



6th December 2018

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Letter of Intent – Echo Resources

MACA Limited ('MACA') (ASX:MLD) is pleased to advise that Echo Resources Limited ('Echo') (ASX:EAR) has signed a letter of intent to appoint MACA Mining under an Open Pit Mining Services Contract ("Mining Contract"), and MACA Interquip, under a Mill Refurbishment Contract ("Mill Contract") at the Yandal Gold Project in Western Australia.

The letter of intent confirms that, subject to a decision to mine or other investment decision to proceed with the development being made by the Echo Board of Directors and any necessary statutory approvals being obtained, Echo intends to award the two contracts to MACA. The scope of work to be undertaken under the Mining Contract will include load and haul and, drill and blast. The pricing for the Mining Contract is to be updated (using the same inputs as tendered, adjusted for rise and fall) based on the final mine plans once an updated Bankable Feasibility Study on the Yandal Gold Project has been completed. The Mill Contract will include refurbishment and commissioning. While final pricing is to be determined under the aforementioned methodology, the previously released BFS for Stage 1 estimated mining costs at \$172 million.

MACA has separately agreed to subscribe for \$1.5M worth of shares in Echo at \$0.11 per share as part of a broader placement and entitlements issue.

The Yandal Gold Project is located 83km northeast of Leinster in Western Australia and will treat ore through the Bronzewing Processing Plant. The project will complement MACA's other operations in the region.

Bluff Coal Project

MACA is pleased to advise that following mobilisation and early site establishment activities, mining of overburden will commence on or around the 10th of December under the \$700 million life of mine Bluff Coal Contract for Carabella Resources.

**** ENDS****

For further information please contact:

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