

2018 ANNUAL REPORT



ECHO RESOURCES
LTD





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CORPORATE DIRECTORY

DIRECTORS

Barry Bolitho	Non-Executive Chairman
Simon Coxhell	Managing Director and Chief Executive Officer
Anthony McIntosh	Non-Executive Director
Mark Hanlon	Non-Executive Director
Robin Dean	Non-Executive Director

COMPANY SECRETARY

Kate Stoney
Paul Savich

PRINCIPAL OFFICE

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AUDITOR

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STOCK EXCHANGE

ASX Code: EAR

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CHAIRMAN'S LETTER

Dear fellow shareholder,

It gives me great pleasure to present this 2018 Annual Report following a busy year for Echo Resources Limited ("Echo"). Your Company has continued to experience significant growth as it further progressed the Yandal Gold Project ("Project") toward development, culminating in the release of the Bankable Feasibility Study ("BFS") in August 2018.

Exploration activity continued in parallel with the BFS and delivered encouraging results across a range of prospects during the period. The identification of a major gold corridor to the north and south of the Julius deposit in the second half of the year was a significant breakthrough and we expect this will provide exciting new drill targets for testing in the months and years ahead. We firmly believe that the exploration prospectivity of Echo's Yandal tenements is excellent both for shallow gold mineralisation as well as deeper high-grade orebodies. Echo will target the addition of ounces contained in both styles of mineralisation in the upcoming period and years ahead.

Echo's merger with Metaliko in early 2017 laid the foundations of our current strategy, providing the Company with a large landholding across the highly-prospective Yandal greenstone belt and a well-defined path to production through ownership of the Bronzewing processing hub.

Your management team has been very active over the past year and has delivered on a number of key milestones. This included substantial growth in Mineral Resources and Ore Reserves to 1.7 million ounces and 815,000 ounces respectively. Extensive and detailed work was completed to support inputs into the BFS to assess the proposed staged development of the Project.

Stage 1 of the Project, which incorporates the first four years of production, provides extremely attractive financial returns with an estimated all-in sustaining cost of A\$1,035 per ounce. At a gold price of A\$1,600 per ounce, Stage 1 generates an exceptional pre-tax IRR of 168% and pre-tax NPV₈ of A\$141 million.

The refurbishment of the Bronzewing plant for an estimated A\$19.4 million ensures an overall low capital intensity and rapid payback for the Project, with total pre-production capital estimated to be A\$39.3 million. The months leading to the completion of the BFS saw Echo appoint a debt advisor and progress debt funding discussions for the Yandal Gold Project with a range of interested parties. The BFS is a comprehensive document and has enabled the Company to gain a high-level of confidence with regard to the detail and accuracy of the study which will support the future project financing.

During the year, Echo also welcomed gold producer Northern Star Resources Limited onto the share register as Echo's biggest individual shareholder with a 19.8% stake. We believe this investment by Northern Star is an endorsement of Echo's Yandal exploration and development strategy.

I would like to thank all Echo staff for their wonderful enthusiasm, hard-work and belief in the Company and I also take this opportunity to thank my fellow Directors for their support and guidance.

Finally, I thank all our valued shareholders for your continued support and ongoing investment in Echo.

We are confident our strategy will continue to add value to the business for our shareholders over the next 12 months and beyond as we continue as an active and successful gold explorer and move toward our ultimate ambition of being a profitable gold producer.

Yours Sincerely



Barry Bolitho
Chairman



REVIEW OF OPERATIONS

YANDAL GOLD PROJECT

Echo Resources Limited ("Echo") controls a large portion of the central Yandal greenstone belt through ownership of a highly prospective tenement package covering more than 1,600km² (refer Figure 1) and collectively known as the Yandal Gold Project (the "Project"). The tenements are located approximately 400km north of Kalgoorlie in Western Australia's northern goldfields and includes the 2 million tonne per annum ("Mtpa") Bronzewing processing plant and extensive associated infrastructure.

Echo's strategy is to build a sufficient mineral inventory within trucking distance of the Bronzewing plant to support the establishment of a sustainable and profitable gold mining operation. In conjunction, modern exploration techniques are being used to target new gold discoveries in this prospective and underexplored district.

A number of significant milestones were achieved at the Project in FY2018 in support of these objectives. Activities culminated with the completion of a detailed Bankable Feasibility Study ("BFS") in August 2018 which confirmed the forecast robust economic returns for the Project.

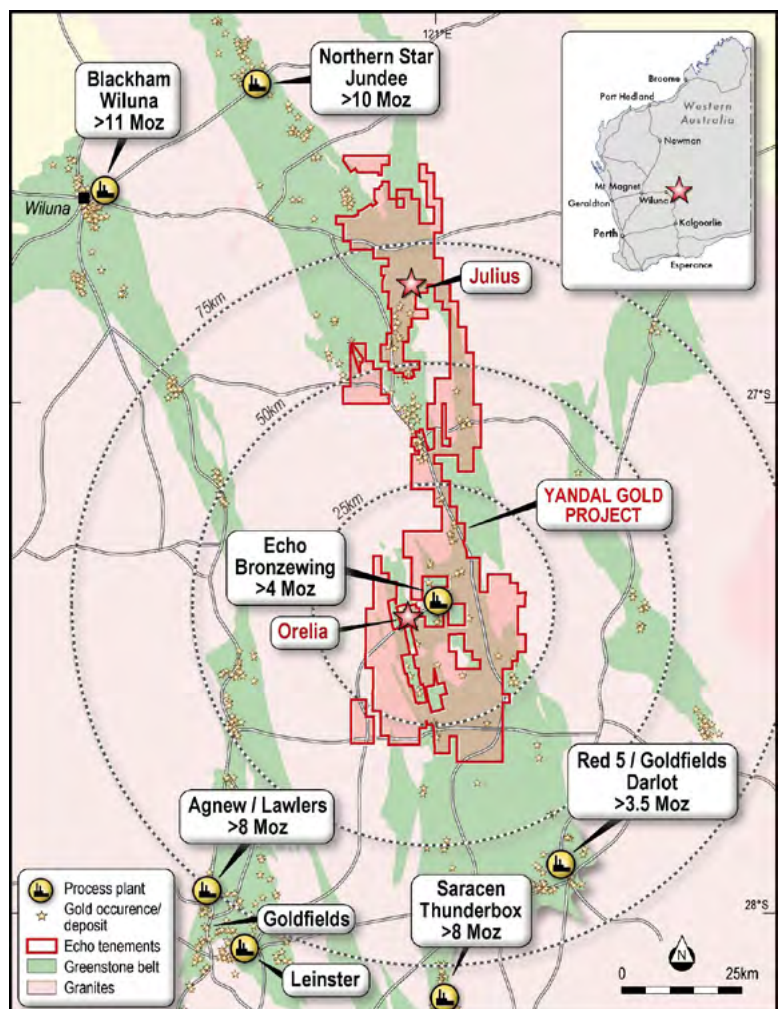


Figure 1: The Yandal Gold Project including surrounding gold mines and mining assets

MINERAL RESOURCES AND ORE RESERVES

Drilling programs during the period added more than 600,000 ounces of gold to the Mineral Resource estimates for the Project and delivered a more than tenfold increase in Ore Reserves to 815,000 ounces of gold.

In September 2017, the Mineral Resource Estimate for the Orelia deposit was upgraded to 15.9 million tonnes

grading 2.1 grams a tonne for 1.1 million ounces of gold. This increased the Project's overall Mineral Resource Estimate to approximately 1.7Moz of gold (refer Table 1). Of this, 1.4Moz is contained within the Orelia and Julius gold deposits which are the focus of the current mine plan. Within the Orelia and Julius deposits, 26% are now classified as Measured Resources and 83% as Measured and Indicated which underpins the open pit Ore Reserve Estimate (refer Table 2).

TABLE 1: YANDAL GOLD PROJECT – TOTAL MINERAL RESOURCE ESTIMATES

(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)	2.8	2.6	237,000	11.2	2.0	732,000	1.9	1.7	101,000	15.9	2.1	1,070,000
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	4.6	2.4	361,227	15.8	1.9	944,033	7.0	1.8	407,655	27.4	1.9	1,712,915





TABLE 2: YANDAL GOLD PROJECT – 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)
Stage 1									
Orelia ⁶ (100%, 0.6)	2.4	2.3	179,000	3.2	1.6	165,000	5.6	1.9	344,000
Julius ⁶ (100%, 0.8)	0.8	2.4	61,000	0.1	2.2	7,000	0.9	2.4	68,000
Stage 1 Total	3.2	2.3	240,000	3.3	1.6	172,000	6.5	2.0	412,000
Stage 2									
Orelia ⁶ (100%, 0.6)				7.8	1.5	366,000	7.8	1.5	366,000
Julius ⁶ (100%, 0.8)	0.7	1.6	36,000	0.0	1.4	1,000	0.7	1.6	37,000
Stage 2 Total	0.7	1.6	36,000	7.8	1.5	367,000	8.5	1.5	403,000
Life of Mine									
Orelia ⁶ (100%, 0.6)	2.4	2.4	179,000	11.0	1.5	531,000	13.3	1.7	710,000
Julius ⁶ (100%, 0.8)	1.5	2.1	97,000	0.2	1.7	8,000	1.6	2.0	105,000
Total Ore Reserves	3.8	2.2	276,000	11.1	1.5	539,000	14.9	1.7	815,000

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. 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 7 September 2017 & 14 June 2018. 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 in August 2018. 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, rounding errors may occur.

BANKABLE FEASIBILITY STUDY OUTCOMES

The BFS incorporates the mining of ore from the Orelia and Julius gold deposits with processing undertaken at the refurbished Bronzewing process plant based upon an assumed throughput rate of 1.8 Mtpa. The plant is a conventional CIL gold treatment plant with an installed gravity circuit and 2.0 Mtpa nameplate capacity.

The BFS contemplates a two-stage project, with Stage 1 incorporating the first ~3.75 years of production and Stage 1 and 2 resulting in a total mine life of ~8.5 years. Total production over the life of the project is estimated at 746,000 ounces.

The Orelia orebody in particular lends itself to a staged approach. The pit staging aims to exploit the highest value, lowest strip ore in the earlier phases of mining. This has the effect of accelerating economic returns, minimising capital payback timeframes and delivering maximum operating and financial flexibility.

The mining schedule has been predicated on providing sufficient ore to the mill to ensure it is run at an annual throughput rate of 1.8 Mtpa. The BFS assumes contract mining utilising standard equipment appropriate to the scale of operations planned.

Stage 1 of the Project (Years 1 to 4) requires a relatively low pre-production capital intensity and provides an accelerated route to production. It targets the highest gold grades and lowest mining strip ratios to maximise financial returns. Following a revision of the Orelia Ore Reserve as part of the BFS, approximately 67% of the Stage 1 Ore Reserves of 412,000 ounces are JORC-classified as Proved.

Both the Orelia and Julius gold deposits are amenable to the mining of significant quantities of ore at or shortly after mining commencement. Orelia has significant quantities of ore located at the base of the existing pit and mining of that ore can commence relatively quickly without any significant waste stripping. Following an initial 8 vertical-metre pre-strip, Julius contains flat lying, laterite mineralisation (with a 3:1 strip ratio and average grade in excess of 2.0 g/t Au), followed by high grade supergene mineralisation (approximately 440,000 tonnes @ 2.65 g/t Au).



Figure 2: Bronzewing Process Plant

Stage 2 of the Project plans for a significant cut back of the Orelia open pit in order to access ore at depth in later years. Echo is actively advancing the identification and assessment of potential additional high grade, near-mine ore sources to extend the Stage 1 mine life. A number of these advanced prospects are discussed in the Exploration section of this report.

The BFS anticipates refurbishment of the Bronzewing plant at an estimated cost of A\$19.4 million. Total estimated pre-production capital for the development of the Project is relatively low at A\$39.3 million, due in large part to the extensive infrastructure already in place at Bronzewing which includes:

- An unsealed airstrip suitable for propeller aircraft (flight time from Perth is approximately 1.5 hours)
- Electrical reticulation network and power station infrastructure, available for a suitable contract power supplier
- Fully permitted existing tailings storage facilities with capacity to store at least 17.5 million tonnes
- Raw water is available from an existing licensed borefield and disused open pits with pipework currently in place
- Site administration, warehouse and workshop buildings
- Accommodation facilities for 240 people.

Operating costs for the Project, as estimated in the BFS, will see it rank competitively and produce strong margins at the prevailing gold price, particularly in the first four years during Stage 1 (refer Table 3). Forecast C1 Cash Cost during Stage 1 is A\$936 per ounce and forecast All-In Sustaining Cost ("AISC") is A\$1,036 per ounce. The forecast C1 Cost and AISC for the combined Stage 1 and 2 mine plan are A\$1,175 per ounce and A\$1,273 per ounce respectively.

At a A\$1,600/oz gold price, Stage 1 of the Project is forecast to deliver pre-tax net cashflow of A\$181 million and provides capital payback after approximately 12 months of production. At a A\$1,700/oz gold price, forecast pre-tax net cashflow increases to A\$217 million.

The combined Stage 1 and 2 Project is forecast to generate A\$214 million in pre-tax net cashflow at a A\$1,600/oz gold price. At a A\$1,700/oz gold price, forecast pre-tax net cashflow increases to A\$284 million.

Full details of the BFS outcomes and project scope can be found in the "Yandal Gold Project – Bankable Feasibility Study" announcement made to ASX on 6 August 2018.

TABLE 3: YANDAL GOLD PROJECT – BFS KEY ECONOMIC PERFORMANCE INDICATORS

	Units	Stage 1	Stage 1 + 2 (LOM)
Project Life	Years	3.75	8.50
Total Ore (mined) ¹		6.5Mt @ 2.0 g/t Au for 412koz	14.9Mt @ 1.7 g/t Au for 815koz
Gold Revenue			
Gold Price	A\$/oz	1,600	1,600
Gold Sales	Oz	380,402	746,168
Gold Sales Revenue	A\$M	609	1,194
Pre-Production Costs			
Development Capital	A\$M	30	30
Pre-Production Mining & Other (no creditor days) ⁴	A\$M	9	9
Total Pre-Production Costs	A\$M	39	39
Production Period Costs			
Mining ⁴	A\$M	172	459
Processing ⁴	A\$M	131	315
General & Administrative ⁴	A\$M	41	91
Royalties	A\$M	36	69
Sustaining Capital	A\$M	4	7
Project Net Cashflow, pre-tax	A\$M	184	214
Pre-tax NPV (8%)	A\$M	141	147
Pre-tax IRR	% p.a.	168%	155%
Payback Period (pre-tax, from first production)	Years	1.0	1.0
Project Cashflows, Post-Tax, Ungear			
Project Net Cashflow, pre-tax (as above)	A\$M	184	214
Income Tax (ungear, no corporate tax shield)	A\$M	55	67
Project Net Cashflow, post-tax, ungear	A\$M	129	147
Post-tax NPV (8%)	A\$M	98	99
Post-tax IRR	% p.a.	132%	111%
Payback Period (post-tax, from first production)	Years	1.1	1.1
Production Cost Metrics			
C1 Cost (Mining, Processing, Site G&A) ²	A\$/oz	936	1,175
All-In Sustaining Cost (AISC)³	A\$/oz	1,035	1,273

1: The Ore Reserves underpinning the above production target have been prepared by a Competent Person or Persons in accordance with the requirements of the JORC (2012) Code. Refer to JORC tables, Qualifications and Competent Persons Statements. Based on assumed throughput of 1.8Mtpa.

2. C1 Cash Cost includes all mining and processing costs, site administration costs, transport, refining charges.

3. AISC = C1 cost plus royalties and sustaining capital however excludes corporate head office costs.

4. Refer to ASX Announcement released on 6 August 2018 for a detailed breakdown of costs, pre-production costs are net of commissioning revenue.

5. All figures are presented in nominal Australian dollars, tax is applied at a flat corporate rate of 30%, unadjusted for inflation

6. Rounding errors may occur.

PROJECT DEVELOPMENT – NEXT STEPS

Following the positive outcomes of the BFS, the Board of Echo conditionally approved the development of Stage 1, subject to obtaining a suitable financing solution and all required statutory approvals.

The project development timeline to first gold is targeted to be less than six months from the time at which an unconditional Final Investment Decision (FID) on Stage 1 is made (refer Table 4). Plant refurbishment is

anticipated to take 20 weeks with mining commencing at the Julius and Orelia deposits two and one months prior to first ore processing, respectively. Other site works and system development will be undertaken in parallel with these key critical path project development activities.

Commencement of development remains subject to receipt of necessary approvals and finalisation of project financing.

TABLE 4: YANDAL GOLD PROJECT DEVELOPMENT TIMELINE

KEY PROJECT ITEM / WEEK	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26
Board Approval / Final Investment Decision																											
OHS Framework Developed & Implemented																											
Bronzewing Accommodation Refurbishment																											
Power Supply Install																											
Process Water Supply																											
Haul Road Construction																											
Julius & Orelia Mine Site Services																											
Supplier Contracts & First Fill																											
Mining Contract Negotiations & Agreement																											
Mining Commencement																											
Ore Haulage Commencement																											
Process Plant Refurbishment																											
Process Plant Commissioning																											
First Gold																											

EXPLORATION

EXPLORATION SUCCESS AND FUTURE UPSIDE

Echo controls more than 1,600km² of contiguous tenure in the Yandal greenstone belt which hosts several multi-million-ounce deposits (refer Figure 1). By building a larger mining inventory around the existing Bronzewing infrastructure, Echo has the opportunity to add significant additional value to the Project. This includes the addition of close to surface oxide material, as well as testing the potential of known systems at depth.

To achieve this, the Company's exploration strategy is built on increasing the understanding of the controls of gold mineralisation in the Yandal greenstone belt. This is being achieved by generating extensive datasets to refine search areas in 3D, using detailed ground gravity surveys and other geophysical data to identify key regional structures and using cutting edge science in collaboration with the CSIRO to unlock the large alteration systems around gold deposits.

Echo's project generation work underpinned the successful testing of several new targets during the period. Numerous new gold-in-soil anomalies on large mineralised structures were identified through a program of more than 2,000 auger holes testing conceptual targets generated from a detailed structural review of the Yandal project completed in the previous period.

ORELIA GOLD DEPOSIT – EXTENSIONAL DRILLING

Aircore drilling to the north of the Orelia gold deposit indicated potential to extend near-surface oxide mineralisation to the north towards the historic Lotus open pit (refer Figure 3). High-grade intersections were achieved to a vertical depth of up to 80 metres and potential remains to extend the mineralised zone along strike to the north.



Figure 3: Plan view of Lotus-Orelia with interpreted shear zones.

HADRIAN TREND

Gravity surveys completed by Echo in 2017 identified a new, highly prospective structural corridor running northwest of the Julius gold deposit (refer Figure 4). The data outlined a potential deep-seated gold plumbing conduit that controls the emplacement of syenitic-type granitoid units with potential to host significant gold deposits.

Northern Star's discovery of the Ramone deposit within this trend further validates the potential of this structural corridor. Subsequent work completed by Echo suggests the corridor extends south of the Julius deposit through the Lowlands and Forked Stick gold prospects (Figure 5).

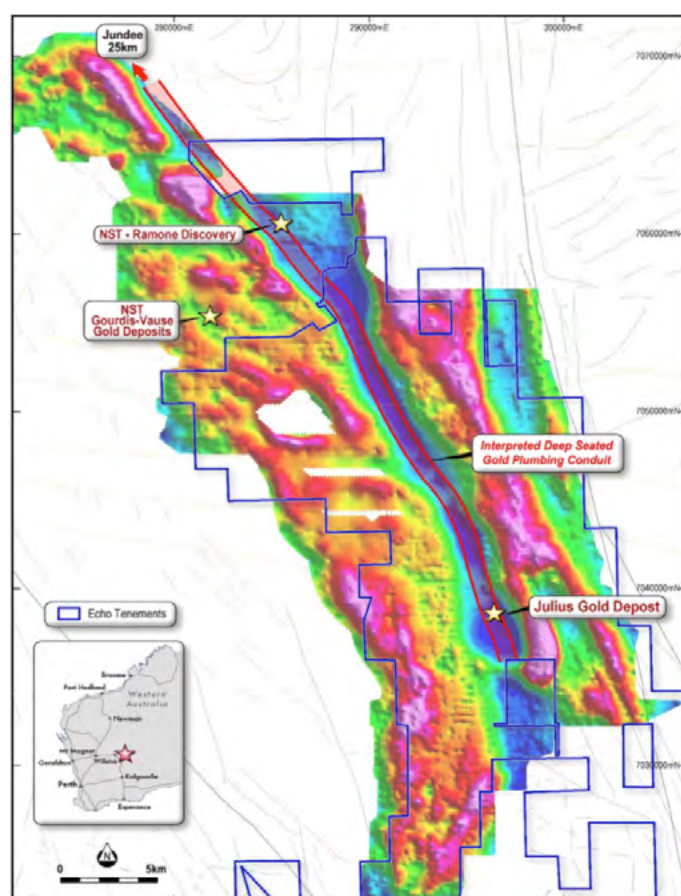


Figure 4: Gravity image of Echo tenements and interpreted gold corridor on major structure

This large corridor has seen very limited drilling. A first program of scout drilling was undertaken subsequent to the end of the period and this corridor remains an important area for continued exploration.

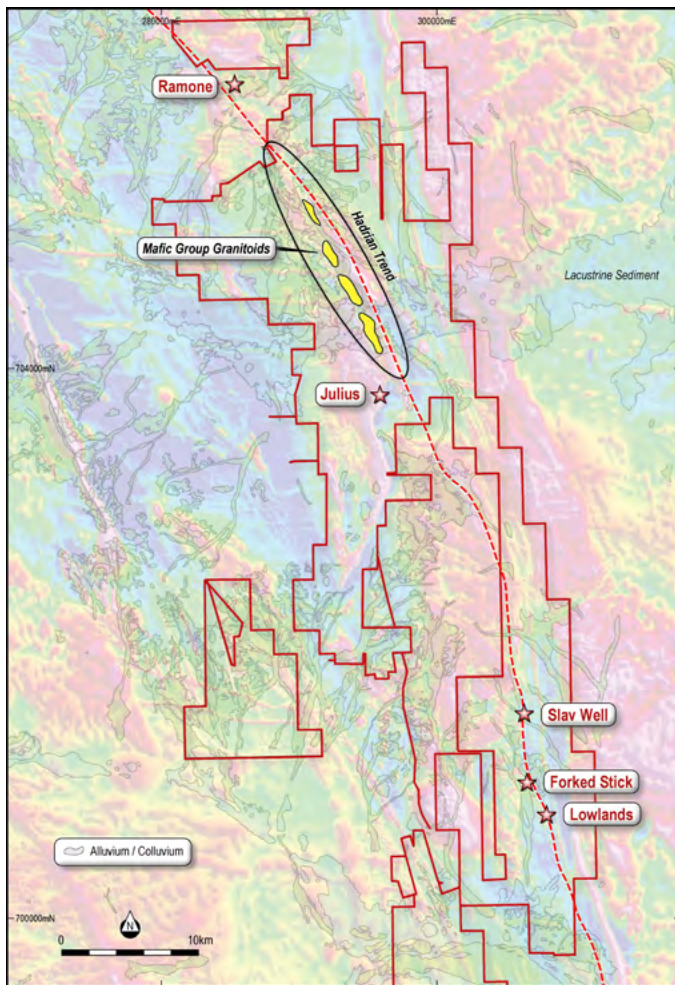


Figure 5: Aeromagnetic image of Echo tenements and interpreted gold corridor

LOWLANDS GOLD PROSPECT (ECHO 70%)

Lowlands is located 35 kilometres northeast of Bronzewing and was acquired by Echo in August 2016. It sits within the interpreted Hadrian Trend to the south of the Julius deposit.

During the period Echo completed 19 aircore drill holes for 711 metres, followed by 40 RC drill holes for 2,934 metres (Figure 6). The objective of the RC drill program was to provide greater drill density for resource calculation and pit optimisation studies.

Lowlands comprises shallowly southwest dipping mineralised quartz veins, within a package of sheared and carbonated mafic rocks, which outcrop in historical workings at surface. Mineralisation extends over 220m of strike and remains open along strike and at depth (refer Figure 7).

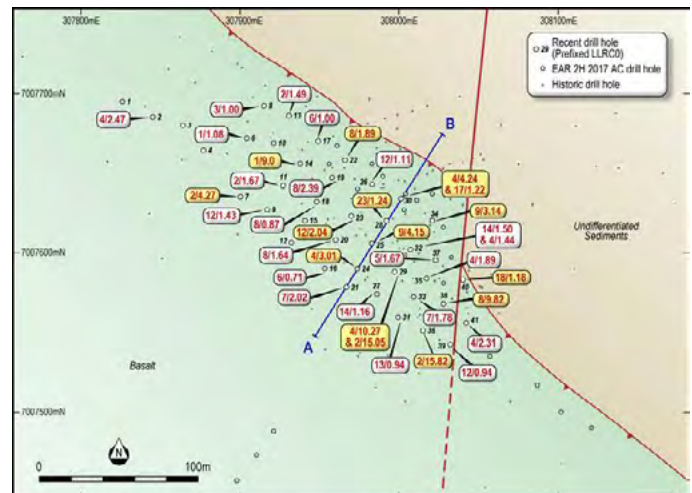


Figure 6: Location of drill hole collars at the Lowlands gold prospect

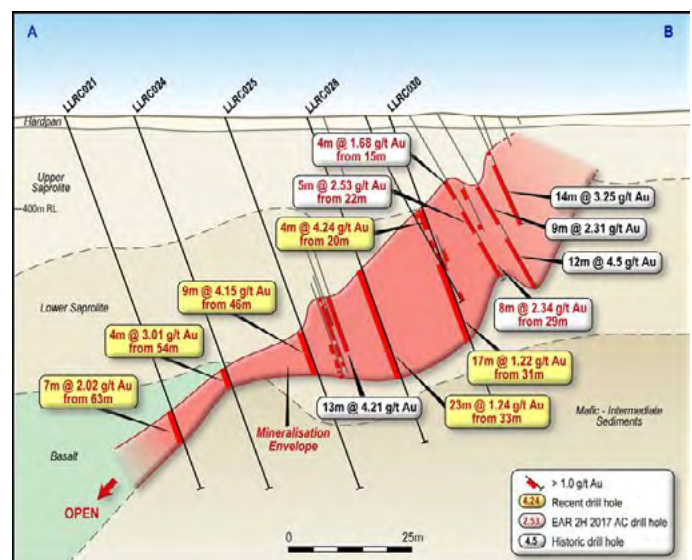


Figure 7: Cross-section through the Lowlands gold prospect

Best results from the RC drill program include:

- 8 metres at 9.82 g/t Au from 20 metres (LLRC038)
- 4 metres at 10.27 g/t Au from 50 metres (LLRC029)
- 2 metres at 15.82 g/t Au from 59 metres (LLRC036)

The results will be incorporated into a resource estimation and subject to economic assessment with the objective of adding Lowlands into the life of mine plan for the Project.

FORKED STICK GOLD PROSPECT (ECHO 70%)

The Forked Stick gold prospect also sits in the southern portion of the interpreted Hadrian Trend and is approximately 37 kilometres north-north-east of Bronzewing. The prospect was acquired by Echo in August 2016 as part of the Lowlands gold project acquisition.

It is contained within a package of sheared and carbonated mafic rocks, which outcrop in historical workings at surface. Mineralisation at Forked Stick is associated with what are interpreted to be steeply east dipping quartz veins. The orientation of historical drilling at the prospect suggests it has been largely ineffective.

A 20-hole reconnaissance aircore drilling program was undertaken by Echo to test its structural interpretation intersected near surface, high-grade mineralisation including:

- 8m @ 8.97g/t Au from 12m (FSAC014)
- 4m @ 6.09g/t Au from 4m (FSAC007)
- 4m @ 4.43g/t Au from 12m (FSAC017).

Mineralisation remains open along strike and at depth and follow-up drilling will be completed in the upcoming period to test both the lateral and depth continuity (refer Figure 8).

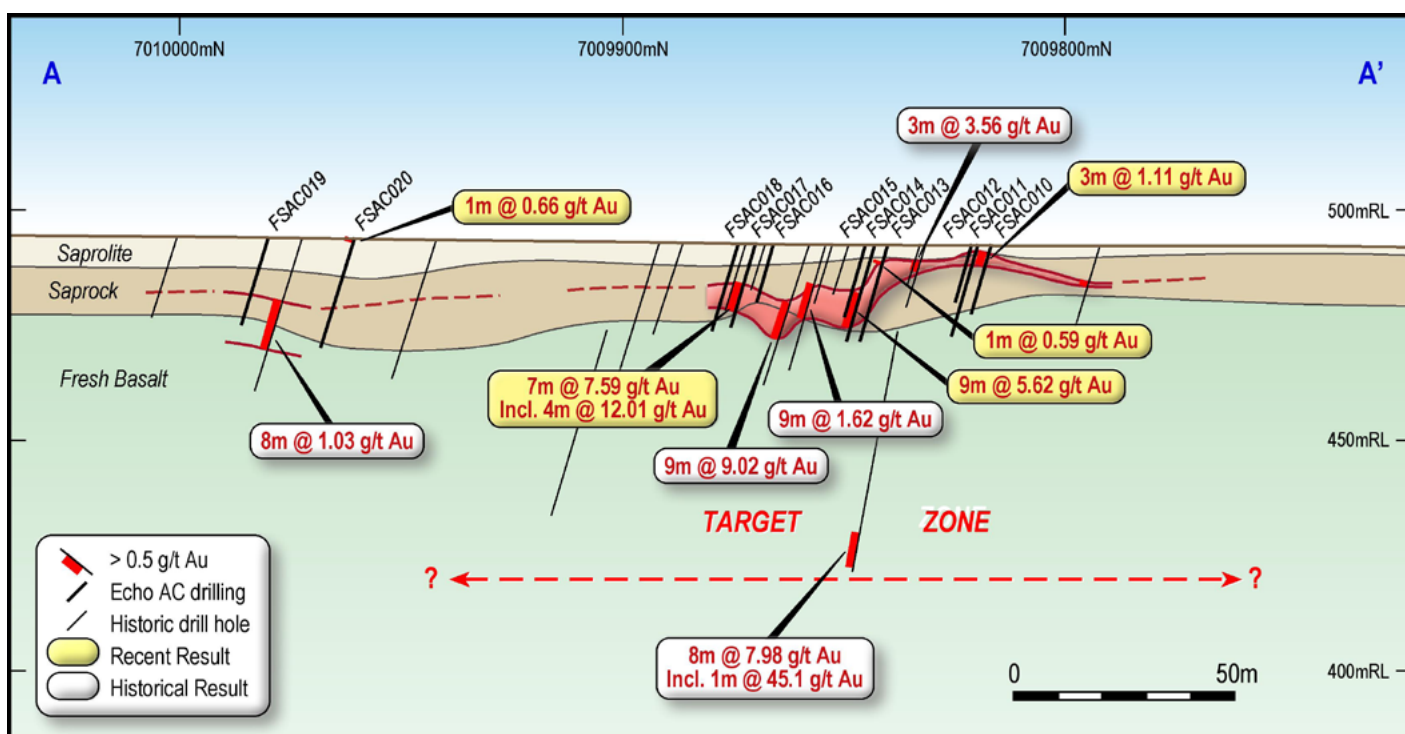


Figure 8: Representative long-section through the Forked Stick prospect



CORPORATE

CAPITAL RAISING

During the period, Echo completed two capital raisings to support the ongoing exploration and Project study work at the Yandal Gold Project, as well as to provide general working capital.

In July 2017, \$5 million was raised via a heavily oversubscribed placement of 50 million fully paid shares at an issue price of \$0.10 per share. The placement was made to a range of quality institutional and sophisticated investors and Echo shareholders approved non-executive directors subscribing for 1.1 million shares. Argonaut Securities acted as Lead Manager to the placement.

In October 2017, the Company raised \$15 million via a further placement of 68,181,818 new fully paid ordinary shares to institutional and sophisticated investors at an issue price of \$0.22 per share. Canaccord Genuity (Australia) Limited was Sole Underwriter and Bookrunner, Euroz Securities Limited was Joint Lead Manager and BW Equities acted as a broker to the issue.

INVESTMENT BY NORTHERN STAR LIMITED

On 8 December 2017 Northern Star Resources Limited (Northern Star) (ASX: NST) became a substantial shareholder in the Company. Northern Star purchased 80 million shares in Echo on-market at an average price of \$0.29 representing a 16.4% interest. Northern Star currently holds approximately 19.8% of Echo's share capital.



DIRECTORS' REPORT

The Directors present the following annual report on the consolidated entity (Echo or the Group) consisting of Echo Resources Limited and the entity it controlled at the end of, or during, the financial year ended 30 June 2018.

DIRECTORS

The names of each person who has been a Director during the year and continues in office to the date of this report are:

Barry Bolitho	Non-Executive Chairman
Simon Coxhell	Director and Chief Executive Officer
Gary Lethridge	Finance Director from 8 March 2018 to 3 September 2018
Anthony McIntosh	Non-Executive Director
Robin Dean	Non-Executive Director
Mark Hanlon	Non-Executive Director

INFORMATION ON CURRENT DIRECTORS

BARRY BOLITHO (NON-EXECUTIVE CHAIRMAN) BAPPSC, DIP APP CHEM, ASSOC DEG.VIT, FAUSIMM

Mr Bolitho has over 40 years' experience as a mining professional. He has been responsible for the commissioning and management of a number of gold mining operations, both in Western Australia and internationally. He has gained extensive experience in the executive management of resource based companies with particular emphasis in exploration, operations, project management, administration and corporate development. He has been an executive and non-executive director of a number of ASX and TSX listed resource companies over a long period and has worked closely with financiers, brokers and analysts.

Special Responsibilities

Remuneration Committee (Chairman)

Other Current Directorships

Symbol Mining Limited (appointed December 2017)

Former Directorships in the Last Three Years

Meridian Mining (TSX:MNO) (July 2014 to May 2018)

SIMON COXHELL (DIRECTOR & CEO) BSC, AUSIMM

Mr Coxhell is a geologist with 30 years of diverse experience encompassing all aspects of the resource sector including exploration, resource development, metallurgical considerations and mining. In addition, exposure to capital markets, fund raising and significant corporate experience over the last 15 years in senior executive appointments.

Special Responsibilities

Remuneration Committee

Other Current Directorships

None

Former Directorships in the Last Three Years

None

GARY LETHRIDGE (FINANCE DIRECTOR) BCOM, CA, FGIA, FCIS, MAICD

Mr Lethridge is a mining and corporate executive with 30 years' experience via various successful mid-tier, growth and multinational companies. This has 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.

Special Responsibilities

NIL

Other Current Directorships

Helix Resources Limited (appointed March 2017)

Former Directorships in the Last Three Years

Reward Minerals Limited (April 2017 to May 2017)
Talisman Mining Limited (Feb 2009 to March 2016)

ANTHONY MCINTOSH (NON-EXECUTIVE DIRECTOR) BCOM, GAICD

Mr McIntosh holds a Bachelor of Commerce degree from Bond University and is a graduate of the AICD directors course. He manages a portfolio of investments including both listed and unlisted companies, as well as rural, residential and commercial properties. He holds board positions with listed and unlisted companies and brings to Echo marketing, investor relations and strategic planning skills, as well as a network of stockbroking and investment fund manager supporters.

Special Responsibilities

Audit and Risk Committee
Remuneration Committee

Other Current Directorships

Symbol Mining Limited (appointed January 2018)

Former Directorships in the Last Three Years

None

MARK HANLON (NON-EXECUTIVE DIRECTOR) BBUS, MBUS

Mr Hanlon has over ten years of experience in the resources and resource services sector as well as over ten years experience in commercial and merchant banking. He has a broad background of senior executive experience across a wide range of industries including mining, mining services, electricity distribution, electronics contract manufacturing, paper and packaging and insurance. He has most recently been the Finance Director of ENK PLC and previously held the position or equivalent position of CFO with listed companies such as Century Drilling and International Contract Manufacturing Limited. He holds a Bachelor of Business in Finance and Accounting and a Master of Business in Banking and Finance.

Special Responsibilities

Audit and Risk Committee (Chairman)

Other Current Directorships

Red River Resources (appointed Oct 2015)
Copper Strike Limited (appointed June 2014)

Former Directorships in the Last Three Years

Strandline Resources Limited (Oct 2015 to March 2016)

ROBIN DEAN (NON-EXECUTIVE DIRECTOR) BECON

Mr Dean holds a Bachelor of Economics degree from the University of Western Australia he has had over thirty years experience in banking, project finance and commodity hedging. Mr Dean has been CEO of a number of public companies including St Barbara Mines Limited and been instrumental in the funding and development of numerous significant mining projects throughout Australia.

Special Responsibilities

Audit and Risk Committee

Other Current Directorships

None

Former Directorships in the Last Three Years

Intermin Resources Limited (Oct 2012 to May 2016)
Metaliko Resources Ltd (Oct 2012 to Jan 2017)

JOINT COMPANY SECRETARY**KATE STONEY**

Ms Stoney is a Certified Practising Accountant. She graduated from Edith Cowan University with a Bachelor of Business (double major in accounting and finance). Ms Stoney has over ten years experience working in accounting and administration including senior positions in listed companies.

PAUL SAVICH (APPOINTED 8 AUGUST 2018)

Mr Savich is a Chartered Accountant, holds a Masters of Applied Finance and has served as the Company's General Manager Corporate since 2016. Previously Mr Savich has held roles with Gryphon Minerals, Reward Minerals and Deloitte with experience ranging from project acquisition to financing and development.

DIRECTORS' INTERESTS IN SHARES AND OPTIONS

As at the date of this report the relevant interest of each Director in the shares and options of the Group are:

	Shares		Options		Performance Rights	
	Direct	Indirect	Direct	Indirect	Direct	Indirect
Directors	2018	2018	2018	2018	2018	2018
Barry Bolitho	3,674,850	-	1,500,000	-	-	-
Simon Coxhell	80,000	-	3,000,000	-	574,267	-
Gary Lethridge	-	-	2,500,000 ¹	-	-	-
Anthony McIntosh	265,000	6,700,902	-	1,250,000	-	-
Robin Dean	-	100,000	-	1,250,000	-	-
Mark Hanlon	-	3,350,000	-	1,250,000	-	-

1. Options are subject to shareholder approval

PRINCIPAL ACTIVITY

The principal activity of the Group is the exploration for, and development of, mineral resources in the Yandal Belt region of Western Australia.

REVIEW OF OPERATIONS AND RESULTS

Details of the operations of the Group are set out in the Review of Operations on page 6.

The Group incurred an after-tax operating loss of \$13,156,957 (2017: \$37,755,744).

DIVIDENDS

No dividend has been paid or recommended for the current year.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

In the opinion of the Directors, there were no other significant changes in the state of affairs of the Group that occurred during the year under review not disclosed in this report or in the financial statements.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

On 8 August 2018 Mr Paul Savich was appointed Joint Company Secretary of Echo Resources Limited.

On 28 August 2018 2,000,000 incentive options previously issued under the Employee Incentive Scheme were cancelled, along with the issue of 500,000 new incentive options under the Employee Incentive Scheme.

On 4 September 2018 Echo Resources Limited announced the resignation of Executive Director Mr Gary Lethridge. Mr Lethridge was appointed a director of the Company on 8 March 2018.

On 17th September 2018 the Company announced that it had accepted the resignation of Director and CEO, Mr Simon Coxhell, effective date has not yet been determined.

There have been no other matters or circumstances, other than that referred to in the financial statements or notes thereto, that have arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the Group. Accordingly, this information has not been disclosed in this report.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Likely developments in the operations of the Group are set out in the Review of Operations on page 6.

MEETINGS OF DIRECTORS

The numbers of meetings of the Company's Board of Directors held during the year ended 30 June 2018, and the numbers of meetings attended by each director were:

Name of Director	Number eligible to attend in 2018	Number attended in 2018
Barry Bolitho	10	10
Simon Coxhell	10	10
Gary Lethridge (appointed 8 March 2018 to 3 September 2018)	7	7
Anthony McIntosh	10	10
Robin Dean	10	10
Mark Hanlon	10	9

AUDIT COMMITTEE

The Group has an Audit Committee that comprises three Non-Executive Directors. The Audit Committee meet once during the year. This Committee is chaired by Non-Executive Director Mr Mark Hanlon.

Name of Director	Number eligible to attend in 2018	Number attended in 2018
Anthony McIntosh	1	1
Robin Dean	1	1
Mark Hanlon	1	1

REMUNERATION COMMITTEE

The Group has a Remuneration Committee that comprises two Non-Executive Directors and one Executive Director. The Audit Committee meet once during the year. This Committee is chaired by Non-Executive Director Mr Barry Bolitho.

Name of Director	Number eligible to attend in 2018	Number attended in 2018
Barry Bolitho	1	1
Simon Coxhell	1	1
Anthony McIntosh	1	1

ENVIRONMENTAL REGULATIONS

The Company's operations are subject to environmental regulation in respect to its mineral tenements. This relates to exploration activities on those tenements. No breaches of any environmental restrictions were recorded during the financial year. The Company has not yet fully reviewed the reporting requirements under the *Energy Efficient Opportunities Act 2006* or the *National Greenhouse and Energy Reporting Act 2007* but believes it has adequate systems in place to ensure compliance with these Acts having regard to the scale and nature of current operations.

DIRECTORS' BENEFITS

Since the date of the last Directors' Report, no Director of the Group has received, or become entitled to receive, (other than a remuneration benefit included in Note 25 to the financial statements or remuneration report), a benefit because of a contract that involved:

- (a) the Director; or
- (b) a firm of which the Director is a member; or
- (c) an entity in which the Director has a substantial financial interest (during the year ended 30 June 2018, or at any other time) with the Group; or
- (d) an entity that the Group controlled, or a body corporate that was related to the Group, when the contract was made or when the Director received, or became entitled to receive, the benefit (if any).

REMUNERATION REPORT (AUDITED)

The information provided in this remuneration report has been audited as required under Section 308(3C) of the *Corporations Act 2001*. The names of key management personnel in office are as follows.

Barry Bolitho	Non-Executive Chairman
Simon Coxhell	Chief Executive Officer
Gary Lethridge	Finance Director (appointed 8 March 2018)(resigned 3 September 2018)
Anthony McIntosh	Non-Executive Director
Robin Dean	Non-Executive Director
Mark Hanlon	Non-Executive Director
Rodney Johns	Chief Operating Officer

REMUNERATION GOVERNANCE

The Group has a Remuneration Committee chaired by Non-Executive Mr Barry Bolitho. The Group's policy for determining the nature and amount of remuneration for Board members and senior executives of the Group is as follows:

The objective of the Group's policy is to provide remuneration that is competitive and appropriate. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- (i) competitiveness and reasonableness;
- (ii) acceptability to shareholders;
- (iii) transparency; and
- (iv) capital management.

The Remuneration Committee considers that, at this time, evaluation of the Company's financial performance using generally accepted measures such as profitability, total shareholder return or peer company comparison is not relevant as the Company's assets have not yet been developed to the point where they can generate revenue.

The Company does however grant share-based payments in the form of options to align the interests of executives, employees and consultants with those of shareholders. During the period 2,500,000 (2017:10,250,000) options were granted to key management personnel.

Performance, shareholder wealth and Directors' and executives' remuneration

The policy of the Group is to pay remuneration of Directors in amounts in line with employment market conditions relevant in the mining industry. Minor amounts of employee fringe benefits in the form of employee meals and entertainment are provided as part of the executives' way of conducting business.

Fees and payments to Non-Executive Directors reflect the demands which are made on, and the responsibilities of, the Directors. Non-Executive Directors fees and payments are reviewed annually by the Board. The Chairman's fees are determined independently to the fees of Non-Executive Directors based on comparative roles in the external market.

The Constitution of the Company provides that Non-Executive Directors may collectively be paid as remuneration for their services a fixed sum not exceeding the aggregate maximum sum per annum determined by the Company in a general meeting. The current aggregate maximum is \$220,000.

The table below sets out summary information about the Company's earnings and movements in shareholder wealth for the last 5 years:

	30-Jun-18	30-Jun-17	30-Jun-16 \$	30-Jun-15 \$	30-Jun-14 \$
Revenue	124,222	571,301	181,179	9,725	40,769
Net Profit /(Loss) before tax	(13,156,957)	(37,755,44)	(1,514,177)	(1,377,075)	(1,124,319)
Share price at year-end	0.26	0.12	0.21	0.08	0.12

USE OF REMUNERATION CONSULTANTS

During the year, the Company did not use any remuneration consultants.

SERVICE AGREEMENTS

Mr Lethridge was appointed Finance Director on 8 March 2018. His appointment was for a term of two years with remuneration at \$280,000 per annum. Mr Lethridge resigned from his position 3 September 2018.

Rodney Johns resigned from his position of Chief Operating Officer on 5 July 2018.

The above service agreements both provide a structure for the additional of short-term incentives and long-term incentives that may be issued to the key management personnel at the sole discretion of the Board depending on the Board's assessment of both the Executive's performance and the performance of the Company's operations:

Short-term incentives may be provided by way of bonus for each completed financial year of employment during the term of employment up to 50% of the salary.

The Board will determine whether any bonus is payable to the Executive in respect of that financial year in accordance with the following table:

At or below expected performance	0%
Generally above expected performance	15%
Consistently above expected performance	25%
Considerable value add and consistently exceeded expected performance	35%
Exceptional performance	50%

Long-term incentive is provided by inviting the key management personnel to participate in such long-term incentive scheme the Board may from time to time propose whether by way of the grant of options to acquire shares, performance rights or otherwise.

There are no other service agreements entered into with key management personnel in 2018.

DETAILS OF REMUNERATION

AMOUNTS OF REMUNERATION

Details of the remuneration paid or payable to Directors and Key Management Personnel of the Group (as defined in AASB 124 *Related Party Disclosures*) and specified executives of the Group are set out in the following tables:



Directors	SHORT-TERM BENEFITS Salary/fees	POST EMPLOYMENT BENEFITS		LONG-TERM BENEFITS		SHARE-BASED PAYMENT		SHORT-TERM INCENTIVE	Percentage Performance Related	TOTAL \$
		SGC	Retirement Benefits	Annual Leave	Long Service Leave	Options	Performance Rights			
Barry Bolitho (Non-Executive Chairman)										
2018	60,000	-	-	-	-	-	-	-	-	60,000
2017	119,000	-	-	-	-	88,500	-	-	-	207,500
Simon Coxhell (Director and Chief Executive Officer)										
2018	295,000	28,025	-	50,726	-	-	29,009	-	7.2%	402,760
2017	219,178	20,822	-	19,911	-	177,000	-	60,000 ¹	12.1%	496,911
Gary Lethridge (Finance Director) appointed 8 March 2018										
2018	69,470	6,600	-	7,117	-	302,500	-	-	-	385,687
Anthony McIntosh (Non-Executive Director)										
2018	44,804	1,446	-	-	-	-	-	-	-	46,250
2017	52,755	-	-	-	-	73,750	-	-	-	126,505
Robin Dean (Non-Executive Director)										
2018	36,530	3,470	-	-	-	-	-	-	-	40,000
2017	17,184	1,633	-	-	-	43,187	-	-	-	62,004
Mark Hanlon (Non-Executive Director)										
2018	36,530	3,470	-	-	-	-	-	-	-	40,000
2017	17,184	1,633	-	-	-	43,187	-	-	-	62,004
Rodney Johns (Chief Operating Officer)										
2018	249,589	23,711	-	7,687	-	-	-	40,000 ²	12.5%	320,987
2017	161,519	13,881	-	-	-	91,698	-	-	-	267,098
Total Remuneration Directors and Key Management Personnel										
2018	791,923	66,722	-	65,530	-	302,500	29,009	40,000	19.7%	1,295,684
2017	586,820	37,969	-	19,911	-	517,322	-	60,000	12.1%	1,222,022

1. In accordance with his Executive Service Agreement Simon Coxhell was awarded a 25% Short Term Incentive Bonus this was commensurate with an assessment that he performed consistently above expected performance in the 2017 financial year.

2. In accordance with his Executive Service Agreement Rodney Johns was awarded an 18.25% Short Term Incentive Bonus this was commensurate with an assessment that he performed between generally above expected performance and consistently above expected performance in the year to 1 January 2018.

There are no other transactions with Key Management Personnel for the year ended 30 June 2018.

SHARE-BASED COMPENSATION

PERFORMANCE RIGHTS GRANTED TO DIRECTORS AND OFFICERS OF THE COMPANY

On 1 December 2017, the Company issued 574,267 performance rights to Director Simon Coxhell (approved by shareholders at the most recent AGM held on the 30 November 2017).

Tranche 1 of the performance rights issue vest upon the Company's share price reaching a 50% increase over the closing share price on 30 November 2017. The closing share price on 30 November 2017 was \$0.2775 therefore performance rights of Tranche 1 vest when the share price reaches \$0.4163.

Tranche 2 of the performance rights issue vest upon the Company's share price reaching a 62.5% increase over the closing share price on 30 November 2017. The closing share price on 30 November 2017 was \$0.2775 therefore performance rights of Tranche 2 vest when the share price reaches \$0.4509.

Tranche 3 of the performance rights issue vest upon the Company's share price reaching a 75% increase over the closing share price on 30 November 2017. The closing share price on 30 November 2017 was \$0.2775 therefore performance rights of Tranche 3 vest when the share price reaches \$0.4856.

Tranche 4 of the performance rights issue vest upon the Company increasing its resources by 100%.

The fair value of the performance rights has been calculated using the model inputs as disclosed in note 4 of the accounts.

No other performance rights were granted to Directors' and Officers of the Company during the financial year (2017: nil).

OPTIONS GRANTED TO DIRECTORS AND OFFICERS OF THE COMPANY

On 14 March 2018, Echo Resources Limited issued Mr Gary Lethridge 2,500,000 unlisted incentive options as part of his Executive Service Agreement (subject to shareholder approval) with a strike price of 47.5 cents expiring on 13 March 2021 (3 years), the fair value of each option at grant date was equal to 12.1 cents. No vesting condition apply to these options.

The fair value of the options have been calculated using the model inputs as disclosed in Note 4 of the accounts.

No other options were granted to Directors and Officers of the Company during the financial year (2017: 517,312).

SHARES ISSUED ON EXERCISE OF OPTIONS

During or since the end of the financial year, the Company did not issue any ordinary shares as a result of the exercise of options.

ADDITIONAL INFORMATION

Options granted to Directors carry no dividend or voting rights.

SHAREHOLDINGS OF KEY MANAGEMENT PERSONNEL

	Balance 30 June 17	Granted as remuneration	On exercise of options	Participation in placement	Balance 30 June 18
Simon Coxhell	80,000	-	-	-	80,000
Gary Lethridge	-	-	-	-	-
Barry Bolitho	3,674,850	-	-	-	3,674,850
Anthony McIntosh	6,065,902	-	-	900,000	6,965,902
Robin Dean	100,000	-	-	-	100,000
Mark Hanlon	3,150,000	-	-	200,000	3,350,000
	13,020,752	-	-	1,100,000	14,170,752

PERFORMANCE RIGHTS HOLDINGS OF KEY MANAGEMENT PERSONNEL

	Balance 1 July 17	Granted as remuneration	On exercise of options	Net change Other	Balance 30 June 18
Simon Coxhell	-	574,267	-	-	574,267
Gary Lethridge	-	-	-	-	-
Barry Bolitho	-	-	-	-	-
Anthony McIntosh	-	-	-	-	-
Robin Dean	-	-	-	-	-
Mark Hanlon	-	-	-	-	-
Rodney Johns	-	-	-	-	-
	-	574,267	-	-	574,267

OPTION HOLDINGS OF KEY MANAGEMENT PERSONNEL

	Balance 1 July 17	Granted as remuneration	On exercise of options	Net change Other	Balance 30 June 18
Simon Coxhell	3,000,000	-	-	-	3,000,000
Gary Lethridge	-	2,500,000	-	-	2,500,000
Barry Bolitho	1,500,000	-	-	-	1,500,000
Anthony McIntosh	1,250,000	-	-	-	1,250,000
Robin Dean	1,250,000	-	-	-	1,250,000
Mark Hanlon	1,250,000	-	-	-	1,250,000
Rodney Johns	2,000,000	-	-	-	2,000,000
	10,250,000	2,500,000	-	-	12,750,000

There were no other transactions with Directors and KMPs during the year ended 30 June 2018.

This is the end of the audited remuneration report.



INDEMNIFICATION

There are indemnities and insurances for the Directors in regard to their positions. These insure and indemnify the Directors including former directors against certain liabilities arising in the course of their duties. The Directors have not disclosed the amount of the premiums paid as such disclosure is prohibited under the terms of the policies.

PROCEEDINGS ON BEHALF OF GROUP

No person has applied for leave of Court under section 237 of the Corporations Act 2001 to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings. The Group was not a party to any such proceedings during the year.

NON-AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important.

No non-audit services were provided during the year by BDO Audit (WA) Pty Ltd ("BDO"). The Company engaged BDO related practices to provide an indicative valuation report for Performance Rights issued. The details of the amounts paid to the auditor of the Company, BDO, and its related practices for non-audit services provided are set out below.

Other Services	2018 \$	2017 \$
BDO Corporate Finance (WA) Pty Ltd – Performance Rights Indicative Valuation	2,285	-
BDO Corporate Finance (WA) Pty Ltd – Independent Valuation Report	-	25,500
Total other services	2,285	25,500

The Board of Directors has considered the position and, in accordance with advice received from the Audit Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

The Board of Directors has considered the position and are satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

5. all non-audit services have been reviewed by the Board to ensure they do not impact the impartiality and objectivity of the auditor
6. none of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*.

The Auditor's audit remuneration is disclosed in Note 23.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 27.

Signed in accordance with a resolution of the Directors and on behalf of the Board by



Barry Bolitho
Non-Executive Chairman
Perth, Western Australia
27 September 2018

AUDITOR'S INDEPENDENCE DECLARATION



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Australia

DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF ECHO RESOURCES LIMITED

As lead auditor of Echo Resources Limited for the year ended 30 June 2018, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Echo Resources Limited and the entities it controlled during the period.

A handwritten signature in blue ink, appearing to read 'J Prue', is written over a faint, light blue circular stamp.

Jarrad Prue

Director

BDO Audit (WA) Pty Ltd

Perth, 27 September 2018

BDO Audit (WA) Pty Ltd ABN 79 112 284 787 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit (WA) Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation *other than for the acts or omissions of financial services licensees*

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018

		Consolidated 2018	Restated* Consolidated 2017
	Note	\$	\$
Revenue			
Continuing operations		50,255	13,803
Other Income	2	73,967	557,498
Total Revenue		<u>124,222</u>	<u>571,301</u>
Expenses			
Administration expenses		(796,722)	(720,228)
Care and Maintenance expenses		(724,696)	-
Corporate expenses	2	(2,381,830)	(1,022,662)
Depreciation expense		(416,268)	(13,320)
Exploration and evaluation expenses	3	(7,848,139)	(11,933,405)
Marketing		(203,003)	(190,824)
Metaliko Acquisition		(92,063)	(23,331,385)
Share-based payments	4	(818,458)	(1,115,221)
Total Expenses		<u>(13,281,179)</u>	<u>(38,327,045)</u>
Loss before income tax		<u>(13,156,957)</u>	<u>(37,755,744)</u>
Income tax benefit	5	-	-
Loss after income tax for the year		<u>(13,156,957)</u>	<u>(37,755,744)</u>
Other comprehensive loss for the year, net of tax		-	-
Total comprehensive loss for the year		<u>(13,156,957)</u>	<u>(37,755,744)</u>
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO MEMBERS OF ECHO RESOURCES LIMITED		<u>(13,156,957)</u>	<u>(37,755,744)</u>
Loss per share attributable to ordinary equity holders of the Company:			
Basic and diluted loss per share (cents)	18	(0.03)	(0.14)

* Restated. Refer to Note 3 for further details

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

		Consolidated 2018	Restated* Consolidated 2017
	Note	\$	\$
Current Assets			
Cash and cash equivalents	6	7,579,068	1,057,535
Inventory	7	250,000	250,000
Trade and other receivables	8	375,512	388,180
Total Current Assets		<u>8,204,580</u>	<u>1,695,715</u>
Non-Current Assets			
Other non-current assets	9	1,378,372	-
Other financial assets		187,666	69,348
Plant and equipment	10	<u>2,761,180</u>	<u>2,960,043</u>
Non-Current Assets		<u>4,327,218</u>	<u>3,029,391</u>
Total Assets		<u>12,531,798</u>	<u>4,725,106</u>
Current Liabilities			
Provisions	12	1,437,286	262,747
Trade and other payables	13	<u>1,341,575</u>	<u>1,143,881</u>
Total Current Liabilities		<u>2,778,861</u>	<u>1,406,628</u>
Total Liabilities		<u>2,778,861</u>	<u>1,406,628</u>
Net Assets		<u>9,752,937</u>	<u>3,318,478</u>
Equity			
Contributed equity	14	71,891,973	53,119,015
Accumulated losses	15	(64,339,157)	(51,182,200)
Reserves	16	<u>2,200,121</u>	<u>1,381,663</u>
Total Equity		<u>9,752,937</u>	<u>3,318,478</u>

* Restated. Refer to Note 3 for further details

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2018

	Note	Contributed Equity	Accumulated Losses	Options Reserve	Total Equity
Consolidated Balance at 1 July 2017		53,119,015	(44,182,200)	1,381,663	10,318,478
Change in accounting policy*	3	-	(7,000,000)	-	(7,000,000)
Restated* Total at 1 July 2017		53,119,015	(51,182,200)	1,381,663	3,318,478
Total comprehensive loss for the year	15	-	(13,156,957)	-	(13,156,957)
Transaction with owners in their capacity as owners		-	-	-	-
Options Issued		-	-	818,458	818,458
Contributions to equity net of transactions costs	14	18,772,958	-	-	18,772,958
Consolidated Balance 30 June 2018		71,891,973	(64,339,157)	2,200,121	9,752,937
Consolidated Balance at 1 July 2016		16,355,744	(13,426,456)	266,442	3,195,730
Total comprehensive loss for the year	15	-	(30,755,744)	-	(30,755,744)
Transaction with owners in their capacity as owners		-	-	-	-
Options Issued		-	-	1,115,221	1,115,221
Contributions to equity net of transactions costs	14	36,763,271	-	-	36,763,271
Consolidated Balance 30 June 2017		53,119,015	(44,182,200)	1,381,663	10,318,478

* Restated. Refer to Note 3 for further details

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2018

	Note	Consolidated 2018 \$	Consolidated 2017 \$
Cash flows from operating activities			
Interest received		45,127	13,803
Research and Development Refund		73,967	126,982
Other payments received		280,128	128,394
Payments to suppliers and employees		(4,070,691)	(1,848,911)
Payments for exploration		(8,362,551)	(4,252,519)
Net cash (outflow) from operating activities	6	<u>(12,034,020)</u>	<u>(5,832,251)</u>
Cash flows from investing activities			
Proceeds from disposal of financial assets		-	100,000
Payments for Property, Plant and Equipment		(217,405)	(83,724)
Cash acquired on acquisition of subsidiary		-	232,818
Net cash inflow from investing activities		<u>217,405</u>	<u>249,094</u>
Cash flows from financing activities			
Proceeds from issue of shares		20,000,000	3,359,675
Capital raising costs		(1,227,042)	(159,105)
Net cash inflow from financing activities		<u>18,772,958</u>	<u>3,200,570</u>
Net increase in cash and cash equivalents		6,521,533	(2,382,587)
Cash and cash equivalents at beginning of the year		<u>1,057,535</u>	<u>3,440,122</u>
Cash and cash equivalents at the end of the year	6	<u>7,579,068</u>	<u>1,057,535</u>

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

CORPORATE INFORMATION

The financial report of the Group for the year ended 30 June 2018 was authorised for issue in accordance with a resolution of the Directors on 10 September 2018. Echo Resources Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Stock Exchange.

The nature of the operations and principal activities of the Company are described in the Review of Operations.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

These financial statements are general-purpose financial statements, which have been prepared in accordance with the requirements of the Corporations Act 2001, and Australian Accounting Standards and Interpretations. The consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Going concern

For the year ended 30 June 2018 the Group recorded a net loss of \$13,156,957 (2017: \$37,755,744) and had net cash outflows from operating activities of \$12,034,020 (2017: \$5,832,251).

The Group will however be required to raise additional funding to continue its exploration programs as budgeted and ongoing working capital requirements.

The ability of the entity to continue as a going concern is dependent on securing additional funding through raising of debt or equity to continue to fund its ongoing exploration commitments and working capital.

These conditions indicate a material uncertainty that may cast a significant doubt about the entity's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors have reviewed the Group's financial position and are of the opinion that there are sufficient funds to meet the entity's working capital requirements and as at the date of this report.

The financial statements have been prepared on the basis that the entity is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

- The Group currently has sufficient cash resources to fund its requirements;
- The Directors expect the Group to be successful in securing additional funds through debt or equity issues, when and if required.

Should the entity not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements and that the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the entity not continue as a going concern.

The Directors are satisfied that the going concern basis of preparation is appropriate.

b) Statement of compliance

These financial statements comply with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS), and other authoritative pronouncements of the Australian Accounting Standards Board and Australian Accounting Interpretations. Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with the International Financial Reporting Standards (IFRS).

c) Comparatives

The financial statements for the current period and comparative period being 30 June 2017 are prepared on a consolidated basis.

d) Critical accounting estimates and judgements

The following are the critical judgements, apart from those involving estimations (see below), that the Directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to

be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts and liabilities within the next financial year are discussed below.

Fair value of share options and assumptions

The fair value of services received in return for share options granted to Directors, employees and consultants are measured by reference to the fair value of options granted. The estimate of the fair value of the services is measured based on Black-Scholes valuation methodology.

Asset acquisition

The Group has determined that the acquisition of Metaliko Resources Limited is not deemed a business acquisition, the transaction has been accounted for as an asset acquisition. In assessing the requirements of IFRS 3 Business Combinations, the Group has determined that the assets acquired do not constitute a business. The principal assets acquired consist of granted mineral exploration tenements in the Yandal Belt of Western Australia and property plant and equipment, primarily the Bronzewing processing plant. When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their relative fair values in an asset purchase transaction and no deferred tax will arise in relation to the acquired assets and assumed liabilities as the initial recognition exemption for deferred tax under AASB 112 applies. No goodwill will arise on the acquisition and transaction costs of the acquisition.

Identifying the acquirer in acquisition

During the year ended 30 June 2017, the Company acquired 100% of Metaliko Resources Limited (refer Note 7). The Company has determined that Echo Resources Limited was the acquirer as:

- Echo Resources Limited has majority Board representation
- The shareholding of Metaliko Resources Limited is diverse and no single shareholder or group of shareholders owned more than 30% in Metaliko prior to the acquisition. Following the acquisition, the maximum interest in Echo Resources acquired by a Metaliko shareholder was less than 20%.

Exploration and evaluation expenditure

On 1 July 2017, the Company has chosen to review its policy on accounting for exploration and evaluation activities in relation to capitalised exploration as it believes that a change in accounting policy will provide more relevant and no less reliable information to users of the financial statements.

While the Company still believes in the value of the exploration assets purchased during the Metaliko Acquisition and is proceeding with further exploration in the area, the Company has decided future and historic exploration costs should be expensed as incurred aligning the treatment of all exploration expenditure as an expense.

The new accounting policy in respect of capitalised exploration was adopted 1 July 2017 and has been applied retrospectively. Both the previous and new accounting policy are compliant with AASB 6 Exploration and Evaluation of Mineral Resources. Refer to note 3 for detailed explanation of the impact of the change in accounting policy.

Critical estimates for performance rights

The Group measures the cost of equity settled transactions with Directors by reference to the fair value of equity instruments over the expected vesting period. Management have calculated the fair value of the rights and has recognised the share-based payment expense for the period vested in the statement of profit and loss and other comprehensive income for the current year.

e) Property, plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation.

Depreciation is calculated on the diminishing value basis to write off the net cost of each item of property, plant and equipment over its expected useful life. Depreciation rates for motor vehicles are at 25%, Bronzewing Infrastructure at 10% and for other plant and equipment, the rates range from 22.5 - 40%.

Land is held at cost at the date it is acquired. As no finite useful life for land can be determined, related carrying amounts are not depreciated.

Assets that are subject to an annual depreciation charge are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount exceeds its recoverable amount.

f) Cash and cash equivalents

For purposes of the statement of cash flows, cash includes deposits at call which are readily convertible to cash on hand and which are used in the cash management function on a day-to-day basis, net of outstanding bank overdrafts.

g) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position. Cash flows are included in the statement of cash flows on a gross basis.

The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

h) Investments

Investments in controlled entities are carried in the Group's financial statements at the lower of cost and recoverable amount.

i) Trade and other payables

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Group. Trade accounts payable are normally settled within 30 days.

j) Contributed equity

Ordinary shares are classified as equity. Transaction costs arising on the issue of equity instruments are recognised directly in equity as a reduction of the proceeds of the equity instruments to which the costs relate.

k) Earnings per share

(i) Basic Earnings per Share

Basic earnings per share is determined by dividing the operating loss after income tax by the weighted average number of ordinary shares outstanding during the financial year.

(ii) Diluted Earnings per Share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share by taking into account amounts unpaid on ordinary shares and any reduction in earnings per share that will probably arise from the exercise of partly paid shares or options outstanding during the financial year.

l) Revenue recognition

Revenues are recognised at fair value of the consideration received net of the amount of goods and services tax (GST). Exchanges of goods or services of the same nature without any cash consideration are not recognised as revenues.

Interest income

Interest income is recognised as it accrues, taking into account the effective yield on the financial asset.

Sale of non-current assets

Gains or losses arising on the sale of non-current assets are included in profit or loss at the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed. The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

m) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Echo Resources Limited.

Subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of asset transferred. Accounting policies of subsidiaries are consistent with the policies adopted by the consolidated entity.

The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

n) Trade and other receivables

Trade accounts receivable, amounts due from related parties and other receivables represent the principal amounts due at reporting date plus accrued interest and less, where applicable, any unearned income and provisions for doubtful accounts.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in the statement of profit or loss and other comprehensive income within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectable in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the statement of profit or loss and other comprehensive income.

o) Inventories

Inventories are measured at lower of their costs and net realisable value. An impairment provision is recognised when there is objective evidence that the Company will not be able to realise the carrying amount through use or sale.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the cost necessary to make the sale. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale inventories are valued at the lower of cost and net realisable value.

p) Income tax

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences:

- Except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of the unused tax assets and unused tax losses can be utilised:

- Except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

q) Government grants (research and development)

Grants from the Government relating to expensed exploration and evaluation expenditure are recognised as other income.

r) Employee benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to reporting date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits and included in other payables.

s) Segment reporting

Operating segments are now reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker, which has been identified by the Group as the Managing Director and other members of the Board of Directors.

t) Impairment of assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments

of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such a reversal is recognised in profit or loss unless the asset is carried at its revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

u) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Company is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

v) Share based payments

Share-based compensation benefits are provided to employees via Echo's Employee Share Option Plan and Employee Share Scheme.

The fair value of options granted under the Employee Share Option Plan is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options. The fair value at grant date is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The fair value of the options granted is adjusted to reflect market vesting conditions, but excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. The employee benefit expense recognised each period considers the most recent estimate. The impact of the revision to original estimates, if any, is recognised in the statement of profit or loss and other comprehensive income with a corresponding adjustment to equity.

Shares issued under the Employee Share Option Plan to employees for no cash consideration vest immediately on grant date. On this date, the market value of the shares issued is recognised as an employee benefits expense with a corresponding increase in equity.

Performance rights issued have vesting conditions attached to Tranches 1, 2 and 3 (see note 24) that meet the definition of a market condition, as the vesting of the Rights is dependent on the future market price of the Company's ordinary shares; and the vesting conditions attached to Tranche 4 Rights does not meet the definition of a market condition, as the vesting of the Rights is not dependent on the future market price of the Company's ordinary shares. Therefore, in determining the indicative value of the Tranches 1, 2 and 3 Rights, Echo have reflected the impact of the share price target in the valuation and have used the Hoadley Trading & Investment Tools ("Hoadley") HoadleyBarrier1, a trinomial option valuation model taking account of the vesting price; and in determining the indicative value of the Tranche 4 Rights, the Company has not reflected the vesting condition of the fair value and have used the Hoadley Options1, a standard binomial option valuation model.

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

The adoption of the above standards and amendments did not result in adjustments to the amounts recognised in the financial statements and no change to the Company's accounting policy was required.

New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2017 reporting periods and have not been early adopted by the Company. The Company's assessment of the impact of these new standards and interpretations is set out.

Title of standard	Nature of change	Impact	Mandatory application date/ Date adopted by company
AASB 9 Financial Instruments	<p>AASB 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities.</p> <p>Since December 2013, it also sets out new rules for hedge accounting.</p>	<p>There will be no impact on the company's accounting for financial assets and financial liabilities as the new requirements only affect the accounting for available-for-sale financial assets and the accounting for financial liabilities that are designated at fair value through profit or loss and the company does not have any such financial assets or financial liabilities.</p> <p>The new hedging rules align hedge accounting more closely with the company's risk management practices. As a general rule, it will be easier to apply hedge accounting going forward. The new standard also introduces expanded disclosure requirements and changes in presentation.</p>	<p>Must be applied for financial years commencing on or after 1 January 2018.</p> <p>Application date for the company will be 30 June 2019.</p> <p>The company does not currently have any hedging arrangements in place.</p>
AASB 15 Revenue from contracts with customers	<p>An entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This means that revenue will be recognised when control of goods or services is transferred, rather than on transfer of risks and rewards as is currently the case under AASB 118 Revenue.</p>	<p>Management has assessed the effects of applying the new standard on the entity's revenue recognition policies and resulting effects on its financial statements.</p>	<p>Must be applied for annual reporting periods beginning on or after 1 January 2018.</p> <p>Application date for the company will be 30 June 2019.</p>
AASB 16 Leases	<p>AASB 16 eliminates the operating and finance lease classifications for lessees currently accounted for under AASB 117 Leases. It instead requires an entity to bring most leases onto its balance sheet in a similar way to how existing finance leases are treated under AASB 117. An entity will be required to recognise a lease liability and a right of use asset in its balance sheet for most leases.</p> <p>There are some optional exemptions for leases with a period of 12 months or less and for low value leases.</p> <p>Lessor accounting remains largely unchanged from AASB 117.</p>	<p>The company has not yet assessed the impact of this standard.</p>	<p>Must be applied for annual reporting periods beginning on or after 1 July 2019.</p>

NOTE 2: REVENUE AND EXPENSES

	2018 \$	2017 \$
(a) Revenue		
Bank interest received	45,487	13,803
Gold sales	4,768	-
Total revenue	50,255	13,803
(b) Other Income		
Research and development incentive	73,967	126,982
Profit on sales of Mt Chalmers property	-	300,000
Profit on sale of tenements	-	40,191
Other income	-	90,325
Total other income	73,967	557,498
(c) Corporate Expense		
Corporate consultants	124,567	306,876
Legal fees	184,918	122,431
Salaries, wages and directors' fees	648,530	372,235
Share registry	92,233	63,660
Stamp duty	1,136,126	-
Other corporate expenses	195,456	157,460
Total corporate expenses	2,381,830	1,022,662

NOTE 3: VOLUNTARY CHANGE OF ACCOUNTING POLICY

The consolidated financial accounts have been prepared on the basis of a retrospective application of a voluntary change in accounting policy relating to capitalised exploration.

The previous accounting policy allowed for exploration activity of an area of interest which had been acquired as an asset acquisition or a business combination to be measured at fair value on acquisition and shown as capitalised exploration in the consolidated statement of financial position.

The Company has chosen to review its policy on accounting for exploration and evaluation activities in relation to capitalised exploration as it believes that a change in accounting policy will provide more relevant and no less reliable information to users of the financial statements.

While the Company still believes in the value of the exploration assets purchased during the Metaliko Acquisition and is proceeding with further exploration in the area, the Company has decided future and historic exploration costs should be expensed as incurred aligning the treatment of all exploration expenditure as an expense.

The new accounting policy in respect of the reclassification of capitalised exploration to expense was adopted 1 July 2017 and has been applied retrospectively. There was no effect to 30 June 2016 financial accounts. Both the previous and new accounting policy are compliant with AASB 6 Exploration and Evaluation of Mineral Resources. The voluntary change involves restating the following balances:

	Previous Policy 30 June 2017 \$	Increase/ Decrease \$	Restated June 30 2017 \$
Consolidated Statement of Financial Position (extract)			
Capitalised Exploration	7,000,000	(7,000,000)	-
Net Assets	10,318,478	(7,000,000)	3,318,478
Accumulated losses	(44,182,200)	(7,000,000)	(51,182,200)
Total Equity	10,318,478	(7,000,000)	3,318,478

	Previous Policy 2017 \$	Increase/ Decrease \$	Restated 2017 \$
Consolidated Statement of Profit or Loss and other Comprehensive Income (extract)			
Exploration and evaluation expenses	(4,933,405)	(7,000,000)	(11,933,405)
Total Expenses	(31,327,045)	(7,000,000)	(38,327,045)
Loss before Income Tax	(30,755,744)	(7,000,000)	(37,755,744)
Basic and diluted loss per share (cents)	(0.12)	(0.02)	(0.14)

NOTE 4: SHARE BASED PAYMENTS

During the financial year ended 30 June 2018 the following share-based payments were made; 30 June 2018 \$818,458 (2017: \$1,115,221). Share based payments are recognised in the profit and loss statement.

Shares

No shares were issued during the financial year ended 30 June 2018 (2017: \$250,000)

Options

During the year the Company issued the following options. The fair value of the options has been calculated using the Black-Scholes option pricing model. The model inputs are shown in the table below:

Option Pricing Model	Director Options ¹	Corporate Advisory Options ²	Employee Options ¹
Date of grant	14/03/2018	10/05/2018	10/05/2018
Date of expiry	13/03/2021	17/09/2019	9/05/2021
Exercise price	47.5 cents	27.5 cents	31.5 cents
Underlying share price (at issue date)	31.0 cents	24.50 cents	24.50 cents
Risk free interest rate	2.09%	2.02%	2.16%
Volatility	75.00%	75.00%	75.00%
Years of expiry	3 Years	1.3 Years	3 Years
Number of options granted	2,500,000	5,000,000	1,000,000
Fair value of options	\$302,500	\$379,950	\$107,000
Total fair value of options			\$789,450

1. There are no performance conditions attached to director options and employee options

2. Corporate Advisory options are based on value of services provided

Performance Rights

On 1 December 2017 the Company issued 574,267 performance rights to director Simon Coxhell (approved by shareholders at the most recent AGM held on the 30 November 2017).

Tranche 1 of the Performance Rights Issue vest upon the Company's share price reaching a 50% increase over the closing share price on 30 November 2017. The closing share price on 30 November 2017 was \$0.2775 therefore performance rights of Tranche 1 vest when the share price reaches \$0.4163.

Tranche 2 of the Performance Rights Issue vest upon the Company's share price reaching a 62.5% increase over the closing share price on 30 November 2017. The closing share price on 30 November 2017 was \$0.2775 therefore performance rights of Tranche 2 vest when the share price reaches \$0.4509.

Tranche 3 of the Performance Rights Issue vest upon the Company's share price reaching a 75% increase over the closing share price on 30 November 2017. The closing share price on 30 November 2017 was \$0.2775 therefore performance rights of Tranche 3 vest when the share price reaches \$0.4856.

Tranche 4 of the Performance Rights Issue vest upon the company increasing its resources by 100%.

The vesting conditions attached to Tranches 1, 2 and 3 Rights meet the definition of a market condition, as the vesting of the Rights is dependent on the future market price of the Company's ordinary shares; and the vesting conditions attached to Tranche 4 Rights does not meet the definition of a market condition, as the vesting of the Rights is not dependent on the future market price of the Company's ordinary shares.

Therefore, in determining the indicative value of the Tranches 1, 2 and 3 Rights, Echo have reflected the impact of the share price target in the valuation and have used the Hoadley Trading & Investment Tools ("Hoadley") HoadleyBarrier1, a trinomial option valuation model taking account of the vesting price; and in determining the indicative value of the Tranche 4 Rights, the Company has not reflected the vesting condition of the fair value and have used the Hoadley Options1, a standard binomial option valuation model.

The fair value of the performance rights has been calculated using the HoadleyBarrier1 -standard trinomial option valuation model. The model inputs are shown in the table:

Assumptions	Tranche 1	Tranche 2	Tranche 3	Tranche 4
Valuation date	30-Nov-17	30-Nov-17	30-Nov-17	30-Nov-17
Share price	\$0.2775	\$0.2775	\$0.2775	\$0.2775
Exercise price	\$nil	\$nil	\$nil	\$nil
Vesting hurdle	\$0.41625	\$0.450938	\$0.485625	Operational
Expiry period	3 years	3 years	3 years	3 years
Expected future volatility	80%	80%	80%	80%
Risk free rate	1.89%	1.89%	1.89%	1.89%
Dividend yield	nil	nil	nil	nil
Value	\$0.2510	\$0.2447	\$0.2387	\$0.2775
Number	95,712	95,711	95,711	287,133
Total	\$24,024	\$23,420	\$22,846	\$79,679

Valuation date – Rights were granted on 30 November 2017.

Spot price – Company's share price of \$0.2775 per share, as last traded on the ASX at the close of trade on the Valuation Date.

Exercise price – No exercise price attached to the Rights.

Vesting hurdle – Tranches 1, 2 and 3 Rights vest upon the Company's share price reaching a 50%, 62.5% and 75% increase over the closing share price on 30 November 2017 respectively. Tranche 4 Rights vest upon the Company increasing its resource up to 100%. *These Rights will automatically lapse if the holder ceases to be a Director of the Company, which implies a service based condition attached, therefore it has been expensed over the vesting period. Management's assessment of meeting the non-market condition is 100%.*

Expiry period – Rights expire 3 years from the grant date.

Expected future volatility – In assessing the expected future volatility we have considered the historical volatility in the Company's shares over a number of recent trading periods and concluded that a volatility figure of 80% is reflective of the future volatility of the Company's shares over the life of the Rights.

Risk free rate – Based on the yield of 3-year Commonwealth bonds, being the term which most closely corresponds to the maximum lives of the Rights. The interest rate has been sourced from the RBA as the closing rate on 30 November 2017.

Dividend yield – Nil dividend yield as the Company does not have a history of paying dividends and is not expected to pay any over the life of the Rights.

In accordance with AASB 2, the company must expense market-based payments (Tranche 1,2 and 3) over the expected vesting period. At the end of each period, the entity revises its estimates of the number of performance rights that are expected to vest based on the non-market vesting and service condition. The calculation of the required expense is shown in the table below;

Assumptions	Tranche 1	Tranche 2	Tranche 3	Tranche 4
Value	\$0.25	\$0.24	\$0.24	\$0.28
Number	95,712	95,711	95,711	287,133
Percentage of total vesting period	19.34%	19.34%	19.34%	19.34%
June 2018 expense	4,647	4,530	4,419	15,412
Total Expense for Performance Rights to 30 June 2018				29,008

NOTE 5: INCOME TAX

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate of Echo Resources Ltd at 27.5% (2017: 27.5%) and the reported tax expense in profit or loss are as follows:

	2018 \$	Restated* 2017 \$
Tax expense comprises:		
(a) Current tax	-	-
Deferred income tax relating to origination and reversal of temporary differences		
• Origination and reversal of temporary differences	-	-
• Utilisation of unused tax losses	-	-
• Recognition of previously unrecognised deferred tax assets	-	-
Under provision in respect of prior years	-	-
Deferred tax expense (income), recognised outside profit & loss	-	-
Tax expense	-	-
(b) Accounting profit before tax	(13,156,957)	(37,755,744)
Domestic tax rate for Echo Resources Ltd (27.5%)	(3,618,163)	(8,457,829)
Expenditure not allowed for income tax purposes	545,642	6,751,404
Research and development offset	-	-
Movement in recognized temporary differences	-	(38,291)
Deferred tax assets relating to tax losses and temporary differences not recognised	3,072,521	1,744,716
Income tax expense (benefit)	-	-

* Restated. Refer to Note 3 for further details

The Group has tax losses arising in Australia. The tax benefit of these losses of \$6,453,683 available indefinitely for offset against future taxable profits of the companies in which the losses arose. As at 30 June 2018 the Group is not consolidated for tax purposes. Upon the formation of a tax consolidated group some tax losses may be extinguished.

Recognised deferred tax balances		
Deferred tax asset	-	-
Deferred tax liability	-	-

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:

Unrecognised deferred tax balances		
Unrecognised deferred tax asset losses	13,799,264	10,466,919
Unrecognised deferred tax asset temporary differences	2,252,117	149,050
Unrecognised deferred tax liability – temporary differences	(2,535)	(273,223)
Net DTA unrecognised	16,048,847	10,342,746

The deductible temporary differences and tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Company can utilise the benefits thereof.

Net deferred tax assets have not been brought to account as it is not probable within the immediate future that tax profits will be available against which deductible temporary differences and tax losses can be recognised.

NOTE 6: CASH AND CASH EQUIVALENTS

	2018 \$	2017 \$
Cash at bank and on hand	7,579,068	1,057,535
Short-term deposits	-	-
	7,579,068	1,057,535

BANK GUARANTEES

The Group has no bank guarantees in 2018 (2017:nil)

Information about the Group's exposure to interest rate risk is disclosed in Note 19

	2018 \$	Restated* 2017 \$
(i) Reconciliation of loss for the year to net cash flows from operating activities		
Loss for the year	(13,156,957)	(37,755,744)
Share based payment expense	818,458	1,115,221
Depreciation	416,268	13,320
Acquisition of Metaliko	-	30,331,385
(Increase)/decrease in assets:		
Current receivables	12,669	(311,513)
Other non-current Assets	(1,496,690)	-
Increase/(decrease) in liabilities:		
Current liabilities	236,106	775,080
Provisions for stamp duty	1,136,126	-
Net cash used in operating activities	(12,034,020)	(5,832,251)
(ii) Non-cash investing and financing activities		
Shares issued for acquisition of Metaliko	-	33,562,700
	-	33,562,700

* Restated. Refer to Note 3 for further details

NOTE 7: ASSET ACQUISITION

On 12 January 2017, the Company acquired 100% of the shares in Metaliko Resources Ltd ("MKO") in an all-scrip transaction. The Company issued 176,645,788 ordinary shares to MKO shareholders. With a deemed price of 19 cents for each share issued based on the fair value of the assets, the consideration payable was \$33,562,700.

Details of the fair value of the assets acquired as at 12 January 2017 as at the date of purchase are as follows:

	12 January 2017 \$
Purchase consideration	
Shares issued	33,562,700
Total	<u>33,562,700</u>
Net assets acquired	
Cash	232,818
Trade Receivables	11,659
Inventory	250,000
Other Assets	20,475
Exploration Expense	7,000,000
Bronzewing Infrastructure	2,858,790
Other Property, Plant and Equipment	30,849
Trade Payables	(173,276)
Premium paid on Acquisition	23,331,385
Total	<u>33,562,700</u>

NOTE 8: TRADE AND OTHER RECEIVABLES

	2018 \$	2017 \$
Trade receivables	-	275,000
Other receivables	190,290	54,924
Insurance Prepayments	185,222	58,256
	<u>375,512</u>	<u>388,180</u>

As of 30 June 2018, trade receivables that were past due or impaired was nil, (2017: nil). Information about the Group's exposure to credit risk is provided in Note 19.

NOTE 9: OTHER NON-CURRENT ASSETS

	2018 \$	2017 \$
Capital works in progress	1,378,372	-
	<u>1,378,372</u>	<u>-</u>

NOTE 10: PROPERTY PLANT AND EQUIPMENT

	MOTOR VEHICLES \$	BRONZEWING INFRASTRUC- TURE \$	LAND & BUILDNGS \$	OFFICE & COMPUTER \$	PLANT & EQUIPMENT \$	TOTAL \$
As at 1 July 2017	5,485	2,858,790	-	44,459	64,629	2,973,363
Reclassification of assets at cost	173,000	(177,908)	-	-	4,908	-
Additions	-	-	-	87,669	129,736	217,405
Disposal	-	-	-	-	-	-
Accumulated depreciation	(118,709)	(250,791)	-	(29,776)	(30,312)	(429,588)
Total written down amount	59,776	2,430,091	-	102,352	168,961	2,761,180
Reconciliation						
Opening written down value	177,114	2,680,882	-	126,873	192,579	3,177,448
Depreciation charge for the year	(117,338)	(250,791)	-	(24,521)	(23,618)	(416,268)
Closing written down value 2018	59,776	2,430,091	-	102,352	168,961	2,761,180
As at 1 July 2016	-	-	59,809	-	-	59,809
At cost	-	-	-	-	-	-
Additions	5,485	2,858,790	-	44,459	64,629	2,973,363
Disposal	-	-	(59,809)	-	-	(59,809)
Accumulated depreciation	(1,371)	-	-	(5,255)	(6,694)	(13,320)
Total written down amount	4,114	2,858,790	-	39,204	57,935	2,960,043
Reconciliation						
Opening written down value	5,485	2,858,790	-	44,459	64,629	2,973,363
Depreciation charge for the year	(1,371)	-	-	(5,255)	(6,694)	(13,320)
Closing written down value 2017	4,114	2,858,790	-	39,204	57,935	2,960,043

NOTE 11: FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amount of the following financial assets and liabilities is considered a reasonable approximation of fair value:

- Trade and other receivables
- Cash and cash equivalents
- Trade and other payables

NOTE 12: PROVISIONS

	2018 \$	2017 \$
Provisions		
Stamp Duty	(1,136,126)	-
Other Provisions	(301,160)	(262,747)
	<u>(1,437,286)</u>	<u>(262,747)</u>

In November 2017 the Office of State Revenue asked for a further valuation of the acquisition by Metaliko Ltd of Navigator (Bronzewing) Pty Ltd that occurred on 14 May 2014. This valuation was completed on the 18th of January 2018. Accordingly, a provision for Stamp duty payable to the sum of \$700,289 was accounted for.

On the 13 February 2018 an independent expert provided Echo with an assessment of the Stamp Duty payable by Echo for the acquisition of Metaliko Ltd on 9 January 2017. Accordingly, a provision for Stamp duty payable to the sum of \$435,837 was accounted for.

Whilst both the above amounts have been provided for, the final figure payable has yet to be finalised by the Office of State Revenue.

NOTE 13: TRADE AND OTHER PAYABLES

	2018 \$	2017 \$
Trade payables	(1,084,948)	(966,870)
Accruals	(249,600)	(128,484)
Other payables	(7,027)	(48,527)
	<u>(1,341,575)</u>	<u>(1,143,881)</u>

NOTE 14: CONTRIBUTED EQUITY

	2018 Number	2017 Number
Ordinary shares fully paid	488,646,414	370,464,596
	<u>488,646,414</u>	<u>370,464,596</u>

MOVEMENT IN SHARE CAPITAL

	2018	
	Number	\$
Balance at 1 July 2017	370,464,596	53,119,015
Issue of 48,900,000 fully paid ordinary shares at 10 cents	48,900,000	4,890,000
Issue of 68,181,818 fully paid ordinary shares at 22 cents	68,181,818	15,000,000
Issue of 1,100,000 fully paid ordinary shares at 10 cents	1,100,000	110,000
Less capital raising costs		(1,227,042)
Balance at 30 June 2018	<u>488,646,414</u>	<u>71,891,973</u>

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. Ordinary shareholders rank behind creditors in the distribution of proceeds from the winding-up of the Company. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

MOVEMENT IN SHARE CAPITAL

	2017	
	Number	\$
Balance at 1 July 2016	172,618,808	16,355,744
Issue of 200,000 ordinary fully paid shares at 20 cents each	200,000	40,000
Issue of 1,000,000 ordinary fully paid shares at 21 cents each	1,000,000	210,000
Issue of 167,613,285 ordinary fully paid shares at 19 cents each	167,613,285	31,846,524
Issue of 20,000,000 ordinary fully paid shares at 16 cents each	20,000,000	3,200,000
Issue of 19,000,000 ordinary fully paid shares at 18 cents each	9,032,503	1,625,851
Less capital raising costs		(159,104)
Balance at 30 June 2017	370,464,596	53,119,015

MOVEMENT IN SHARE OPTIONS

There following options were on issue at reporting date.

	2018	
	Number	\$
Balance at 1 July 2017	20,250,000	1,381,663
Director Options	2,500,000	302,500
Corporate Advisory Options	5,000,000	379,950
Employee Options	1,000,000	107,000
Balance at 30 June 2018	28,750,000	2,171,113

	2017	
	Number	\$
Balance at 1 July 2016	-	266,442
Director Options	8,250,000	419,750
Corporate Advisory Options	7,000,000	259,090
Employee Options	5,000,000	229,245
Balance at 30 June 2017	20,250,000	1,381,663

MOVEMENT IN PERFORMANCE RIGHTS

The following performance rights were on issue at reporting date.

	2018	
	Number	\$
Balance at 1 July 2017	-	-
Director performance rights value at 30 June 2018	574,267	29,008
Balance at 30 June 2018	574,267	29,008

2017 - Nil

Transaction costs arising on the issue of equity instruments are recognised directly in equity as a reduction of the proceeds of the equity instruments to which the costs relate.

CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or adjust the capital structure, the Group may issue new shares or reduce its capital, subject to the provisions of the Constitution and any relevant regulatory requirements.

NOTE 15: ACCUMULATED LOSSES

	2018 \$	Restated* 2017 \$
Accumulated losses at beginning of the year	(51,182,200)	(13,426,456)
Net loss for the year	(13,156,957)	(37,755,744)
Accumulated losses at end of the year	(64,339,157)	(51,182,200)

* Restated. Refer to Note 3 for further details

NOTE 16: RESERVES

	2018 \$	Restated* 2017 \$
Option reserve balance at the beginning of the year	1,381,663	266,442
Option expense for the year	789,450	1,115,221
Performance rights reserve balance at the beginning of the year	-	-
Performance rights expense for the year	29,008	-
Balance at the end of the year	2,200,121	1,381,663

* Restated. Refer to Note 3 for further details

NATURE AND PURPOSE OF RESERVES

Options reserve

The options reserve is used to recognise the fair value of options issued to employees and Directors.

NOTE 17: COMMITMENTS FOR EXPENDITURE

	2018 \$	2017 \$
(a) Operating lease commitments		
Non-cancellable operating lease rentals are payable as follows:		
Not later than one year	73,336	40,932
Later than one year but no later than two years	-	32,404
	73,336	73,336

The Company leases an office under a non-cancellable operating lease expiring on 15 March 2019. On renewal, the terms of the lease are renegotiated.

NOTE 18: EARNINGS PER SHARE

	2018	Restated* 2017
	Cents	Cents
Basic and diluted loss per share	(0.03)	(0.14)
	Number	Number
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic loss per share	460,876,134	262,433,109

* Restated. Refer to Note 3 for further details

Diluted loss per share has not been calculated as the Company made a loss for the year and the impact would be to reduce the loss per share

NOTE 19: FINANCIAL RISK MANAGEMENT

The Company's financial instruments consist of deposits with banks and accounts receivable and payable.

OVERALL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks; market risk (including fair value interest rate risk), credit risk, liquidity risk and cash flow interest rate risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. Risk management is carried out by the Board of Directors under policies approved by the Board.

CREDIT RISK

Credit risk arises from the financial assets of the Company, which comprise cash and cash equivalents and trade and other receivables. The Company's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments.

The Company does not have any significant credit risk exposure to any single counter party. The credit risk on liquid funds is limited because the counter party is a bank with a high credit rating.

The carrying amount of the Company's financial assets represents the maximum credit exposure. The Company's maximum exposure to credit risk at the reporting date was:

	2018 \$	2017 \$
Cash and cash equivalents	7,579,068	1,057,535
Trade and other receivables	375,512	329,924
Security deposits	26,884	26,884
	7,981,464	1,414,343

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counter party default rates.

	2018 \$	2017 \$
Cash at bank and short-term bank deposits		
AA	7,579,068	1,057,535
	7,759,068	1,057,535

LIQUIDITY RISK

Prudent liquidity risk management implies maintaining sufficient cash to meet commitments as and when they fall due. The Company's financial liabilities include other payables which are non-interest bearing and generally paid within a 60-day period. Expenses are managed on an ongoing basis, and the Company will raise additional funds as and when necessary.

INTEREST RATE RISK

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk is not significant and is limited to cash and cash equivalents. The Company does not rely on the generation of interest to provide working capital.

IMPAIRMENT LOSSES

None of the Company's other receivables are past due (2017: nil). There is no impairment loss recognised as at 30 June 2018.

The allowance accounts in respect of other receivables are used to record impairment losses unless the Company is satisfied that no recovery of the amount owing is possible; at that point, the amount is considered irrecoverable and is written off against the financial asset directly. At 30 June 2018, the Company does not have any collective impairment on its other receivables or its held-to-maturity investments (2017: nil).

GUARANTEES

Group policy is to provide financial guarantees only to wholly-owned subsidiaries. There is no financial guarantees amount allocated to the wholly-owned subsidiary as at 30 June 2018 (2017: nil).

LIQUIDITY RISK

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, finance leases and hire purchase contracts.

Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

At 30 June 2018, the Group held no deposits at call (2017: nil) that are expected to readily generate cash inflows for managing liquidity risk.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

30 JUNE 2018

	Note	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Trade and other payables	13	1,341,575	1,341,575	1,341,575	-	-	-	-
Provisions	12	1,437,286	1,437,286	1,437,286	-	-	-	-
		2,778,861	2,778,861	2,778,861	-	-	-	-

30 JUNE 2017

	Note	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Trade and other payables	13	1,143,881	1,143,881	1,143,881	-	-	-	-
Provisions	12	262,747	262,747	262,747	-	-	-	-
		1,406,628	1,406,628	1,406,628	-	-	-	-

MARKET RISK

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

FOREIGN EXCHANGE

The Group operates only in Australia and therefore is not exposed to any currency risk.

INTEREST RATE RISK

Exposure arises predominantly from assets and liabilities bearing variable interest rates as the Group intends to hold fixed rate assets and liabilities to maturity. Interest rate risk is not considered to be material.

	Fixed Interest \$	Floating Interest \$	Non-Interest Bearing \$	Total \$
Financial Assets				
Cash and cash equivalents	-	7,579,068	-	7,579,068
Trade and other receivables	-	-	375,512	375,512
Weighted average interest rate	-	0.50%	-	-
	-	7,579,068	375,512	7,954,580
Financial Liabilities				
Provision for Stamp Duty			1,136,126	1,136,126
Trade and other payables	-	-	1,341,575	1,341,575
	-	-	2,477,701	2,477,701

SENSITIVITY ANALYSIS

If the interest rates had weakened/strengthened by 2% at 30 June 2018, there would be no material impact on the statement of profit or loss and other comprehensive income. There would be no effect on the equity reserves other than those directly related to statement of profit or loss and other comprehensive income movements.

FAIR VALUE ESTIMATION

All financial assets and liabilities have been recognised at the reporting date at amounts approximating their carrying value due to their short-term nature.

NOTE 20: SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The entity does not have any operating segments with discrete financial information. The Group does not have any customers, and all the Group's assets and liabilities are located within Australia.

NOTE 21: CONTINGENT LIABILITIES

There were no other contingent liabilities as at 30 June 2018.

NOTE 22: EVENTS OCCURRING AFTER THE REPORTING PERIOD

On 8 August 2018 Mr Paul Savich was appointed Joint Company Secretary of Echo Resources Limited.

On 28 August 2018 2,000,000 incentive options previously issued under the Employee Incentive Scheme were cancelled, along with the issue of 500,000 new incentive options under the Employee Incentive Scheme.

On 4 September 2018 Echo Resources Limited announced the resignation of Executive Director Mr Gary Lethridge. Mr Lethridge was appointed a Director of the Company on 8 March 2018.

On 17th September 2018 the Company announced that it had accepted the resignation of Director and CEO, Mr Simon Coxhell, effective date has not yet been determined.

There have been no other matters or circumstances, other than that referred to in the financial statements or notes thereto, that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the Group. Accordingly, this information has not been disclosed in this report.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

There have been no other matters or circumstances, other than that referred to in the financial statements or notes thereto, that have arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the Group.

NOTE 23: AUDITOR'S REMUNERATION

	2018 \$	2017 \$
Audit and review of financial statements	41,403	38,484
Non-audit Services	2,285	25,500
Total Auditor Remuneration	43,688	63,984

NOTE 24: DIVIDENDS

There were no dividends recommended or paid during the financial years ended 30 June 2018 and 30 June 2017.

NOTE 25: RELATED PARTY

(a) Summarised Compensation of Key Management Personnel

Summary of Directors and Key Management Personnel compensation in the following categories are as follows:

	2018 \$	2017 \$
Short-term employee benefits	791,923	586,820
Post-employment benefits	66,722	37,969
Long-term benefits	65,530	19,911
Share based payment	331,509	517,322
Short-term incentive	40,000	60,000
	1,295,684	1,222,022

Information regarding individual Directors and Executive compensation and equity instruments disclosures as required by the Corporations Regulation 2M.3.03 is provided in the remuneration report section of the Directors' report.

NOTE 26: INVESTMENT IN CONTROLLED ENTITIES

Name of Entity	Place of Incorporation	Equity Holding		Cost of Parent Entity's Investment	
Parent Entity		2018	2017		
Echo Resources Ltd	Australia				
Controlled Entity					
Metaliko Resources Pty Ltd	Australia	100%	100%	33,562,700	33,562,700
MKO Mines Pty Ltd (subsidiary of Metaliko Resources Ltd)	Australia	100%	100%	-	-
Yandal Consolidated Gold Pty Ltd	Australia	100%	100%	-	-
				33,562,700	33,562,700

NOTE 27: ECHO RESOURCES LIMITED PARENT COMPANY INFORMATION

	2018 \$	Restated* 2017 \$
ASSETS		
Current assets	7,635,401	1,074,046
Non-current assets	4,896,396	3,645,694
Total assets	12,531,797	4,719,740
LIABILITIES		
Current liabilities	2,778,860	1,401,262
Total liabilities	2,778,860	1,401,262
EQUITY		
Contributed equity	71,891,973	53,119,015
Reserves	2,200,121	1,381,662
Retained earnings	(64,339,157)	(51,182,199)
Total equity	9,752,937	3,318,478
FINANCIAL PERFORMANCE		
Profit/(Loss) for the year	(13,156,957)	(37,756,143)
Other comprehensive income	-	-
Total comprehensive loss	(13,156,957)	(37,756,143)
Other Parent Company Information		
Parent Entity Commitments	73,336	73,336
Parent Entity Contingent Liabilities	-	501,643

* Restated. Refer to Note 3 for further details

DIRECTORS' DECLARATION

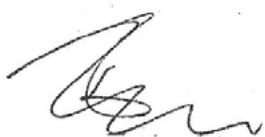
The Directors of the Group declare that:

1. The financial statements and notes set out on pages 28 to 53, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements and
 - (b) give a true and fair view of the consolidated entity's financial position as at 30 June 2018 and of its performance for the year ended on that date.

In the Directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

2. The remuneration disclosures included in the Directors' report (as part of audited Remuneration Report) for the year ended 30 June 2018, comply with section 300A of the *Corporations Act 2001*.
3. The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A.
4. The Group has included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:



Barry Bolitho
Non-Executive Chairman

Perth, Western Australia
27 September 2018

INDEPENDENT AUDITOR'S REPORT



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Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Echo Resources Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Echo Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2018, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2018 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1(a) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.



Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Share-based Payments

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>As disclosed in Note 4, the Company recognised a share-based payment expense in the Consolidated Statement of Profit and Loss and Other Comprehensive Income for the year ended 30 June 2018 due to the issue of performance rights and options.</p> <p>Share-based payments are a complex accounting area and due to the judgemental estimates used in determining the fair value of the share-based payments in accordance with the Accounting Standards, we consider management's calculation of the share based payment expense to be a key audit matter.</p>	<p>Our audit procedures to address the key audit matter included, but were not limited to:</p> <ul style="list-style-type: none">• Examining market announcements and board minutes to determine whether all the new options and performance rights granted during the year were accounted for;• Examining relevant supporting documentation to obtain an understanding of the contractual nature, terms and conditions of the share-based payment arrangements;• Considering the appropriateness of the valuation model used;• Reviewing the competence and work of Management's valuation experts, recalculating the estimated fair value of the options and performance rights, and assessing the reasonableness of the valuation inputs using internal specialists where appropriate;• Evaluating Management's assessment of the likelihood of meeting the performance conditions attached to the performance rights; and• Evaluating the adequacy of the disclosures in respect of the accounting treatment of share-based payments in the financial statements, including significant judgments involved (disclosed at Note 4), and the accounting policy at Note 1(v).



Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2018, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 21 to 25 of the directors' report for the year ended 30 June 2018.

In our opinion, the Remuneration Report of Echo Resources Limited, for the year ended 30 June 2018, complies with section 300A of the *Corporations Act 2001*.



Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit (WA) Pty Ltd

A handwritten signature in purple ink. The signature consists of the letters 'BDO' in a stylized, blocky font, followed by a cursive signature that appears to be 'J Prue'.

Jarrad Prue

Director

Perth, 27 September 2018

CORPORATE GOVERNANCE STATEMENT

INTRODUCTION

Since the introduction of the ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations ("ASX Guidelines" or "the Recommendations"), the Company has sought to adopt systems of control and accountability as the basis for the administration of corporate governance. Some of these policies and procedures are summarised in this report. Commensurate with the spirit of the ASX Guidelines, the Company has followed each Recommendation where the Board has considered the Recommendation to be an appropriate benchmark for its corporate governance practices, taking into account factors such as the size of the Company, the Board, resources available and activities of the Company. Where, after due consideration, the Company's corporate governance practices depart from the Recommendations, the Board has offered full disclosure of the nature of, and reason for, the adoption of its own practice.

The Board of the Company is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

Further information about the Company's corporate governance practices is set out on the Company's website at www.echoresources.com.au. In accordance with the recommendations of the ASX, information published on the Company's website includes:

CHARTERS

- Board
- Audit and Risk Committee
- Remuneration Committee

CONSTITUTION

- Constitution of Echo Resources Limited

COMPLIANCE, CODES, CONTROLS AND POLICIES

- Code of Conduct for Directors, Senior Executives and Employees
- Risk Management Statement
- Continuous Disclosure Policy
- Share Trading Policy
- Diversity Policy
- Environmental Policy

EXPLANATION FOR DEPARTURES FROM BEST PRACTICE RECOMMENDATIONS

During the 2017/2018 financial year the Company has complied with the Corporate Governance Principles and the corresponding Best Practice Recommendations as published by the ASX Corporate Governance Council ("Corporate Governance Principles and Recommendations 3rd Edition") except to the extent set out below and in the Company's Appendix 4G for that year as released to ASX.

CORPORATE GOVERNANCE COUNCIL RECOMMENDATION 1

Lay Solid Foundations for Management and Oversight

1.1 ROLE OF THE BOARD OF DIRECTORS

The role of the Board is to increase shareholder value within an appropriate framework which safeguards the rights and interests of the Company's shareholders and to ensure the Company is properly managed.

In order to fulfil this role, the Board is collectively responsible for promoting the success of the Company through its key functions of overseeing the management of the Company, providing overall corporate governance of the Company, monitoring the financial performance of the Company, engaging appropriate management commensurate with the Company's structure and objectives, involvement in the development of corporate strategy and

performance objectives, and reviewing, ratifying and monitoring systems of risk management and internal control, codes of conduct and legal compliance.

In complying with Recommendation 1.1 of the Corporate Governance Council, the Board has adopted a Board Charter which defines the roles and responsibilities expressly reserved to the Board and those delegated to management. A copy of the Board Charter is available on the Company's website.

1.2 APPOINTMENT AND ELECTION OF DIRECTORS

The Board assesses the skills it requires to competently discharge its duties taking into account the Company's performance, financial position and strategic direction. This assessment also includes the specific knowledge, skills and experience that one or more of the non-executive directors must possess.

The Board assesses candidates for appointment to the Board, either when a vacancy arises or if it considers that the Board would benefit from the services of a new Director. Attention is given to the mix of experience, skills, expertise and diversity of the current board and how a candidate may complement and balance these qualities.

The Board ensures that prior to appointing a director or recommending a new candidate for election as a director that appropriate checks are undertaken as to the person's character, experience, education, criminal record and bankruptcy history.

Security holders will be provided with all relevant information in the Board's possession, relevant on a decision on whether or not to elect or re-elect a Director.

1.3 WRITTEN AGREEMENTS

The Company has a written agreement with each Director setting out the terms of their appointment including duties and responsibilities, remuneration details and the circumstances under which the employment can be terminated.

1.4 COMPANY SECRETARY

The Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board. All Directors have access to the Company Secretary, who advises the Board and its committees on governance matters, attends and takes minutes at all Board and Board Sub-committee meetings, monitors adherence to the Board policies, communicates with the ASX and ASIC on all regulatory matters and procedures and retains professional advisors at the Board's request.

1.5 DIVERSITY

The Board has adopted a diversity policy that details the purpose of the policy and the employee selection and appointment guidelines, consistent with the recommendations of the Corporate Governance Council. The Board believes that the adoption of an efficient diversity policy has the effect of broadening the employee recruitment pool, supporting employee retention, including different perspectives and is socially and economically responsible governance practice.

As at 30 June 2018, no females occupy board positions however the Company Secretary is female.

A copy of the Company's diversity policy is available on the Company's website.

The Company supports an inclusive workplace that embraces and promotes diversity however the Board has determined that no specific measurable objectives will be established relating to gender diversity until the number of employees and level of activities of the Company increases to a level sufficient to enable meaningful and achievable objectives to be developed. The Board considers that the setting of quantitative gender based measurable targets is not consistent with the merit and ability-based policies currently implemented by the Company.

The Board will consider the future implementation of gender-based diversity measurable objectives when it is more appropriate to the size and nature of the Company's operations.

The Nomination and Remuneration Committee is responsible for reviewing and reporting on the relevant proportion of males and females in the workforce. The relative proportion of males and females at the Board and Senior Management level across the Company at the end of the financial year 30 June 2018 is detailed below:

	Male	Female
Board	100%	0%
Senior Executive*	86%	14%
Group	84%	16%

Note

* We have defined Senior Executive as executive directors and heads of department.

1.6 AND 1.7 EVALUATION OF BOARD, ITS COMMITTEES, DIRECTORS AND SENIOR EXECUTIVES

The Company has not complied with Recommendations 1.6 and 1.7 of the Corporate Governance Council as it has not undertaken a formal review of the performance of the Board and its committees, its individual Directors and senior executives for the year ended 30 June 2018.

Due to the size of the Board and the Company, the Board undertakes ad hoc self-assessments of its collective performance, and performance of senior executives, by way of Board discussion. As the Company progresses its current projects, the Board intends to follow established appropriate evaluation procedures. The Board as a whole assesses the performance of the chairman on an informal basis.

CORPORATE GOVERNANCE COUNCIL RECOMMENDATION 2

Structure the Board to Add Value

2.1 NOMINATION COMMITTEE

The Board has adopted a Nomination Committee Charter which describes the role, composition, functions and responsibilities of the Nomination Committee and is available on the on the Company's website.

The Company does not have a Nomination Committee as the Board considers the Company will not currently benefit from its establishment. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Nomination Committee under the Nomination Committee Charter, including the following processes to address succession issue and to ensure the Board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively:

- devoting time at least annually to discuss Board succession issues and updating the Company's board skills matrix; and
- all Board members being involved in the Company's nomination process, to the maximum extent permitted under the Corporations Act and the ASX Listing Rules.

2.2 BOARD COMPOSITION

The membership of the Board, its activities and composition is subject to periodic review. The criteria for determining the identification and appointment of a suitable candidate for the Board shall include the quality of the individual, background of experience and achievement, compatibility with other Board members, credibility within the scope of activities of the Company, intellectual ability to contribute to Board discussions and physical ability to undertake Board duties and responsibilities.

Directors are initially appointed by the Board and are subject to re-election by shareholders at the next general meeting. In any event a minimum of one third of the Directors are subject to re-election by shareholders at each general meeting.

As at 30 June 2018 the Board comprised six members, a Non-Executive Chairman, two Executives and three Non-Executive Directors.

The Directors have been chosen for their particular expertise to provide the Company with a competent and well-rounded decision-making body and which will assist the Company and shareholders in meeting their objectives.

The Directors meet frequently, both formally and informally, so that they maintain a thorough understanding of the Company's business and ensure that the Company's policies of corporate governance are adhered to.

The Board has considered the key skill sets that would be appropriate for the organisation in its present stage. Skill sets currently on the Company's Board include technical, financial, managerial, corporate, and commercial.

Set out next is a board experience, skills and attributes matrix as at 30 June 2018:

Area	Board skills and experience	2018 (out of 6 Directors)
Strategy	Exploration and mine development and mergers and acquisition experience	6
Financial performance	Senior executive experience in financial accounting and reporting, or business development	6
	Board audit sub-committee experience	5
	Relevant tertiary degree of professional qualification	6
Corporate governance	Experience in small to medium sized mining companies with a strong focus on adherence to high governance standards	6
	Listed entity board and/or sub-committee experience	6
	Experience in corporate legal affairs and/or regulatory/ governmental departments	4
Executive management	Prior experience as a director, CEO, CFO or other office holder in similar small to medium entities	6
Geological understanding	Geology and exploration	4
Mining	Senior executive, advisory or board experience in small to medium resource organisations	6
Project Development/ Operations	Senior executive experience with capital projects in a mining or resources environment	6
Health, safety and Environment	Executive or board or sub-committee experience in a mining and resources organisation with responsibility for health and workplace safety and/or environmental and social responsibly	6
Risk management	Senior executive experience in risk management	6
	Board risk sub-committee experience	6

2.3 INDEPENDENCE

The Board has assessed the independence of its Non-Executive Directors according to the definition contained within the Recommendations and has concluded the current Non-Executive Chairman being Mr Bolitho and the Non-Executive Directors being Mr McIntosh, Mr Dean and Mr Hanlon meet the recommended independence criteria.

In accordance with Recommendation 2.3 the following information is provided in relation to the Board of Directors:

Name	Position	Term in Office
Mr Barry Bolitho	Non-Executive Chairman	Appointed 30 May 2016
Mr Simon Coxhell	Chief Executive Director	Appointed 8 February 2016
Mr Anthony McIntosh	Non-Executive Director	Appointed 19 October 2012
Mr Robin Dean	Non-Executive Director	Appointed 3 January 2017
Mr Timothy Hanlon	Non-Executive Director	Appointed 3 January 2017
Mr Gary Lethridge	Finance Director	Appointed 8 March 2017

In accordance with Recommendation 2.3(b) the Company made enquiry to each Director as to if there were any matters the Directors considered would affect the independence of each relevant Director. No matters were reported.

2.4 A MAJORITY OF THE BOARD SHOULD BE INDEPENDENT DIRECTORS

A majority of the Board were independent directors during the financial year.

2.5 ROLES OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER (OR EQUIVALENT)

The role of Chairman was exercised by Mr Barry Bolitho during the financial year. The role of CEO was occupied by Mr Simon Coxhell and accordingly the Company complies with Recommendation 2.5 of the Corporate Governance Council which requires the Chair to be independent and should not be the same person as the CEO.

2.6 INDUCTION PROGRAM

The Company has an induction programme that it uses when new directors join the Board and when new senior executives are appointed. The goal of the programme is to assist new directors to participate fully and actively in Board decision-making, and to assist senior executives to participate fully and actively in management decision-making, at the earliest opportunity.

The Nomination Committee reviews whether the directors as a group have the skills, knowledge and familiarity with the Company and its operating environment required to fulfil their role on the Board and the Board committees effectively, using a Board skills matrix. Where any gaps are identified, the Nomination Committee considers what training or development should be undertaken to fill those gaps.

Each Director has the right to access all relevant information in respect of the Company and to make appropriate enquiries of senior management. Each Director has the right to seek independent professional advice at the Company's expense, subject to the prior approval of the Chairman, which shall not be unreasonably withheld or delayed.

CORPORATE GOVERNANCE COUNCIL RECOMMENDATION 3

Act Ethically and Responsibly

The Board actively promotes ethical and responsible decision making.

3.1 CODE OF CONDUCT

The Board has adopted a Code of Conduct that applies to all employees, executives and Directors of the Company, and as such complies with Recommendation 3.1 of the Corporate Governance Council. This Code addresses expectations for conduct in accordance with legal requirements and agreed ethical standards. A copy of the Code is available on the Company's website.

CORPORATE GOVERNANCE COUNCIL RECOMMENDATION 4

Safeguarding Integrity in Corporate Reporting

4.1 AUDIT COMMITTEE

The Board has established an Audit and Risk Committee comprising three independent non-executive directors and is chaired by an independent director. The Audit and Risk Committee is structured in accordance with Recommendation 4.1 and the current members and their relevant experience and qualifications are:

- Mark Hanlon (Chairman and Independent Director) BBus, MBus; Mark has over ten years' experience in the resource and resource services sector as well as over ten years' experience in commercial and management banking. He has been the finance director of ENK Plc and previously held the position or equivalent position of CFO with listed companies such as Century Drilling and International Manufacturing Company Limited. He holds a Bachelor of Business in Finance and Accounting and a Master of Business in Banking and Finance.
- Anthony McIntosh (Independent Director) BCom, GAICD; Anthony holds a Bachelor of Commerce degree from the Bond University and manages a portfolio of investments including both listed and unlisted companies. Anthony has previously been the Chairman of the Echo Resources Limited Audit Committee.
- Robin Dean (Independent Director) BEcon; Robin holds a Bachelor of Economics degree from the University of Western Australia and has over 30 years' experience in banking, project finance and commodity hedging. He has been CEO of a number of public companies.

In the relevant Reporting Period the Audit and Risk Committee met once and all members attended the meeting.

The Board has adopted an Audit and Risk Committee Charter which describes the role, composition, functions and responsibilities of the Audit and Risk Committee and is available on the on the Company's website.

4.2 FINANCIAL REPORTING

The Board relies on its Directors to monitor the internal controls within the Company. Financial performance is monitored on a regular basis by the Board and is discussed by the Board at its Board meetings.

Before it approves the Company's financial statements for a financial period, the Board receives a declaration from the Chief Executive Officer (or equivalent) and Company Secretary that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

4.3 AUDITOR SHOULD ATTEND THE AGM

The Company ensures that the Company's external auditor attends the annual general meeting of the Company each year and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the audit report.

CORPORATE GOVERNANCE COUNCIL RECOMMENDATION 5

Make Timely and Balanced Disclosure

5.1 CONTINUOUS DISCLOSURE

The Board is committed to the promotion of investor confidence by providing full and timely information to all security holders and market participants about the Company's activities and to comply with the continuous disclosure requirements contained in the Corporations Act 2001 and the Australian Securities Exchange's Listing Rules. The Company has established written policies and procedures, designed to ensure compliance with the ASX Listing Rule Requirements, in accordance with Recommendation 5.1 of the Corporate Governance Council. A copy of the Company's Continuous Disclosure Policy is available on the Company's website.

Continuous disclosure is discussed at all regular Board meetings and on an ongoing basis the Board ensures that all activities are reviewed with a view to the necessity for disclosure to security holders.

In accordance with ASX Listing Rules the Company Secretary is appointed as the Company's disclosure officer.

CORPORATE GOVERNANCE COUNCIL RECOMMENDATION 6

Respect the Rights of Security Holders

6.1 COMMUNICATIONS

The Company provides information about itself and its governance (as set out in its Corporate Governance Charters, Policies and Procedures) to investors via its website at www.echoresources.com.au

6.2 INVESTOR RELATIONS PROGRAM

The Company has in place a Shareholder Communication and Investor Relations Policy which outlines the policies and processes that it has in place to facilitate and promote effective two-way communication with investors.

6.3 ENCOURAGE PARTICIPATION AT SHAREHOLDER MEETINGS

Shareholders are encouraged to participate at all general meetings and annual general meetings of the Company to ensure a high level of accountability and identification with the Company's strategy and goals. Important issues are presented to the shareholders as single resolutions.

As set out in the Company's Communication and Investor Relations Policy (available on the Company's website), the Company recognises that general meetings are an important forum for two-way communication between the Company and its shareholders. The meetings provide the Company with an opportunity to impart to shareholders a greater understanding of its business, governance, financial performance and prospects, as well as to discuss areas of concern or interest to the Board and management. The meetings also provide shareholders with an opportunity to express their views to the Company's Board and management about any areas of concern or interest for them.

The Company endeavours to actively engage with shareholders at its general meetings and encourages attendance and participating at its meetings.

The Company provides information in the Notice of Meeting that is presented in a clear, concise and effective manner.

In accordance with section 250S of the Corporations Act 2001 (Cth), at the Company's annual general meetings the Chair of the meeting will allow a reasonable opportunity for members to ask questions about or make comments on the management of the Company.

6.4 ELECTRONIC COMMUNICATIONS

The Company's share registry also provides (through its website, links to which can be found on the Company's website) the ability to email the share registry and to receive documents by email from the share registry. Shareholders can register with the Company's Share Registrar to receive email notifications of the release of annual and half yearly reports, notice of Annual General Meetings and any distribution of dividends. Further, the Company provides information through its website, enabling security holders to email the Company and to receive Company announcements by email.

CORPORATE GOVERNANCE COUNCIL RECOMMENDATION 7

Recognise and Manage Risk

7.1 RISK MANAGEMENT POLICY

The Board has established an Audit and Risk Committee comprising three independent non-executive directors and is chaired by an independent director. The Audit and Risk Committee is structured in accordance with Recommendation 7.1 and the current members and their relevant experience and qualifications are listed in 4.1 (Audit Committee)

In the relevant Reporting Period the Audit and Risk Committee met once and all members attended the meeting.

The Board has adopted an Audit and Risk Committee Charter which describes the role, composition, functions and responsibilities of the Audit and Risk Committee and is available on the on the Company's website.

7.2 RISK MANAGEMENT AND THE INTERNAL CONTROL SYSTEM

The Board recently established the Audit and Risk Committee. As set out above the Audit and Risk Committee has had one meeting in the Reporting Period. It is anticipated that the Audit and Risk Committee will review the Company's risk management framework with management at least annually to satisfy itself that it continues to be sound. However, no such review was undertaken in the relevant Reporting Period given the Audit and Risk Committee was only recently established. The Company intends to comply with Recommendation 7.2 moving forward.

7.3 INTERNAL AUDIT FUNCTION

The Company does not believe it is of a size that warrants an internal audit function. The Board acknowledges that it is responsible for the overall internal control framework but recognizes that no cost effective internal control system will preclude all errors and irregularities. To assist in discharging this responsibility, the Board has instigated an internal control framework that deals with:

Financial reporting - there is a comprehensive budgeting system with an annual budget, updated on a regular basis approved by the Board. Monthly actual results are reported against these budgets.

Investment appraisal - the Company has clearly defined guidelines for capital expenditure including annual budgets, detailed appraisal and review procedures, levels of authority and due diligence requirements where businesses or assets are being acquired or divested.

Quality and integrity of personnel - the Company's policies are detailed in an approved induction manual. Formal appraisals are conducted annually for all employees.

7.4 MATERIAL RISK

ECONOMIC, ENVIRONMENTAL AND SOCIAL SUSTAINABILITY RISKS

The Company is focused on the discovery and exploitation of mineral deposits and operates in diverse physical environments. As a result, there is some potential for material exposure to economic, environmental and social sustainability risks.

The Company is very aware of the potential for risk in this area and is committed to ensuring that sound environmental management and safety practices are carried out in its exploration activities.

Echo Resources' underlying goals relating to environmental sustainability are to minimise any adverse impacts upon the environment resulting from the Company's activities.

The Company's activities are conducted in a manner that minimises our environmental "footprint" as much as possible and are conducted strictly in accordance with all necessary permits and approvals from regulators.

CORPORATE GOVERNANCE COUNCIL RECOMMENDATION 8

Remunerate Fairly and Responsibly

8.1 REMUNERATION COMMITTEE

The Board has established a Remuneration Committee comprising two independent non-executive directors and one executive director and is chaired by an independent director. The Remuneration Committee is structured in accordance with Recommendation 8.1 and the current members are:

- Barry Bolitho (Chairman) – Barry has over 40 years' experience as a mining professional. He has been a member and chairman of remuneration committees for other listed entities.
- Simon Coxhell – Simon is a geologist with over 30 years of diverse experience encompassing all aspects of the resource sector. This experience proves highly useful in the service to the Remuneration Committee.
- Anthony McIntosh – Anthony holds board positions with listed and unlisted companies and brings to the Remuneration Committee a wide-ranging knowledge of various sectors.

Details of director attendance at Remuneration Committee meetings during the Reporting Period are set out in a table in the Directors' Report of the Company's 2018 Annual Report.

The Board has adopted a Remuneration Committee Charter which describes the role, composition, functions and responsibilities of the Remuneration Committee and is available on the on the Company's website.

8.2 DISTINGUISH BETWEEN EXECUTIVE AND NON-EXECUTIVE REMUNERATION

Although not prescribed under the Company's Corporate Governance Charters, Policies and Procedures, the Board will disclose its policies and practices regarding remuneration of Directors and senior executives, which is disclosed in the Company's annual report.

8.3 EQUITY BASED REMUNERATION SCHEME

The Company has an equity-based remuneration scheme being the Echo Resources Performance Rights Incentive Scheme and the Echo Resources Options Incentive Scheme under which performance rights and options may be granted. The Company does not have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme.

APPENDIX 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

Echo Resources Ltd

ABN / ARBN:

34 108 513 113

Financial year ended:

30 June 2018

Our corporate governance statement² for the above period above can be found at:³

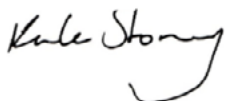
- ☒ These pages of our annual report: Addition information for Annual report, with this form pg 59-66
- ☐ This URL on our website:

The Corporate Governance Statement is accurate and up to date as at 30 June 2018 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.

Date: 27 September 2018

Name of Secretary authorising lodgment: Kate Stoney



¹ Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of rule 4.10.3.

² "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

³ Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT		
1.1 A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i></p> <p>... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): <input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.2 A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.4 The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
<p>5</p> <p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>... the fact that we have a diversity policy that complies with paragraph (a): pg 2</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>1.6</p> <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>1.7</p> <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at [insert location]</p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at [insert location]</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at [insert location]</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.2	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	<p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	<p>... the names of the directors considered by the board to be independent directors:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at [insert location]</p> <p>... and, where applicable, the information referred to in paragraph (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at [insert location]</p> <p>... and the length of service of each director:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
2.4	A majority of the board of a listed entity should be independent directors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	... our code of conduct or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>[If the entity complies with paragraph (a).]</p> <p>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b).]</p> <p>... the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
4.2	<p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
4.3	<p>A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	... our continuous disclosure compliance policy or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	... information about us and our governance on our website: <input checked="" type="checkbox"/> www.echoresources.com.au	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at [insert location]</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> <p>... and that such a review has taken place in the reporting period covered by this Appendix 4G:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	<p>[If the entity complies with paragraph (a):] ... how our internal audit function is structured and what role it performs:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]</p> <p>[If the entity complies with paragraph (b):] ... the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
7.4	<p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<p>... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY		
<p>8.1 The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at [insert location]</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is not applicable</p>
<p>8.2 A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>8.3 A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>... our policy on this issue or a summary of it:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>



SHAREHOLDER INFORMATION

Additional information required by the ASX Listing Rules and not disclosed elsewhere in this report is set out below. The information is current as at 25 September 2018.

SHAREHOLDINGS AS AT 25 SEPTEMBER 2018

SUBSTANTIAL SHAREHOLDERS

The names of substantial shareholders who have notified the Company:

Shareholder name	Number of shares	Percentage
NORTHERN STAR RESOURCES LTD	96,661,274	19.781

LESS THAN MARKETABLE PARCELS

Parcel	Holders	Units	Percentage
1 – 3,571	208	340,688	0.07
> 3,572	1,462	488,305,726	99.93
Total	1,688	488,646,414	100

VOTING RIGHTS

All ordinary shares carry one vote per share without restriction.

UNQUOTED SECURITIES

There are nil unquoted securities.

ON-MARKET BUYBACK

There is no current on-market buy-back.

STATEMENT IN RELATION TO LISTING RULE 4.10.19

The Directors of Echo Resources Limited confirm in accordance with ASX Listing Rule 4.10.19 that during the financial year ended 30 June 2018, the Company has used its cash, and assets that are readily convertible to cash, in a way consistent with its business objectives.

STOCK EXCHANGE LISTING

Quotation has been granted for the Company's Ordinary Shares.

SECURITIES SUBJECT TO ESCROW

There are nil securities currently subject to escrow.

DISTRIBUTION OF SECURITY HOLDERS

SPREADS OF HOLDINGS	NUMBER OF HOLDERS	NUMBER OF UNITS	% OF TOTAL ISSUED CAPITAL
1 -1,000	74	9,786	0.002
1,001 - 5,000	287	987,876	0.202
5,001 - 10,000	237	1,982,659	0.406
10,001 - 100,000	762	31,095,536	6.364
100,001 - 999,999,999,999	310	454,570,557	93.026
Total			100

TWENTY LARGEST SHAREHOLDERS - ORDINARY SHARES

	Name	Number of ordinary shares held	Percentage of capital held
1	NORTHERN STAR RESOURCES LIMITED	96,661,274	19.781
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	48,815,205	9.990
3	MR ERNST ALFRED KOHLER	23,223,084	4.753
4	J P MORGAN NOMINEES AUSTRALIA LIMITED	22,166,960	4.536
5	NERO RESOURCE FUND PTY LTD <NERO RESOURCE FUND A/C>	13,776,684	2.819
6	SANDHURST TRUSTEES LIMITED <JMFG CONSOL A/C>	12,751,353	2.610
7	BNP PARIBAS NOMINEES PTY LTD	11,411,489	2.341
8	CITICORP NOMINEES PTY LIMITED	10,952,717	2.241
9	SISU INTERNATIONAL PTY LTD	9,163,818	1.875
10	TYSON RESOURCES PTY LTD	9,107,638	1.864
11	NATIONAL NOMINEES LIMITED	8,000,951	1.637
12	MUTUAL TRUST PTY LTD	6,850,902	1.402
13	GREAT AUSTRALIA CORPORATION	6,625,416	1.356
14	NKG NOMINEES PTY LTD <NKG FAMILY A/C>	5,763,126	1.179
15	BRISPOT NOMINEES PTY LTD <HOUSE HEAD NOMINEE A/C>	5,758,031	1.178
16	MR FRANCIS AMBROSE KENNEDY	5,497,400	1.125
17	KITARA INVESTMENTS PTY LTD <KUMOVA FAMILY A/C>	5,395,080	1.104
18	AURALANDIA PTY LTD	5,070,000	1.038
19	KELSI CHEMICALS PTY LTD	5,043,077	1.032
20	UBS NOMINEES PTY LTD	3,922,515	0.803
	TOTAL	317,232,719	64.921

TENEMENTS

Name	Holders	%	Name	Holders	%
E36/578	MKO Mines Pty Ltd and Creasy, Mark Gareth	70%	L53/162	MKO Mines Pty Ltd	100%
E36/593	MKO Mines Pty Ltd	100%	L53/203	Echo Resources Limited	100%
E36/667	Echo Resources Limited	100%	L53/204	Echo Resources Limited	100%
E36/673	MKO Mines Pty Ltd and Creasy, Mark Gareth	70%	L53/206	Echo Resources Limited	100%
E36/693	MKO Mines Pty Ltd and Linger And Die Pty Ltd	70%	L53/57	Echo Resources Limited	100%
E36/698	MKO Mines Pty Ltd and Creasy, Mark Gareth	70%	L53/59	Echo Resources Limited	100%
E36/715	Echo Resources Limited	100%	M36/107	MKO Mines Pty Ltd	100%
E36/749	MKO Mines Pty Ltd	100%	M36/146	MKO Mines Pty Ltd	100%
E36/810	Echo Resources Limited	100%	M36/200	MKO Mines Pty Ltd	100%
E36/826	Echo Resources Limited	100%	M36/201	MKO Mines Pty Ltd	100%
E36/838	MKO Mines Pty Ltd	100%	M36/202	MKO Mines Pty Ltd	100%
E36/847	MKO Mines Pty Ltd	100%	M36/203	MKO Mines Pty Ltd	100%
E36/862	MKO Mines Pty Ltd	100%	M36/244	MKO Mines Pty Ltd	100%
E36/884	MKO Mines Pty Ltd	100%	M36/263	MKO Mines Pty Ltd	100%
E36/890	MKO Mines Pty Ltd	100%	M36/295	MKO Mines Pty Ltd	100%
E36/900	Echo Resources Limited	100%	M36/615	MKO Mines Pty Ltd	100%
E36/917	MKO Mines Pty Ltd	100%	M53/1080	Echo Resources Limited	100%
E36/943	Echo Resources Limited	100%	M53/1099	Echo Resources Limited	100%
E37/1200	Metaliko Resources Limited	100%	M53/144	Echo Resources Limited	100%
E37/1313	Echo Resources Limited	100%	M53/145	Echo Resources Limited	100%
E37/846	MKO Mines Pty Ltd	100%	M53/149	Echo Resources Limited	100%
E37/847	MKO Mines Pty Ltd	100%	M53/15	MKO Mines Pty Ltd	100%
E37/848	MKO Mines Pty Ltd	100%	M53/160	Echo Resources Limited	100%
E53/1042	Echo Resources Limited	100%	M53/170	Echo Resources Limited	100%
E53/1324	Echo Resources Limited	100%	M53/183	Echo Resources Limited	100%
E53/1373	MKO Mines Pty Ltd and Linger And Die Pty Ltd	70%	M53/186	Echo Resources Limited	100%
E53/1405	Echo Resources Limited	100%	M53/220	Echo Resources Limited	100%
E53/1430	Echo Resources Limited	100%	M53/294	MKO Mines Pty Ltd and Creasy, Mark Gareth	70%
E53/1472	Echo Resources Limited	100%	M53/295	MKO Mines Pty Ltd and Creasy, Mark Gareth	70%
E53/1546	Echo Resources Limited	100%	M53/296	MKO Mines Pty Ltd and Creasy, Mark Gareth	70%
E53/1729	Echo Resources Limited and Yandal Metals Pty Ltd	70%	M53/297	MKO Mines Pty Ltd and Creasy, Mark Gareth	70%
E53/1736	Echo Resources Limited	100%	M53/379	Echo Resources Limited	100%
E53/1742	Echo Resources Limited and Yandal Metals Pty Ltd	70%	M53/393	MKO Mines Pty Ltd and Creasy, Mark Gareth	70%

Name	Holders	%	Name	Holders	%
E53/1759	Echo Resources Limited and Yandal Metals Pty Ltd	70%	M53/434	Echo Resources Limited	100%
E53/1830	Echo Resources Limited	100%	M53/544	MKO Mines Pty Ltd and Creasy, Mark Gareth	70%
E53/1847	Metaliko Resources Limited	100%	M53/547	MKO Mines Pty Ltd and Creasy, Mark Gareth	70%
E53/1855	MKO Mines Pty Ltd	100%	M53/555	Echo Resources Limited	100%
E53/1867	MKO Mines Pty Ltd	100%	M53/631	Echo Resources Limited	100%
E53/1874	MKO Mines Pty Ltd	100%	M53/721	Echo Resources Limited	100%
E53/1890	Echo Resources Limited and Kammermann, Michael Stewart	70%	P36/1734	MKO Mines Pty Ltd	100%
E53/1954	Echo Resources Limited	100%	P36/1735	MKO Mines Pty Ltd	100%
L36/100	MKO Mines Pty Ltd	100%	P36/1736	MKO Mines Pty Ltd	100%
L36/106	MKO Mines Pty Ltd	100%	P36/1737	MKO Mines Pty Ltd	100%
L36/107	MKO Mines Pty Ltd	100%	P36/1738	MKO Mines Pty Ltd	100%
L36/111	MKO Mines Pty Ltd	100%	P36/1740	MKO Mines Pty Ltd	100%
L36/112	MKO Mines Pty Ltd	100%	P36/1754	MKO Mines Pty Ltd and Creasy, Mark Gareth	70%
L36/127	MKO Mines Pty Ltd	100%	P36/1755	MKO Mines Pty Ltd and Creasy, Mark Gareth	70%
L36/176	MKO Mines Pty Ltd	100%	P37/8514	MKO Mines Pty Ltd	100%
L36/183	MKO Mines Pty Ltd	100%	P53/1515	Echo Resources Limited	100%
L36/184	MKO Mines Pty Ltd	100%	P53/1622	MKO Mines Pty Ltd	100%
L36/185	MKO Mines Pty Ltd	100%	P53/1623	MKO Mines Pty Ltd	100%
L36/186	MKO Mines Pty Ltd	100%	P53/1649	Echo Resources Limited	100%
L36/190	MKO Mines Pty Ltd	100%	P53/1650	Echo Resources Limited	100%
L36/192	MKO Mines Pty Ltd	100%	P53/1651	Echo Resources Limited	100%
L36/200	MKO Mines Pty Ltd	100%	P53/1652	Echo Resources Limited	100%
L36/204	MKO Mines Pty Ltd	100%	P53/1653	Echo Resources Limited	100%
L36/205	MKO Mines Pty Ltd	100%	P53/1654	Echo Resources Limited	100%
L36/219	MKO Mines Pty Ltd	100%	P53/1655	Echo Resources Limited	100%
L36/229	MKO Mines Pty Ltd	100%	P53/1656	Echo Resources Limited	100%
L36/55	MKO Mines Pty Ltd	100%	P53/1657	Echo Resources Limited	100%
L36/62	MKO Mines Pty Ltd	100%	P53/1658	Echo Resources Limited	100%
L36/82	MKO Mines Pty Ltd	100%	P53/1659	Echo Resources Limited	100%
L36/84	MKO Mines Pty Ltd	100%	P53/1661	Echo Resources Limited	100%
L36/98	MKO Mines Pty Ltd	100%	P53/1662	Echo Resources Limited	100%
L37/218	MKO Mines Pty Ltd	100%	P53/1663	Echo Resources Limited	100%
L37/219	MKO Mines Pty Ltd	100%	P53/1664	Echo Resources Limited	100%
L53/133	MKO Mines Pty Ltd	100%	P53/1665	Echo Resources Limited	100%

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