

ASX ANNOUNCEMENT

COMPLETION OF SPP AND TRANCHE 2 OF PLACEMENT

Echo Resources Limited (ASX:EAR) ("**Echo**" or the "**Company**") advises that the Share Purchase Plan ("**SPP**") described in the offer booklet dated 14 May 2019 closed oversubscribed on 7 June 2019. In addition, following shareholder approval at the General Meeting held on 10 June 2019, Echo has completed Tranche 2 of the institutional placement announced on 2 May 2019 ("**Institutional Placement**").

The SPP allowed eligible shareholders the ability to apply for up to \$15,000 of new fully paid ordinary shares in Echo at a price of \$0.13 per share. The Company had intended to raise up to \$3 million under the SPP. The SPP closed oversubscribed and the Company received applications for 24,767,365 shares under the SPP. The Board has used its discretion under the terms and conditions of the SPP to accept all oversubscriptions with the total amount raised under the SPP being approximately \$3.2 million. New shares allocated under the SPP will be issued on 14 June 2019.

Tranche 2 of the Institutional Placement announced on 2 May 2019 was approved by shareholders at the General Meeting on 10 June 2019. Tranche 2 was not underwritten and comprises the issue of approximately 28,103,568 shares at a price of \$0.13 per share to raise approximately \$3.7 million.

The SPP, together with Tranche 1 and 2 of the Institutional Placement, has raised gross proceeds of approximately \$18.2 million before costs.

Commenting on the completion of the capital raising, Echo Managing Director and CEO Mr Victor Rajasooriar said:

"On behalf of the Echo Board and Management, we appreciate the support of our existing and new shareholders in the capital raising undertaken over the past month."

"The Company is now in a strong financial position to grow the 1.7 million ounce resource at our Yandal gold project and leverage the value of existing operational infrastructure with Australian gold prices at an all-time high."

For further information:

Victor Rajasooriar
Chief Executive Officer
Echo Resources Ltd

Media inquiries
Michael Vaughan
0422 602 720

ASX ANNOUNCEMENT

14 June 2019

ASX CODE

EAR

KEY ASSETS

- Julius
- Orelia
- Bronzewing Hub

DIRECTORS

Victor Rajasooriar
Managing Director and CEO

Barry Bolitho
Non-Executive Chairman

Robin Dean
Non-Executive Director

Mark Hanlon
Non-Executive Director

Anthony McIntosh
Non-Executive Director

Alan Thom
Non-Executive Director

Kate Stoney
Company Secretary

REGISTERED OFFICE

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14 June 2019

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Australian Securities Exchange
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Sydney NSW 2000

CLEANSING NOTICE

Echo Resources Limited (**Echo** or the **Company**, ASX: EAR), is pleased to advise that settlement of Tranche 2 of the \$15 million placement announced on 2 May 2019 (**Placement**) has been completed.

Accordingly, 28,103,568 fully paid ordinary shares (**Shares**) have today been issued to unrelated qualified, institutional, sophisticated and professional investors under the Company's Listing Rule 7.1 placement capacity after receiving approximately \$3,653,464 (before costs) in proceeds.

The Shares are in a class of securities quoted on the Australian Securities Exchange (**ASX**).

Notice pursuant to section 708(5)(e) of the Corporations Act 2001

The *Corporations Act 2001* (Cth) (**Act**) restricts the on-sale of securities issued without disclosure, unless the sale is exempt under 708 or 708A of the Act. By giving this notice, the Shares noted above will fall within the exemption in section 708A(5) of the Act.

As required by section 708A(6) of the Corporations Act, the Company gives notice under section 708(5)(e) of the Act that:

- (a) the Shares were issued without disclosure to investors under Part 6D.2 of the Corporations Act;
- (b) as at the date of this notice, the Company has complied with the provisions of Chapter 2M of the Corporations Act as they apply to the Company and section 674 of the Act; and
- (d) as at the date of this notice there is no excluded information for the purposes of section 708A(7) and (8) of the Corporations Act, required to be disclosed by the Company pursuant to section 708(6)(e) of the Corporations Act.

Yours faithfully

Kate Stoney
COMPANY SECRETARY

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Echo Resources Limited

ABN

34 108 513 113

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary shares (Shares)
Performance Rights |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 52,870,933 Shares
21,750,000 Performance Rights |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully Paid Ordinary Shares

The Performance Rights were issued under the Company's incentive performance rights plan (Plan) as adopted by shareholders at the Company's AGM on 30 November 2017. Subject to the satisfaction or waiver of vesting conditions, each Performance Rights is exercisable for nil cash consideration into one Share and is otherwise subject to the terms of the Plan. |

+ See chapter 19 for defined terms.

<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Shares – yes, the Shares will be quoted and will rank equally with other Shares under the ASX Code EAR</p> <p>Performance Rights – No. Shares issued on exercise of Performance Rights will rank equally with other Shares on issue</p>
<p>5 Issue price or consideration</p>	<p>Shares: \$0.13 per Share (total consideration of \$6,873,221) Performance Rights: nil cash consideration</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>28,103,568 Shares issued to institutional and sophisticated investors pursuant to the share placement announced 2 May 2019.</p> <p>24,767,365 Shares issued to eligible Shareholders under a share purchase plan (SPP).</p> <p>Proceeds of the placement and SPP will be used to fund the Company's exploration strategy and provide working capital (including cost of the placement).</p> <p>Performance Rights were issued under the Company's Incentive Performance Rights Plan to attract and motivate selected executives.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>22 November 2018</p>

+ See chapter 19 for defined terms.

6c	Number of +securities issued without security holder approval under rule 7.1	24,767,365 Shares 21,750,000 Performance Rights	
6d	Number of +securities issued with security holder approval under rule 7.1A	Nil	
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	28,103,568 Shares	
6f	Number of +securities issued under an exception in rule 7.2	24,767,365 Shares 21,750,000 Performance Rights	
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A	
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Refer to Annexure 1	
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	14 June 2019	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		691,094,352	Fully paid ordinary shares

+ See chapter 19 for defined terms.

	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	
	5,750,000	Unlisted options exercisable at \$0.275 on or before 28 August 2019
	5,000,000	Unlisted options exercisable at \$0.275 on or before 12 January 2020
	1,500,000	Unlisted options exercisable at \$0.20 on or before 16 February 2020
	5,000,000	Unlisted options exercisable at \$0.275 on or before 17 September 2019
	2,500,000	Unlisted options exercisable at \$0.275 on or before 20 April 2020
	2,000,000	Unlisted options exercisable at \$0.275 on or before 26 March 2021
	1,000,000	Unlisted options exercisable at \$0.315 on or before 9 May 2021
	500,000	Unlisted options exercisable at \$0.20 on or before 19 August 2021
	21,750,000	Unlisted Performance Rights with nil exercise price and varying expiry dates
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	No policy

+ See chapter 19 for defined terms.

Part 2 - Pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the +securities will be offered	N/A
14	+Class of +securities to which the offer relates	N/A
15	+Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A

+ See chapter 19 for defined terms.

25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	⁺ Issue date	N/A

⁺ See chapter 19 for defined terms.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of ⁺securities
(tick one)

(a) ☒ ⁺Securities described in Part 1

(b) ☐ All other ⁺securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders

36 ☐ If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional ⁺securities

⁺ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought					
39	+Class of +securities for which quotation is sought					
40	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 					
41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another +security, clearly identify that other +security)</p>					
42	Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> </tr> </tbody> </table>	Number	+Class		
Number	+Class					

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here


Company Secretary

Date:

14 June 2019

Print name: Kate Stoney

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	488,646,414
Add the following: <ul style="list-style-type: none"> Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval Number of partly paid +ordinary securities that became fully paid in that 12 month period Note: <ul style="list-style-type: none"> Include only ordinary securities here – other classes of equity securities cannot be added Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed It may be useful to set out issues of securities on different dates as separate line items 	36,363,637 Shares (placement issue 17/12/18, ratified 10/06/19) 24,432,321 Shares (issued 23/01/19 under entitlement offer) 1,500,000 Shares (issued 20/02/19 on exercise of options) 87,281,047 Shares (placement issue 10/05/19, ratified 10/06/19) 24,767,365 Shares (issued 14/06/19 under SPP) 28,103,568 Shares (placement issue 14/6/19, approved 10/06/19)
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
“A”	691,094,352

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	103,664,153
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of ⁺ equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 Note: <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	Nil
“C”	Nil
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	103,664,153
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	Nil
Total [“A” x 0.15] – “C”	103,664,153 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	691,094,352
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	69,109,435
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items 	Nil
“E”	Nil

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	69,109,435
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	Nil
Total [“A” x 0.10] – “E”	69,109,435 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.