



Dear Shareholder,

**Directors Statement of Mr. Anthony McIntosh**

Please find enclosed a director's statement issued by Mr. Anthony McIntosh in relation to the 203D and 249D notice served on him by one of Echo's Shareholders Dr. Ernst Kohler on 17 July 2015. The Corporations Act requires the Company to provide a statement to shareholders if so requested by a director subject to a 203D and 249D notice.

Regards

A handwritten signature in black ink, appearing to read 'Kate Stoney', with a large, sweeping flourish at the end.

Kate Stoney  
Company Secretary

Dear Shareholder,

On the 16<sup>th</sup> July 2015, at 1710pm, the Managing Director of Echo Resources (*the company*) Dr Ernst Kohler (*Dr Kohler*), lodged a s203D and s249D notice with the company to ask members to remove me as a director at the upcoming General Meeting. Please note this was the day before the Notice of Meeting was sent out to shareholders. A 'final copy' of that Notice of Meeting was sent to me two hours before it was sent to the printers. These events made it impossible for me to include a statement in the Notice of Meeting and therefore I write to you now.

Not only was I surprised to receive the notices, Dr Kohler has not given reasons for issuing the notices, nor it seems was he able to provide a recommendation on how shareholders should vote on this particular resolution.

As one of your Directors, I make the following recommendations for voting on the proposed resolutions at the upcoming shareholders meeting:

**I consider that resolutions 1, 3, 4, 5 ARE in the best interests of the company and the vast majority of shareholders, and recommend that shareholders vote FOR these resolutions.**

**I consider that resolutions 2, 6, 7 ARE NOT in the best interest of the company and the vast majority of shareholders and recommend that shareholders vote AGAINST these resolutions.**

I believe that Dr Kohler is seeking my removal because I question the way he runs the company. In particular, I am concerned about the circumstances that led to the eventual loss of the Mt Chalmers tenements. Also, the circumstance in which a party related to the company attempted to acquire interests in expired company tenements are of concern to me; see OZMINEX PTY LTD v NEAROLOGY PTY LTD [2015] WAMW 6.

I recently wrote to the company's Chairman (5/6/15) uneasy about certain actions of Dr Kohler and about the way Dr Kohler interacted with the board and shareholders. I suggested that the company should promote clear commercial objectives, good governance and appropriate transparency between executives, the board and the market. I never received a response.

It is my opinion that the company's management/board is dysfunctional and that a change is required to optimise the prospects of commercial success. I believe in the potential of the company's assets and the relevant regulation systems. Therefore I am also confident that this process will deliver a fair outcome, and that if my voting recommendations are followed, the Board will finally represent the views of the majority of shareholders that allow the company to reach its full potential. I urge all shareholders to vote accordingly.

Please feel free to call me anytime on 0409 257 007.

Regards,

A handwritten signature in blue ink, appearing to be 'Anthony McIntosh', written in a cursive style.

Anthony McIntosh  
Echo Resources Ltd Non-Executive Director