ECHO RESOURCES LIMITED

GROWTH THROUGH DISCOVERY

30 January 2015

<u>Drilling demonstrates continuity of gold zones at the Julius Gold Discovery, WA</u>

- Drilling assays confirm the continuity of gold mineralized zones at the Julius Gold Discovery:

  4m @ 3.8 g/t Au from 10m *including* **1m @ 5.2 g/t Au**

  4m @ 6.2 g/t Au from 27m *including* **2m @ 9.0 g/t Au**

  1m @ 33.9 g/t Au from 66m

  1m @ 8.3 g/t Au from 70m

  3m @ 2.7 g/t Au from 9m *including* **1m @ 6.1 g/t Au**

  2m @ 3.0 g/t Au from 8m

  1m @ 9.3 g/t Au from 57m

  8m @ 2.3 g/t Au from 293m *including* **1m @ 5.8 g/t Au**

- Latest drill intercepts to be incorporated into the geological computer model for Julius in preparation for a JORC-compliant Mineral Resource estimate which will be used to investigate potential mining and processing options for Julius.

- Follow-up drilling has commenced at Julius with initial results expected over coming weeks.

- Echo is committed to building a profitable mining company in the Yandal Gold Province.

Echo Resources Limited (ASX : EAR) is pleased to report that drilling assays have confirmed the continuity of gold mineralized zones at the Julius Gold Discovery, Western Australia.

Julius is the most exciting virgin gold find in the Yandal Gold Province since the late-1990's (Fig. 1). The Yandal Province is among Australia's largest goldfields, hosting several multi-million ounce gold deposits, including those at Jundee (Northern Star Resources) and Darlot (Gold Fields).

The drilling intercepts are summarised in Table 1, with geological cross-sections and maps shown in Figures 2 to 4.

Drill hole ERC233, collared in the southern part of the Julius drilling area, returned multiple +1g/t Au intercepts (Fig. 3):

4m @ 3.8 g/t Au from 10m *including* **1m @ 5.2 g/t Au** from 10m

2m @ 1.3 g/t Au from 22m

4m @ 6.2 g/t Au from 27m *including* **2m @ 9.0 g/t Au** from 28m

1m @ 33.9 g/t Au from 66m

1m @ 8.3 g/t Au from 70m

Drill hole ERC232, located 60m east of ERC233, intersected **2m @ 3.0g/t Au** from 8m and **2m @ 2.2g/t** Au from 14m.

Step-out drill hole ERC238, collared 630m northwest of ERC233, yielded **8m @ 2.3 g/t Au** from 293m, including **1m @ 5.8 g/t Au** from 294m, within a broader zone containing **14m @ 1.6 g/t Au** (Fig. 4). ERC238 is located ~60m northwest of ERC186 which yielded **5m @ 21.6 g/t Au** from 235m, and **7m @ 1.8g/t Au** from 270m (ASX release 29 November 2013).

The latest drilling intercepts will be used to update the geological computer model for Julius in preparation for a JORC-compliant Mineral Resource estimate which will be used to investigate potential mining and processing options suitable to Julius.

Follow-up drilling, focused on delineating the near-surface oxide gold mineralization, as well as testing for potential extensions to fresh rock-hosted gold zones, has commenced at Julius. Initial results from the drilling are expected to be received over coming weeks.

About Echo Resources

Echo Resources ("Echo") **(ASX code EAR**) is a mineral exploration company committed to the growth of shareholder value through discoveries and project acquisitions. Echo's key projects are located in Western Australia and Queensland. Echo's corporate goal is the discovery and development of world-class gold, copper and nickel deposits in established, high-potential mineral provinces. Echo has a strong management team capable of rapidly transforming the Company from an explorer to producer.

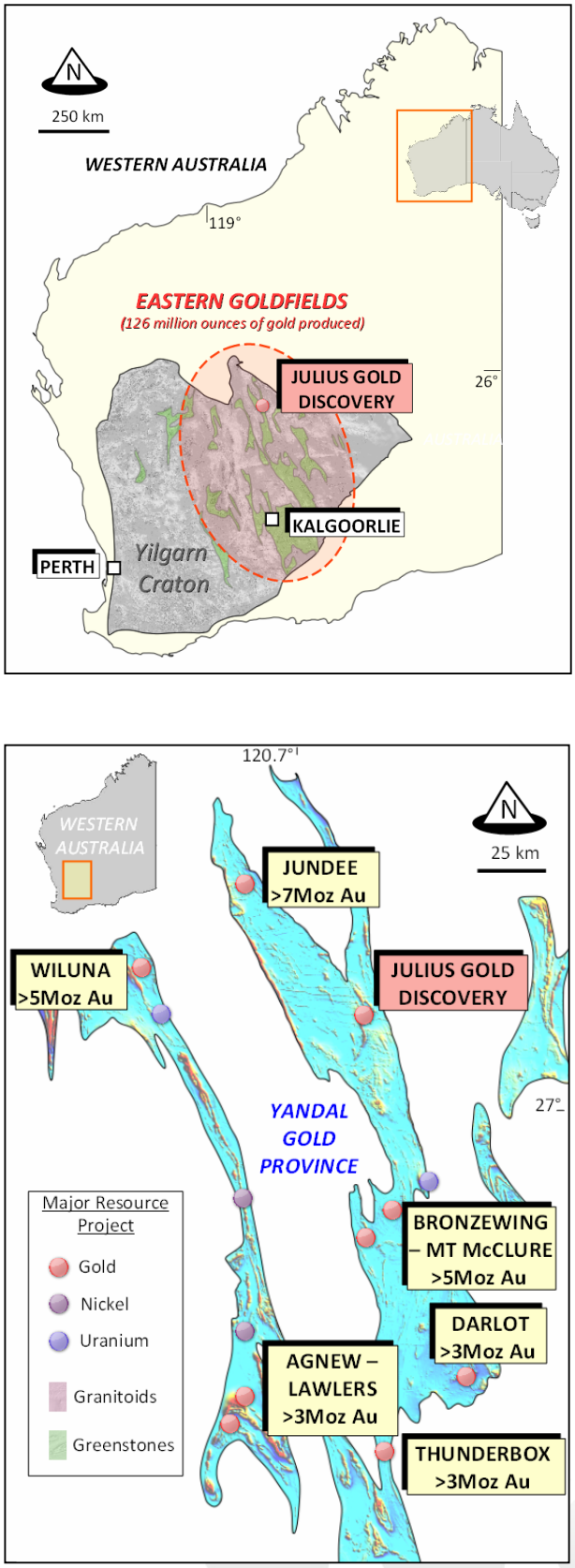

Fig. 1: Location of the Julius Gold Discovery.

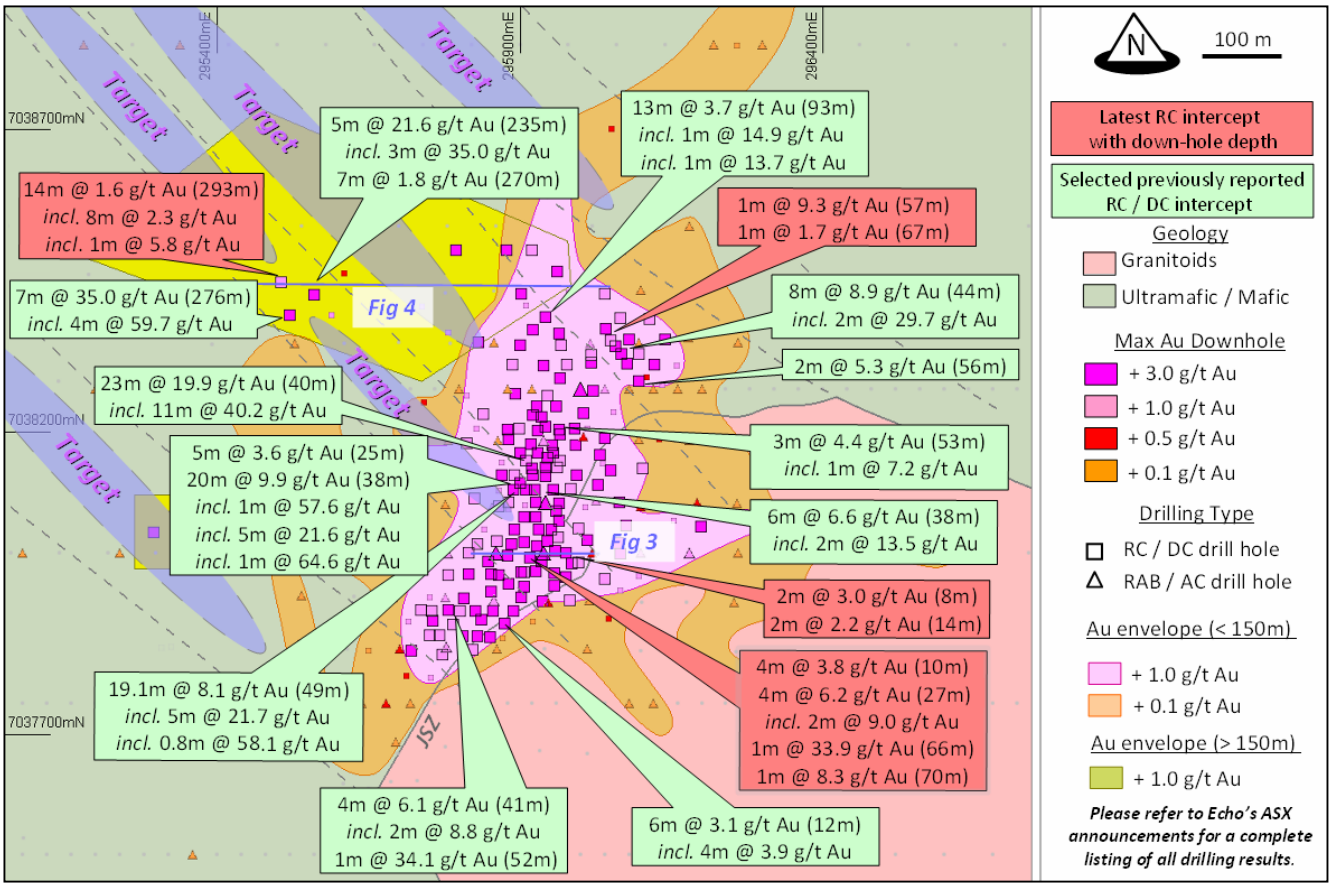

Fig. 2: Geological map showing selected drill intersections.

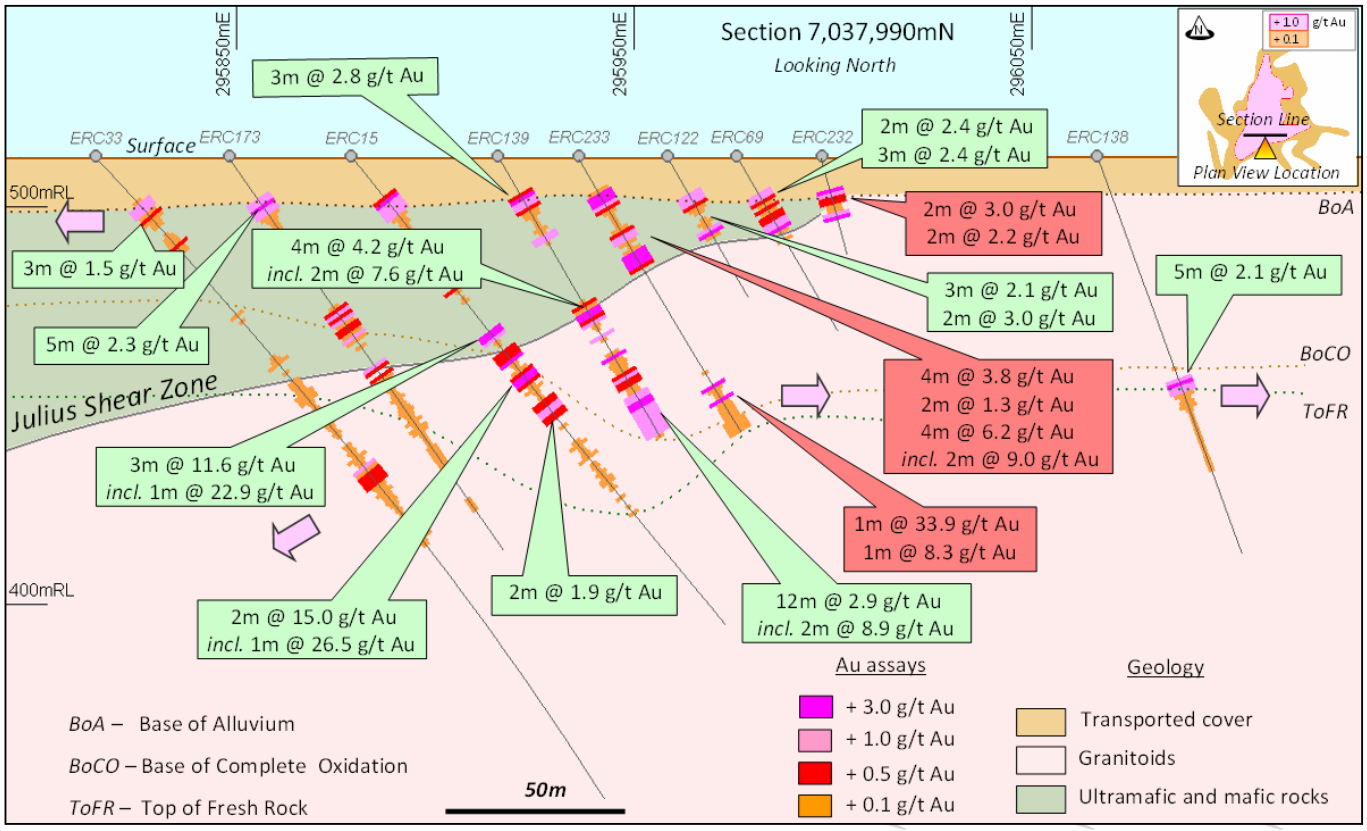

Fig. 3: Drilling results for drill hole ERC232 and ERC233.

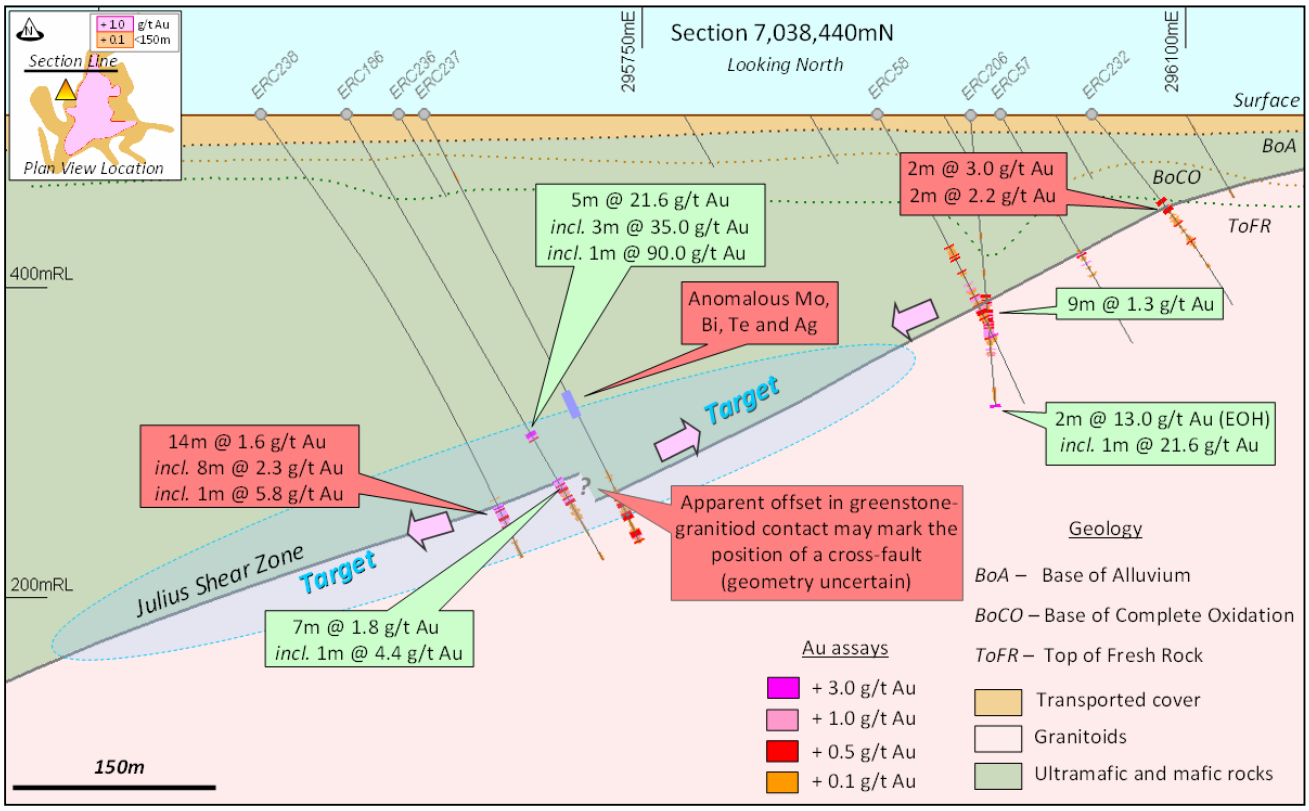

Fig. 4: Drilling results for drill holes ERC232, ERC237 and ERC238.

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Dr Ernst Kohler who is a Member of The Australasian Institute of Mining and Metallurgy. Dr Kohler is Managing Director and a shareholder of Echo Resources Limited. Dr Kohler has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Kohler consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

It is common practice for a company to comment on and discuss its exploration in terms of target size and type. The information in this announcement relating to exploration targets should not be misunderstood or misconstrued as an estimate of Mineral Resources or Ore Reserves. Hence the terms Resource(s) or Reserve(s) have not been used in this context. Any potential quantity and grade is conceptual in nature, since there has been insufficient work completed to define them beyond exploration targets and that it is uncertain if further exploration will result in the determination of a Mineral Resource.

This report may contain forward-looking statements concerning the potential of Echo's exploration projects and proposed exploration programs. No assurance can be given that Echo's proposed plans for the exploration of its project areas will proceed as planned, or that they will result in the discovery or delineation of additional or new mineral deposits, or that any mineralisation discovered will be amenable to economic extraction, or that the tenement applications will proceed to grant. Exploration programs may not proceed as planned due to delays beyond the control of the Company, including adverse weather and ground conditions, and contractor and government approval delays. Nothing in this announcement should be construed as either an offer to sell or a solicitation of an offer to buy or sell securities.

Table 1: Summary drill intersections

(Results greater than 10m x g/t Au shown in bold)

Hole No.	Northing (mN)	Easting (mE)	Hole Dip & Azi	EOH Depth (m)	From (m)	To (m)	Interval (m)	Grade (g/t Au)	Intercept width x grade (m x g/t Au)
1m Cone-Split Samples (+1g/t Au)									
ERC229	7,038,148	295,871	-60°	144	48	50	2	1.2	2.3
			090°		102	103	1	1.0	1.0
					105	106	1	1.1	1.1
					107	108	1	1.1	1.1
ERC230	7,038,102	295,866	-55°	144	14	16	2	1.4	2.8
			090°		103	105	2	1.7	3.3
					121	122	1	1.1	1.1
ERC231	7,038,025	295,964	-70°	35	9	12	3	2.7	8.2
including			090°		10	11	1	6.1	6.1
ERC232	7,037,984	295,997	-75°	25	8	10	2	3.0	6.1
			090°		14	16	2	2.2	4.3
ERC233	7,037,985	295,936	-60°	80	10	14	**4**	**3.8**	**15.0**
including			090°		10	11	1	5.2	5.2
					22	24	2	1.3	2.6
					27	31	**4**	**6.2**	**24.6**
including					28	30	**2**	**9.0**	**18.0**
					66	67	**1**	**33.9**	**33.9**
					70	71	1	8.3	8.3
ERC234	7,038,290	296,109	-70°	105	80	81	1	1.6	1.6
			090°						
ERC235	7,038,350	296,050	-70°	100	57	58	1	9.3	9.3
			090°		67	68	1	1.7	1.7
ERC236	7,038,459	295,594	-60°	60	Not assayed (Hole abandoned and re-drilled as ERC237)				
			090°						
ERC237	7,038,461	295,610	-60°	308	303	304	1	1.1	1.8
			090°						
ERC238	7,038,447	295,506	-55°	330	293	307	**14**	**1.6**	**23.0***
including			090°		293	301	**8**	**2.3**	**18.3***
including					294	295	1	5.8	5.8
ERC239	7,038,407	295,456	-60°	342	310	311	1	1.0	1.0
			090°						

The 1m cone-split samples were analysed by Fire Assay. The sample intercepts were calculated using a minimum edge cut-off of 1.0g/t Au and up to 2m wide intervals of internal dilution. The intervals and depths are down-hole lengths. No assay top-cut was applied. Assays rounded to nearest 0.1 g/t Au. EOH denotes intercept at end-of-hole. The RC drilling locally encountered high water flows and further work is needed to confirm that the results are representative (* denotes intercept containing a single damp sample). The intercept lengths may not reflect true mineralisation widths. Minor discrepancies in the calculated m x g/t Au values are due to rounding of the interval assays. Drill hole collar elevations are 509mRL – 513mRL. Composite sample results were announcement to the market on 27 November 2014.

APPENDIX: JORC Code, 2012 Edition

Section 1 Sampling Techniques and Data *(Criteria in this section apply to all succeeding sections.)*		
Criteria	**Explanation**	**Comment**
Sampling techniques	• Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	The sampling was carried out with a Reverse Circulation (RC) drill rig which was used to collect 1m, cone-split samples of pulverized rock material (typically 1kg–4kg in weight) for geochemical analysis. At the laboratory, the samples were dried in kilns and then pulverized using disk-style grinding mills with at least 85% of the material less than 75 microns (200 mesh). A 25g charge of the pulverized material was prepared for gold fire assay analysis with AAS finish (0.01ppm Au detection limit). Given the nature of the mineralization being drilled, coarse gold may be present in some samples which may result in assay variability.
Drilling techniques	• Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	An RC drill rig with a face-sampling bit was used to collect 1m pulverized rock samples which were passed through a cone splitter to obtain 1kg – 4kg sub-samples suitable for analysis.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	No formal recovery studies have been undertaken. Overall sample recovery is considered reasonable to good, and in line with normal expectations for this type of drilling. Most of the drill samples were dry, however, the drilling locally encountered high water flows, which resulted in wet or damp samples, and further work is needed to confirm that results from wet or damp intervals are representative. Some sample contamination may have occurred in wet intervals. Insufficient drilling and geochemical data is available to evaluate any sample bias.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged.	Chip samples from the drilling were sieved, washed and placed into plastic chip trays for future reference. The chip trays are not routinely photographed, however, photographs have been taken of some higher-grade sample intervals. All of the samples have been geologically logged using standardized qualitative and quantitative logging codes. The logging recorded sample quality, rock age and variant, hardness, grain size, colour, weathering, texture and fabric, alteration type and intensity, and vein and mineralization styles.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	The RC drilling produced samples of pulverized rock (chips and dust) in 1m down-hole sample intervals. The samples were passed through a cone-splitter installed below the rig cyclone to collect a 1kg-4kg sub-sample which was placed into a numbered calico bag. Most of the samples were dry, but high water flows locally resulted in wet or damp samples which may not be representative. No sample field duplicates were collected. The sample sizes are considered appropriate to the material being sampled.
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	The samples were prepared and assayed at the Quantum Analytical Services laboratory in Perth using 25g fire assay techniques with AAS finish. Fire assay is considered to be a near-total gold analysis technique. The gold concentration is expressed in parts per million (ppm) or grams per tonne (g/t): 1ppm Au is equivalent to 1g/t Au. The analytical scheme includes the inclusion of laboratory standards, blanks, and duplicate and replicate analyses, as well as blind standards. The standards and repeat assays were checked by laboratory personnel and the Competent Person, and found to have acceptable levels of accuracy. No geophysical tools were employed during the drilling.

Section 1 Sampling Techniques and Data *(Criteria in this section apply to all succeeding sections.)*		
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	No twinned holes have been drilled. Significant gold assays were visually checked by the Competent Person against the chip trays, geological logs and multi-element datasets. Primary data for the sample and geological logs was collected using a standardised set of paper-based templates and then entered into Excel spreadsheets and validated prior to being loaded into MicroMine computer databases for further validation. Assay results are received from the laboratory in Excel and PDF computer files which are checked by a geologist prior to being loaded into the MicroMine databases. For samples with repeat assays by the same laboratory, the un-weighted average of all assays has been used for reporting purposes. No adjustments have been made to assay data.
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	The grid system used is AMG84 Zone 51. The drill hole collar azimuth was laid out by the rig geologist with a hand-held sighting compass. A clinometer placed directly on to the rig mast was used by the drilling contractor to establish the correct hole dip. After completion, the drill collar locations were determined with a hand-held GPS with horizontal accuracy expected to be better than 5m. In-rod dip and azimuth surveys were undertaken by the drilling contractor using a Camteq Proshot electronic single-shot tool lowered into a stainless steel rod. The area drilled is flat to very gently sloping. Drill hole collar elevations have been allocated using a digital terrane model (DTM) generated from differential GPS ground height measurements. The drill hole collar RL's are between 511m – 513mRL.
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	The spacing of drill collars at Julius varies from approximately 15m to more than 100m. One sample was collected for every metre of drilling undertaken. The intercepts in this report are based on 1m cone-split samples; they are not based on composite sample assays.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	Gold deposits of this type are commonly characterized by marked variations in the orientation, width and grade of mineralized zones. The detailed orientation of the gold mineralization is not known at this stage. The holes were drilled at a collar azimuth of 090° which is approximately perpendicular to the interpreted regional 010° - 030° strike of the host rocks and master shear zones. Aeromagnetic images also show a series of 140°-striking features (linears and demagnetized rock zones) of uncertain dip orientation which may represent mineralised or barren cross-cutting faults. There is insufficient drilling and geological data to determine if there is a sampling bias. The intercept lengths may not reflect true mineralization widths.
Sample security	• The measures taken to ensure sample security.	The samples were collected in pre-numbered calico bags. The samples were transported to Perth under the supervision of a geologist, where they were kept in a locked yard prior to submission to the laboratory.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	The drilling, sampling and assaying techniques are industry-standard. Duplicate assays on selected high- and low-grade samples have been conducted by Quantum Analytical Services laboratory staff, with acceptable results.

Section 2 Reporting of Exploration Results *(Criteria listed in the preceding section also apply to this section.)*		
Criteria	**Explanation**	**Comment**
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The drilling was undertaken on Exploration Licence E53/1042, wholly owned by Echo Resources Limited, located 750km northeast of Perth. The tenement is located in the Wiluna Native Title Claim Group (WC99/24). Newmont Yandal Operations Pty Ltd (Newmont) has the right to buy back a 60% interest in any gold discovery containing aggregate Inferred Mineral Resources of at least 2.0 million ounces of gold. If a buy back occurs, then Echo and Newmont will be in a joint venture under which the interests will be Newmont 60% / Echo 40%. Newmont may elect to increase its interest to 75% and free carry Echo's 25% through to completion of a feasibility study. A net smelter royalty of 1.5% (in addition to

Section 2 Reporting of Exploration Results *(Criteria listed in the preceding section also apply to this section.)*		
		a Government Royalty) applies in respect of all minerals produced from the tenement.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	The gold anomalies at Julius were first identified during wide-spaced (drill traverses spaced 250m – 550m apart) rotary air blast (RAB) and air core (AC) scout drilling programs undertaken by Newmont.
Geology	• Deposit type, geological setting and style of mineralisation.	The gold mineralization is located in the Archaean Yandal Greenstone Belt, beneath 7m – 25m of Quaternary colluvium. Mafic, ultramafic and granodioritic rocks hosting the gold mineralization have been weathered to depths of 40m – 90m. In some areas, gold mineralization is present in lateritic units. The contact between the mafic and ultramafic rocks with granodiorite is marked by a shear zone dipping 20° - 45° west-northwest. In the primary zone, the gold mineralized rocks show evidence of shearing, veining and extensive hydrothermal alteration. The Archaean rock sequence is considered prospective for structurally controlled orogenic gold mineralization, as well as intrusion-related gold mineralization styles.
Drill hole Information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: easting and northing of the drill hole collar; elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar; dip and azimuth of the hole; down hole length and interception depth; hole length. • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	Refer to Table 1. All holes drilled with collar azimuth of 090°. The surface of the drilling area is flat to very gently sloping, and the drill collars are located at elevations of 511mRL – 513mRL.
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	All interval lengths and depths are expressed as down-hole measurements. The intercepts were reported as length-weighted averages using a minimum reporting cut-off of 1.0g/t Au and up to 2m wide intervals of internal dilution. No assay top-cut was applied. The reported intercepts have been rounded to nearest 0.1g/t Au. For samples with repeat assays, the average of all assays was used in the calculation of the intercept grade. Where appropriate, the down-hole location of higher-grade intervals within broader lower-grade intercepts has also been reported; the high-grade intervals are highlighted by the word "*including*". An intercept width x grade value has been calculated by multiplying the down-hole width (in metres) by the average grade of that intercept (in g/t Au). For example an intercept of 12m @ 3 g/t Au has a calculated value of 36m x g/t Au. Minor discrepancies in the calculated m x g/t Au values are due to rounding of the interval assays. No metal equivalent values have been used.
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	The Julius gold system is interpreted to dip 20^{o} - 50^{o} west-northwest and plunges to the northwest. All reported intercepts are based on down-hole lengths. The detailed geometry of the mineralized zones is not known at this stage. Accordingly, the reported intercept lengths may not reflect true mineralization widths. The host rock sequences and the sheared granodiorite contact are interpreted to dip at 20° - 45° west-northwest.
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	Refer to Table 1 and the map and cross-sections in the main body of this announcement.
Balanced reporting	• Where comprehensive reporting of all Exploration results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	All 1m split sample intercepts greater than or equal to 1.0g/t Au have been reported.
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater,	Previous drilling has included programs of RAB, AC, RC and diamond core (DC) drilling to a maximum vertical depth of 540m. Some drill holes are characterized by significant down-hole lengths of hydrothermal altered rocks showing anomalous (plus 0.1g/t Au) gold values and variable

Section 2 Reporting of Exploration Results *(Criteria listed in the preceding section also apply to this section.)*		
	geotechnical and rock characteristics; potential deleterious or contaminating substances.	enrichments of gold-related pathfinder elements, including Bi, Mo, Te and Ag. Pyrite is the dominant gold-associated sulphide. In plan view, gold mineralization at greater than 1 g/t Au has been defined over an area of 850m (north-south) by 950m (east-west). The altered and gold mineralized system is open to the north, east, west and south. Preliminary cyanide leach testing has returned gold recoveries averaging 95%, suggesting that the mineralization could be treated with conventional CIL/CIP processing methods. Further metallurgical testing will need to be undertaken to fully assess gold recoveries. Please refer to Echo's ASX announcements for previous drilling results and other geological information.
Further work	• The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Further extensional and infill RC drilling is being undertaken to test for possible near-surface and down-dip/down-plunge extensions of the gold mineralization; to define the orientation of potential high-grade gold lodes; and to determine host rock distribution, structure and alteration styles. Please refer to Echo's previous ASX announcements for potential targets and future drilling areas.