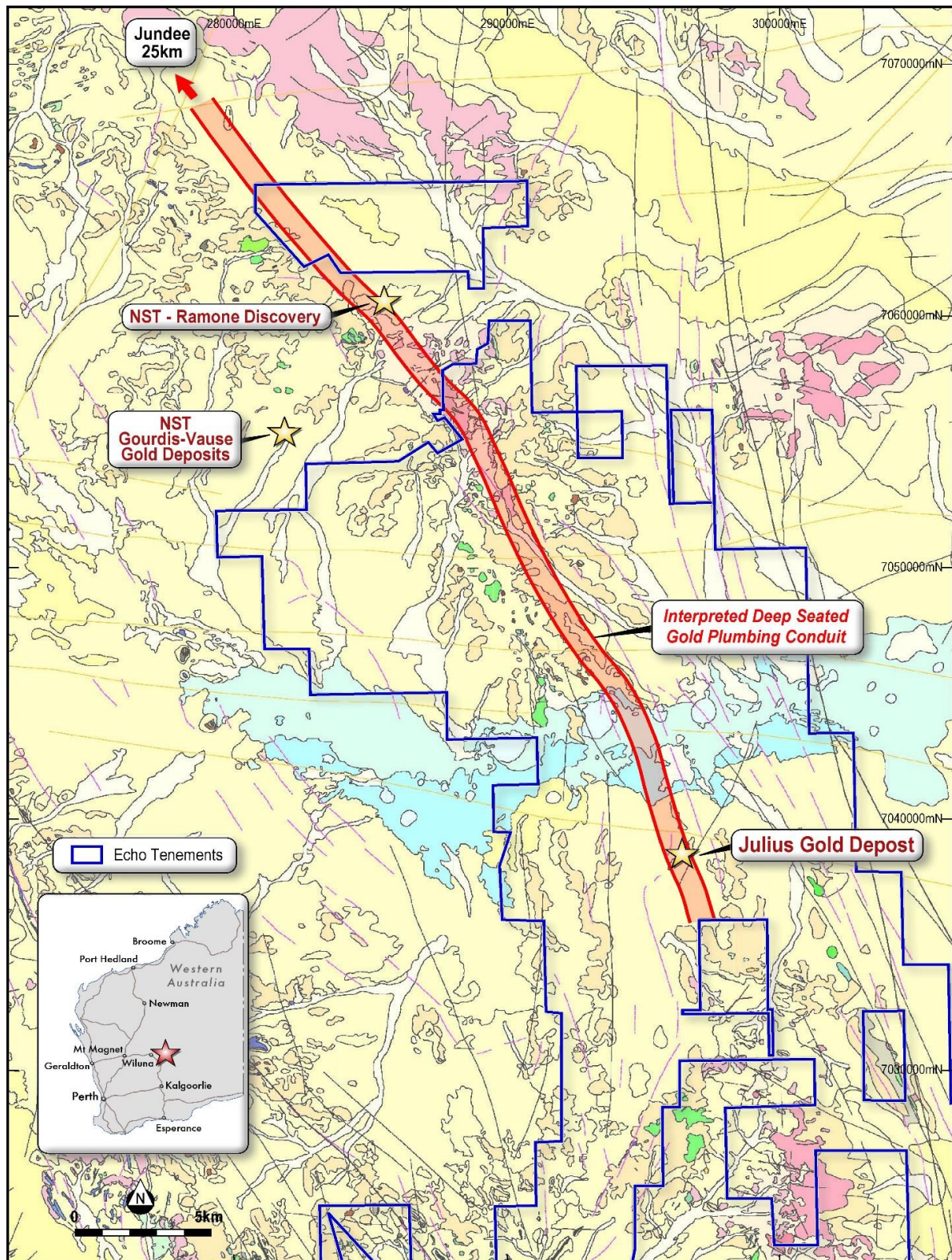


Figure 4: Outcrop Geology: North Julius, Tenements and Interpreted Major Gold Structure

Bankable Feasibility Study Update

Since the release of the Yandal Gold Project reserve statement (refer to ASX release dated 27 November 2017) Echo has continued work on refinement and documentation of the Bankable Feasibility Study. This work will finalise all technical and economic aspects of the project and enable

a final investment decision, along with access to bank finance to potentially underpin a significant portion of the capital cost of development. Ongoing work relating to the study includes:

- Receipt of final tenders for key cost items
- Detailed independent technical review (typical of that undertaken during a conventional debt financing process) to reconfirm the appropriateness of all aspects of the project and to allow the expedition of conventional project financing once a decision to develop is made
- Assessment of recent exploration results for the potential of near-term inclusion into the life of mine plan.

It is anticipated that completion of these aspects and final documentation of the BFS will be completed in the June quarter.

Corporate

Echo Strengthens Executive Team

During the quarter the Company appointed experienced mining executive Gary Lethridge as Finance Director. Mr Lethridge is a well-respected corporate leader with 30 years' experience via various successful mid-tier, growth and multinational companies. This included managerial roles at Talisman Mining Limited (Managing Director), Jubilee Mines NL (Executive General Manager – Corporate & CFO) and LionOre Mining International Limited (Australian CFO), plus non-executive director roles at Northern Star Resources Limited and Falcon Minerals Limited. He is currently the non-executive Chairman of Helix Resources Limited.

As Executive General Manager - Corporate at Jubilee Mines, Mr Lethridge was a member of the executive team that grew shareholder value from around \$400 million to \$3.1 billion over a 4½ year period and led the highly successful sale and takeover defense process, which culminated in the completion of a \$3.1 billion takeover by Xstrata Plc in February 2008.

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.

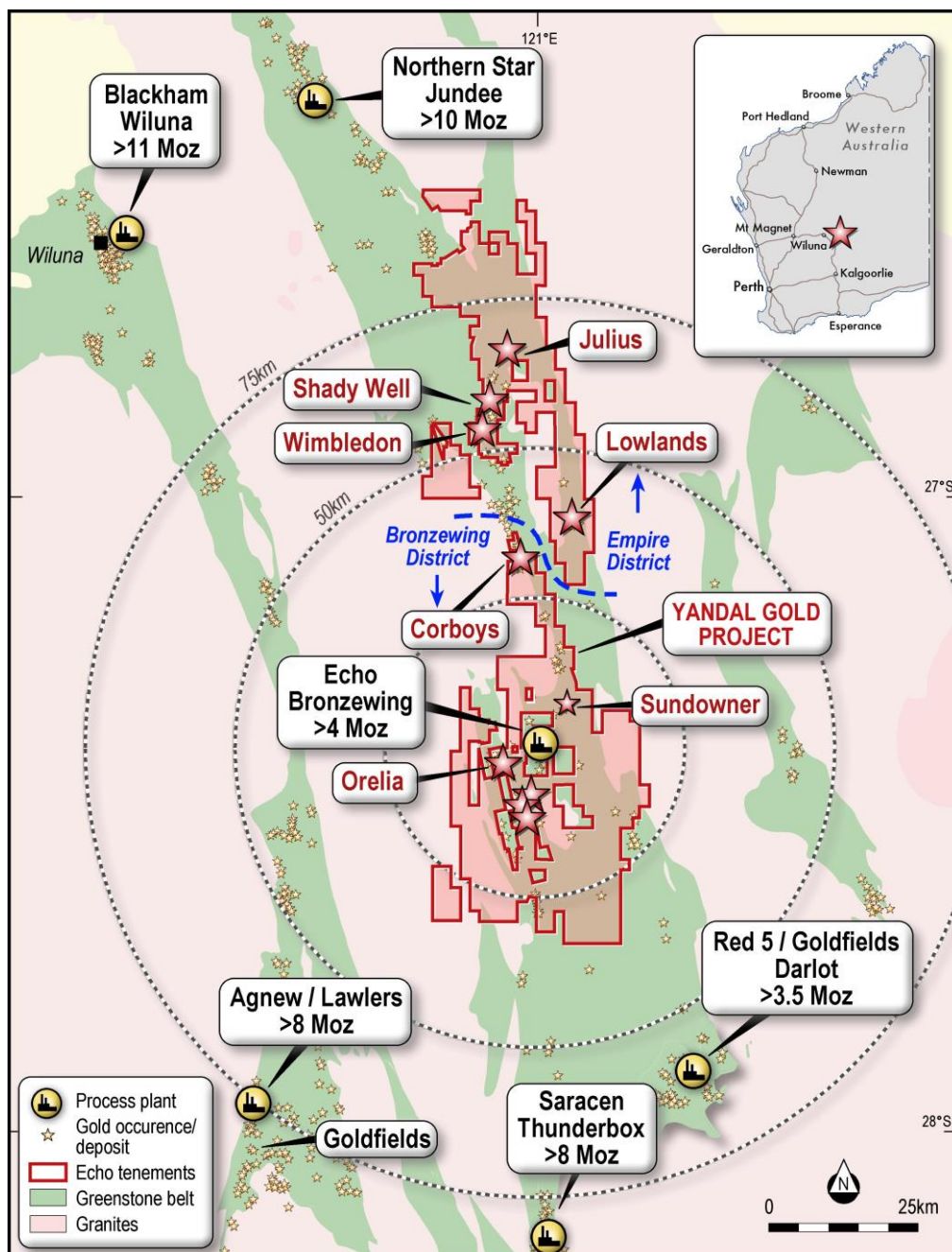


Figure 4: Echo Tenement Plan and Key Projects

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 company is currently completing a Bankable Feasibility Study (BFS) relating to the refurbishment of the Bronzewing mill and the treatment of ore from the Julius and Orelia gold deposits.

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 (BFS¹) 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 Appendix 1

² As announced to ASX 24 January 2018 (Appendix 2)

Appendix 1: Mineral Resource & Ore Reserve Estimates

Echo Mineral Resource Estimates⁷

(Ownership, Cut-off)	Measured			Indicated			Inferred			Total		
	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 (100%, 0.8)	1.8	2.1	124,227	1.6	1.3	67,789	1.8	2.5	142,991	5.2	2.0	335,007
Regional ⁵ (100%, 0.5)							2.8	1.5	134,925	2.8	1.5	134,925
Corboys ³ (100%, 1.0)				1.7	1.8	96,992	0.5	1.8	28,739	2.2	1.8	125,731
Orelia ⁴ (100%, 1.0)				14.1	2.2	980,000	1.8	1.7	100,000	15.9	2.1	1,080,000
Woorana North ² (100%, 0.5)				0.3	1.4	13,811				0.3	1.4	13,811
Woorana South ² (100%, 0.5)				0.1	1.0	3,129				0.1	1.0	3,129
Fat Lady ^{1,2} (70%, 0.5)				0.7	0.9	19,669				0.7	0.9	19,669
Mt Joel 4800N ^{1,2} (70%, 0.5)				0.2	1.7	10,643				0.2	1.7	10,643
Total Mineral Resources	1.8	2.1	124,227	18.7	2.0	1,192,033	6.9	1.8	406,655	27.4	2.0	1,722,915

Echo Ore Reserves

(Ownership, Cut-off)	Proved			Probable			Total		
	Tonnes (Mt)	Grade (g/t Au)	Ounces (Au)	Tonnes (Mt)	Grade (g/t Au)	Ounces (Au)	Tonnes (Mt)	Grade (g/t Au)	Ounces (Au)
Orelia ⁶ (100%, 0.6)				14.1	1.7	753,000	14.1	1.7	753,000
Julius ⁶ (100%, 0.8)	1.4	2.2	95,000	0.1	1.8	8,000	1.5	2.1	103,000
Total Ore Reserves	1.4	2.2	95,000	14.2	1.7	761,000	15.6	1.7	856,000

Notes:

- Resources are adjusted for Echo's 70% ownership interest
- Resources estimated by CoxsRocks (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. Echo 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.
- 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. Echo 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.
- 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 & 7 September 2017. 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.
- 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.
- Reserve estimated by Mr Stuart Cruickshanks (refer to Competent Persons Statements) in accordance with JORC Code 2012, for full details of the Ore Reserve estimate refer to the Echo Resources Limited announcement to ASX on 27 November 2017. 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 Ore Reserve estimate in the previous announcement continue to apply and have not materially changed.
- Mineral Resources are inclusive of Ore Reserves.

Forward Looking Statements

This announcement includes certain 'forward looking statements'. All statements, other than statements of historical fact, are forward looking statements that involve various risks and uncertainties. There can be no assurances that such statements will prove accurate, and actual results and future events could differ materially from those anticipated in such statements. Such information contained herein represents management's best judgement as of the date hereof based on information currently available. The Company does not assume any obligation to update any forward-looking statement.

Competent Persons' Declarations

The information in this announcement that relates to Exploration 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.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Echo Resources Ltd

ABN

34 108 513 113

Quarter ended ("current quarter")

31 March 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (nine months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	5
1.2 Payments for		
(a) exploration & evaluation	(1,643)	(5,241)
(b) development	(101)	(101)
(c) production	-	-
(d) staff costs	(586)	(1,599)
(e) administration and corporate costs	(365)	(1,040)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	14	31
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (Net GST to be Recouped)	(8)	(123)
1.9 Net cash from / (used in) operating activities	(2,689)	(8,068)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(59)	(66)
(b) tenements (see item 10)	-	(5)
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (nine months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(59)	(71)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	19,730
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(935)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	18,795

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	14,368	964
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,689)	(8,068)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(59)	(71)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	18,795
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	11,620	11,620

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	11,620	14,368
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	11,620	14,368

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	(136)
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Payments made to Directors for director's fees and consulting fees

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

N/A

Mining exploration entity and oil and gas exploration entity quarterly report

8.	Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1	Loan facilities	-	-
8.2	Credit standby arrangements	-	-
8.3	Other (please specify)	-	-
8.4	Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		
N/A			

9.	Estimated cash outflows for next quarter	\$A'000
9.1	Exploration and evaluation	(2,100)
9.2	Development	(536)
9.3	Production	-
9.4	Staff costs	(682)
9.5	Administration and corporate costs	(365)
9.6	Other (provide details if material)	-
9.7	Total estimated cash outflows	(3,683)

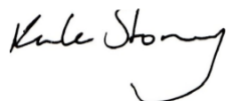
10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	Nil			
10.2	Interests in mining tenements and petroleum tenements acquired or increased	E53/1954	Wholly Owned	0%	100%

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:

Date: 23 April 2018



(Company Secretary)

Print name: Kate Stoney

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.