6 February 2015

Receipt of Clean-up Notice - Mount Chalmers

Echo Resources Limited (ASX:EAR) advises that it has been issued a Clean-up Notice under section 363H of the *Environmental Protection Act 1994* (Qld) ("EP Act") from the Queensland Department of Environment and Heritage Protection dated 8 January 2015 regarding a contamination incident at Mount Chalmers ("Notice"). The Notice was brought to the attention of the Company on 12 January 2015.

The tenements at Mount Chalmers to which the Notice relates are currently registered to the Company's subsidiary, Affinis Pty Ltd (in liquidation) ("Affinis"), which was placed into voluntary liquidation on 11 December 2014.

Upon receipt of the Notice, the Company sought legal advice regarding whether it was required to comply with the Notice on the basis that the Notice was issued and referred to events after Affinis was placed into voluntary liquidation.

Echo has now received advice that it needs to respond to the Notice despite Affinis being in liquidation at the time the Notice was issued.

The Notice required Echo to act to capture and contain all contaminants being released and provide written advice to the Department in relation to the actions taken to do so.

Echo has taken preliminary steps to reduce the impacts of the incidents described in the Notice and is currently in discussions with environmental consultants regarding further options.