

ASX ANNOUNCEMENT

MT JOEL DRILLING CAMPAIGN COMMENCES

HIGHLIGHTS

- A planned 17,000 metres of aircore drilling has commenced at Mt Joel (70% Echo), located approximately 12km NE of Echo's Bronzewing Processing Hub
- Drilling will target near-surface, open-pittable mineralisation with a view to adding significant oxide ounces to resource inventory
- Current planning has drilling completed and results received by year end, with targeted fast-tracking of additional ounces into the Yandal Project mine schedule
- Results to be integrated into the Yandal Project Bankable Feasibility Study (BFS) optimisation in progress
- Preliminary drilling conducted last quarter validates the historical Mt Joel database with confirmation of the existence of significant gold mineralisation within the oxide zone

Echo Resources Limited ('Echo' or 'the Company') has commenced drilling at Mt Joel (70% Echo), which is located approximately 12km north-east of the Company's Bronzewing Processing Hub. This campaign is part of an accelerated, highly targeted exploration push to grow potential near-term mineral inventory within Echo's dominant landholding (1,600km²) in the highly prospective Yandal greenstone belt of Western Australia.

Echo's initial priority focus is shallow mineralised systems capable of being rapidly converted to Ore Reserves. This strategy ties in with the Yandal Project BFS optimisation and project finance processes currently in progress. It also further capitalises on the opportunity afforded to the Company as a result of the short refurbishment lead time (less than 6 months) for restart of Echo's 2Mtpa Bronzewing Processing Hub.

The drilling campaign will focus on known prospects in the Mt Joel district, where historical data highlights that good potential exists to add quality, near-surface ounces to Echo's Mineral Resource and Ore Reserve estimates.

ASX ANNOUNCEMENT

26 October 2018

ASX CODE

EAR

KEY ASSETS

- Julius
- Orelia
- Bronzewing Hub

DIRECTORS

Barry Bolitho
Executive Chairman

Anthony McIntosh
Non-Executive Director

Mark Hanlon
Non-Executive Director

Robin Dean
Non-Executive Director

Kate Stoney
Company Secretary

REGISTERED OFFICE

Level 1, 7 Rheola Street
West Perth WA 6005

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

Previous Echo drill results¹ from Mt Joel include:

- 11m @ 6.2 g/t Au from 10m (MJAC001);
- 5m @ 6.9 g/t Au from 18m (MJAC002);
- 5m @ 20.2 g/t Au from 34m (MJAC007);
- 20m @ 2.6 g/t Au from 52m (MJAC013);
- 4m @ 7.0 g/t Au from 44m (MJAC015); and
- 4m @ 24.8 g/t Au from 20m (MJAC016)

Echo's Executive Chairman, Barry Bolitho, commented: *"Echo's focus for the past 12 months has been almost solely concentrated at the Julius and Orelia gold deposits, leading to the completion of the Yandal Gold Project BFS² in August 2018. The BFS demonstrates very attractive financial metrics for proposed Stage 1 development as well as highlighting the significant upside potential offered by the addition of further quality oxide ounces to the Yandal mine plan. The Mt Joel drilling campaign is the start of a concerted exploration push planned to deliver on this potential."*

"Going forward into 2019, Echo will continue to aggressively advance it's projects with a view to strengthen our Resource and Reserve position. Concurrently, Echo will continue to generate targets looking for the next underground ore body by working with experts in the field such as Dr Jon Hronsky. Already it is clear opportunity exists at depth at Bronzewing, Lotus and Mt Joel for underground style mineralisation. Mt Joel represents a large mineralised system, extending over 8km of strike and we believe the source of the significant near surface resources is yet to be fully evaluated."

For further information:

Barry Bolitho

Executive Chairman

Echo Resources Ltd

¹See ASX Announcement "Quarterly Activities & Cashflow Report", 20 July 2018, Echo Resources Limited is not aware of any new information or data that materially affects the information included the previous announcement.

²See ASX Announcement "Yandal Gold Project – Bankable Feasibility Study", 6 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 Bankable Feasibility Study in the previous announcement continue to apply and have not materially changed.