

ASX ANNOUNCEMENT

YANDAL GOLD PROJECT BANKABLE FEASIBILITY STUDY UPDATE

HIGHLIGHTS

- **Bankable Feasibility Study (BFS) is on track for completion by the end of June**
- **Final mining tender quotes remain the last key workstream**
- **Project management team bolstered with the addition of a Process Manager and a Mining Manager**
- **Down payments for long-lead items have been made along with cost-effective pre-development works activities**
- **Debt advisor appointed and debt financing plan in place – early discussions held with potential financiers**

Echo Resources Limited (ASX: EAR) ('Echo' or 'the Company') is pleased to advise that the Yandal Gold Project Bankable Feasibility Study ("BFS") is on track for completion by the end of June.

Echo has insisted on a high level of accuracy in the BFS and as such all major cost items have been advanced to formal tender and quote stage. The Company is now only awaiting receipt of tender submissions for the mining contract in order to finalise the BFS. These tenders are due during June.

As the Company progresses toward production it has also continued to strengthen its senior project team through the appointment of a Process Manager and Mining Manager, who have been assisting with the assessment and confirmation of capital and operating cost estimates as part of Echo's BFS process. These appointees will transition to key members of the operational team for the Yandal Gold Project once a formal development decision is made.

Where prudent, Echo has committed to long lead capital items and has commenced low cost pre-development site works in anticipation of a positive BFS outcome.

Over recent months the Company has appointed a debt advisor and also progressed planning with regard to potential project debt funding. Initial discussions with potential financiers have been encouraging.

Echo Managing Director Mr Simon Coxhell said he was very pleased with the conduct of the BFS process and the preliminary outcomes that are being generated.

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24 May 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
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Kate Stoney
Company Secretary

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“We are aware the BFS has taken longer than was initially anticipated, however this has enabled us to gain strong confidence with the level of detail and accuracy in the document” he said.

“Once we have completed the BFS, we can further advance the debt financing discussions and once all required funds are committed Echo will be in a position to make a final investment decision on the Yandal Gold Project.”

For further information please contact:

A handwritten signature in black ink, appearing to read "Simon Coxhell".

Simon Coxhell, CEO and Managing Director

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