Echo Resources Limited

June 30

2015

Financial Report

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CORPORATE DIRECTORY

DIRECTORS	Mathew Longworth (Non-executive Chairman) Ernst Kohler (Managing Director) Anthony McIntosh (Non-executive Director)
COMPANY SECRETARY	Kate Stoney
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REGISTERED OFFICE	992 Albany Highway East Victoria Park WA 6101
AUDITOR	BDO Audit (WA) Pty Ltd 38 Station Street Subiaco WA 6008
STOCK EXCHANGE	ASX Code: EAR
SHARE REGISTRY	Advance Share Registry 150 Stirling Highway Nedlands WA 6009 Telephone: (08) 9389 8033 Facsimile: (08) 9389 7871

REVIEW OF OPERATIONS

EXPLORATION REVIEW

During the reporting period ending 30 June 2015, Echo announced strong Reverse Circulation drilling intercepts from the Julius Gold Discovery. Julius is located in the Yandal Gold Province, approximately 750km northeast of Perth, Western Australia (Fig. 1). The Yandal Province is among Australia's largest goldfields, hosting several multi-million ounce gold deposits, including those at Jundee and Darlot.

The drill hole intercepts are summarised in Table 1, with a geological map and cross-sections shown in Figures 2 to 9.

Drill hole ERC228, collared in the central parts of the Julius drilling area, returned **2m @ 13.5 g/t Au** from 42m. This intercept forms part of a broader gold bearing zone containing **6m @ 6.6 g/t Au** from 38m.

Drill hole ERC233, collared ~155m south of ERC228, returned multiple intercepts from 10m to 70m below surface, including:
4m @ 3.8 g/t Au from 10m *including* **1m @ 5.2 g/t Au** from 10m
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 ERC242, collared ~35m north of ERC228, returned an upper intercept of **12m @ 10.1 g/t Au** from 44m, including **4m @ 27.1 g/t Au** from 48m, and a lower intercept of **16m @ 1.2 g/t Au** from 64m, including **4m @ 2.2 g/t Au** from 72m.

The drill intercept in ERC259, which is located near the northern end of the main Julius drilling area, is particularly encouraging. ERC259 yielded **16m @ 4.0 g/t Au** from 180m, including **4m @ 13.1 g/t Au** from 192m**,** beneath wide-spaced, shallow scout drill holes which have a best intercept of 4m @ 0.2 g/t Au from 4m.

Step-out drill hole ERC238, collared ~400m west of ERC259, 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**.

Other notable +1g/t Au RC drill intercepts included:

ERC251: **24m @ 4.0 g/t Au** from 80m *including* **4m @ 20.5 g/t Au** from 92m

ERC257: **20m @ 2.7 g/t Au** from 64m *including* **4m @ 7.1 g/t Au** from 76m

ERC250: **20m @ 1.1 g/t Au** from 44m *including* **4m @ 2.6 g/t Au** from 56m

ERC241: **16m @ 1.3 g/t Au** from 12m *including* **4m @ 2.7 g/t Au** from 12m

ERC253: **4m @ 3.1 g/t Au** from 8m
18m @ 1.1 g/t Au from 36m to end-of-hole *including* **4m @ 2.7 g/t Au** from 44m

ERC243: **8m @ 2.5 g/t Au** from 44m

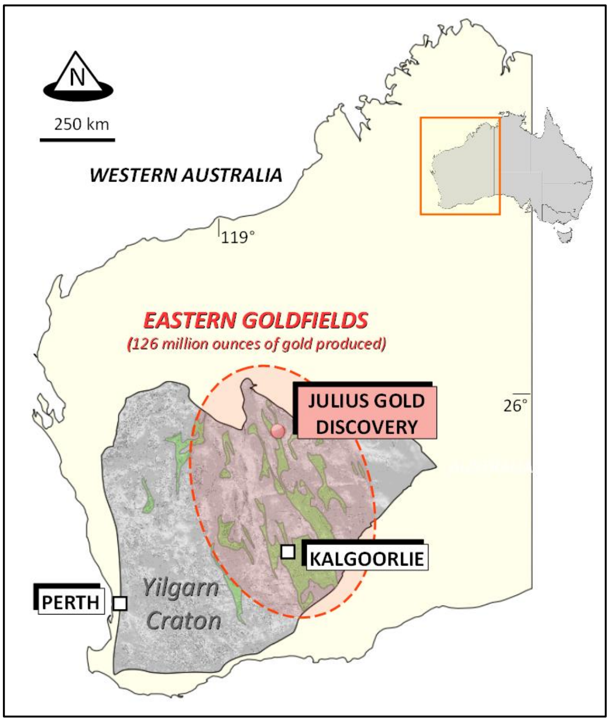
ERC245: **4m @ 2.9 g/t Au** from 8m

Geological re-logging of drill samples, collar surveys and rock density studies have been undertaken in preparation for a Mineral Resource estimate for Julius.

Gravity separation and cyanide leach gold recovery testwork conducted on a 3.8 g/t Au composite sample of weathered gold mineralization from Julius showed a high total gold recovery of 98.6%. Approximately 33.2 % of the total gold content was recovered via gravity separation and mercury amalgamation. The gold extraction was fast with 95.4% of the gold recovered by gravity separation followed by only 2 hours of cyanide leaching. The concentrations of elements such as arsenic, mercury, cadmium, antimony, lead and organic carbon in the sample tested were below levels that might be expected to cause problems.

Additional gold recovery testwork was undertaken on a 2.2 g/t Au composite sample of laterite-hosted gold mineralization from Julius, and also showed a high total gold recovery of 97.5%. However, only 3.2% of the total gold content was extracted via gravity separation, suggesting that the laterite-hosted gold mineralization contains only small amounts of coarse gold. Gold extraction was fast with most of the cyanidable gold recovered after only 8 hours of leaching. No evidence of preg-robbing of gold was detected.

REVIEW OF OPERATIONS (continued)



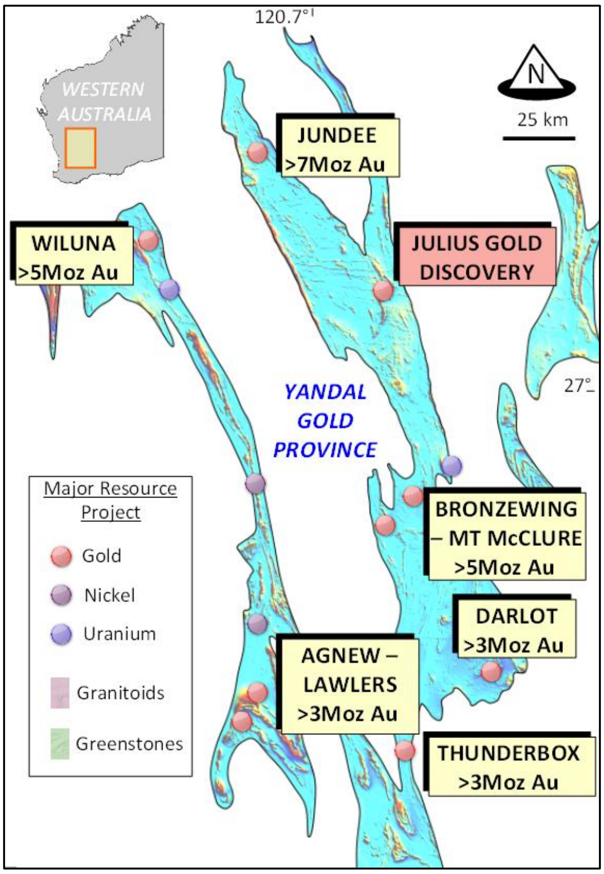


Fig. 1: Location of the Julius Gold Discovery.

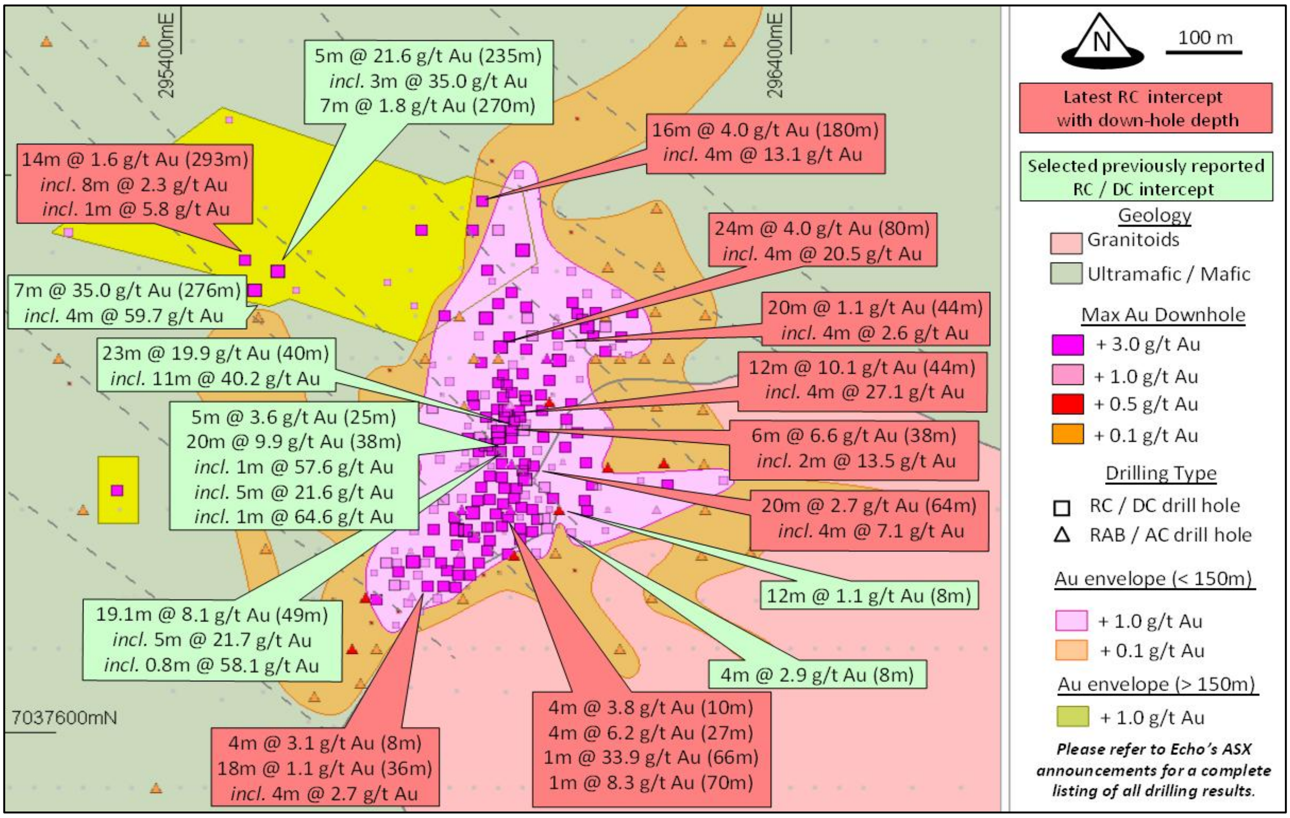


Fig. 2: Summary of drill intersections at the Julius Gold Discovery.

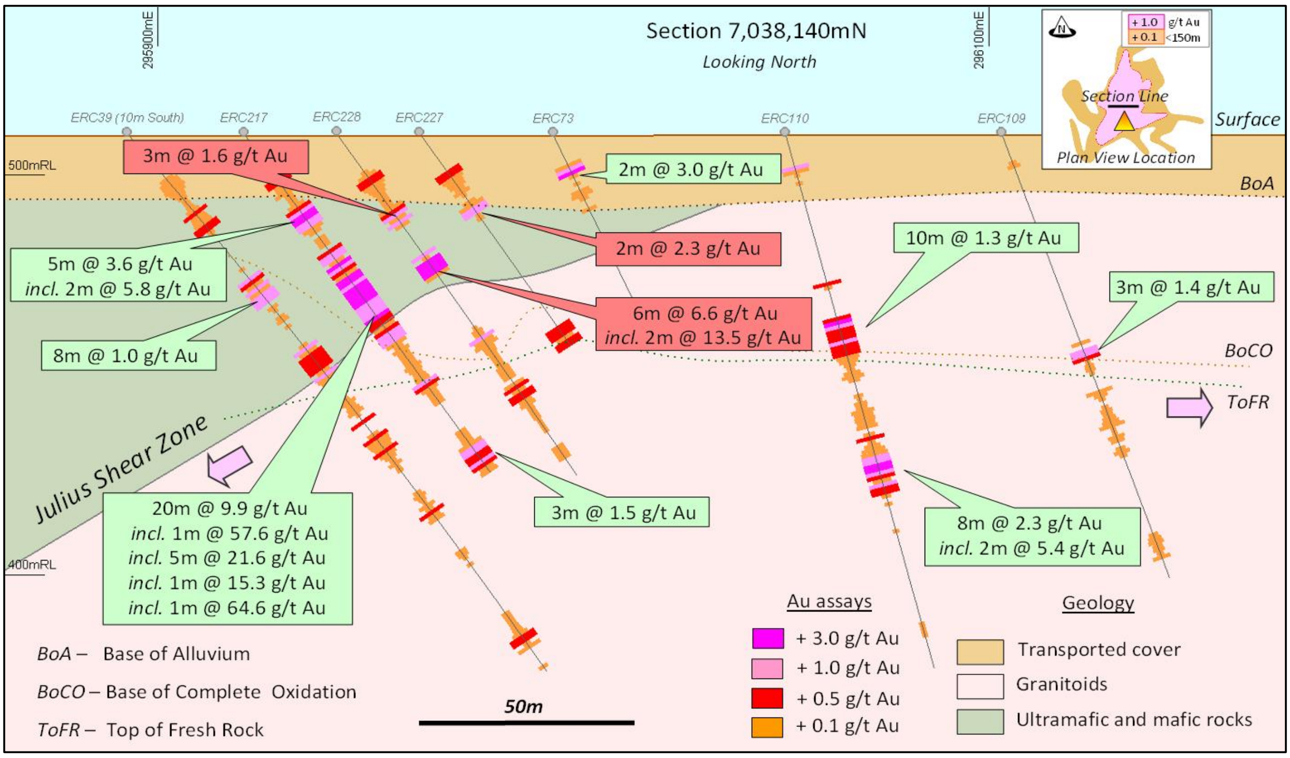


Fig. 3: Drilling results for drill hole ERC228.

REVIEW OF OPERATIONS (continued)

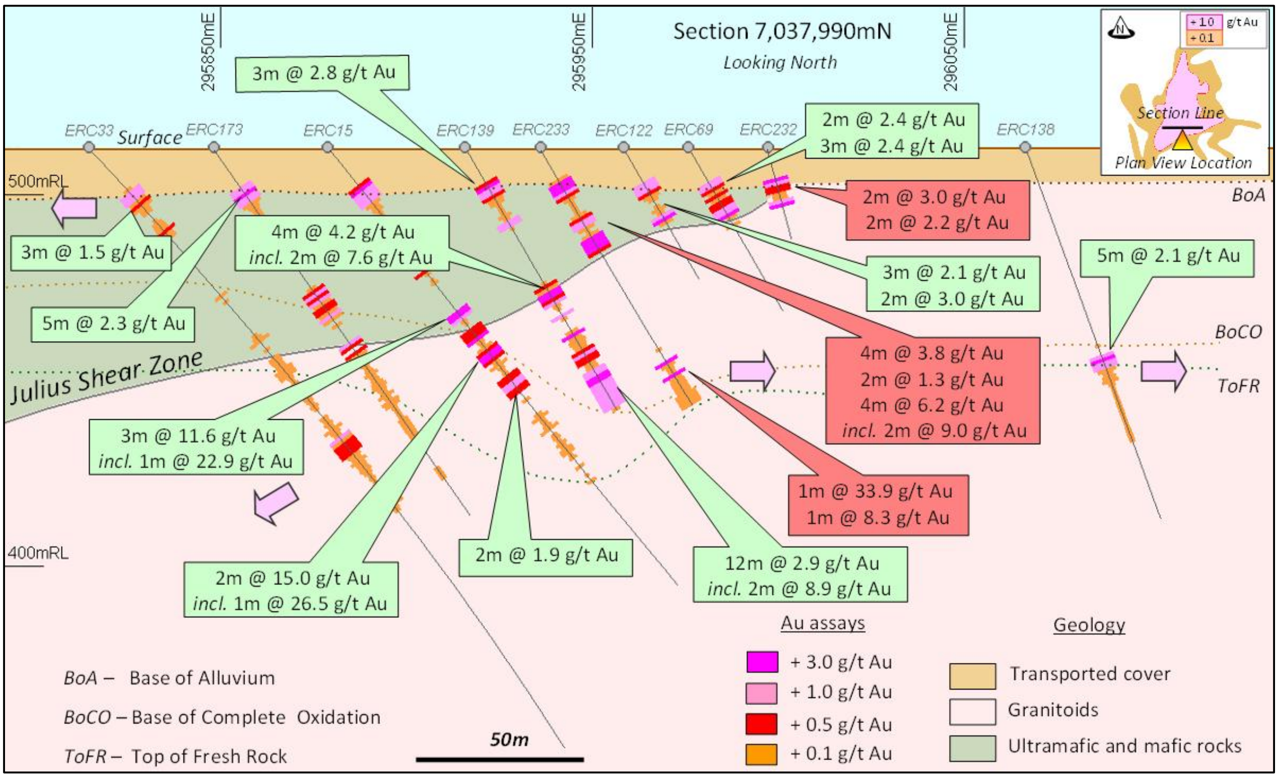


Fig. 4: Drilling results for drill hole ERC233.

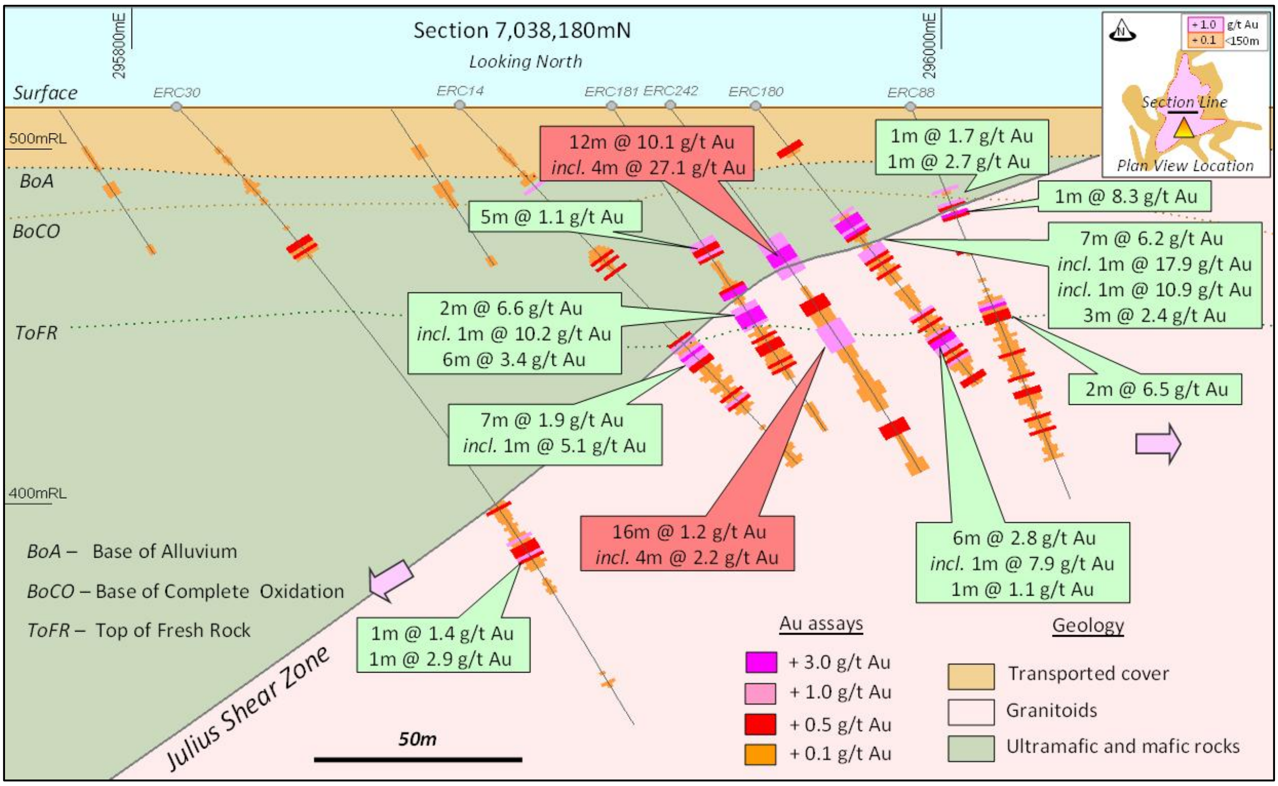


Fig. 5: Drilling results for drill hole ERC242.

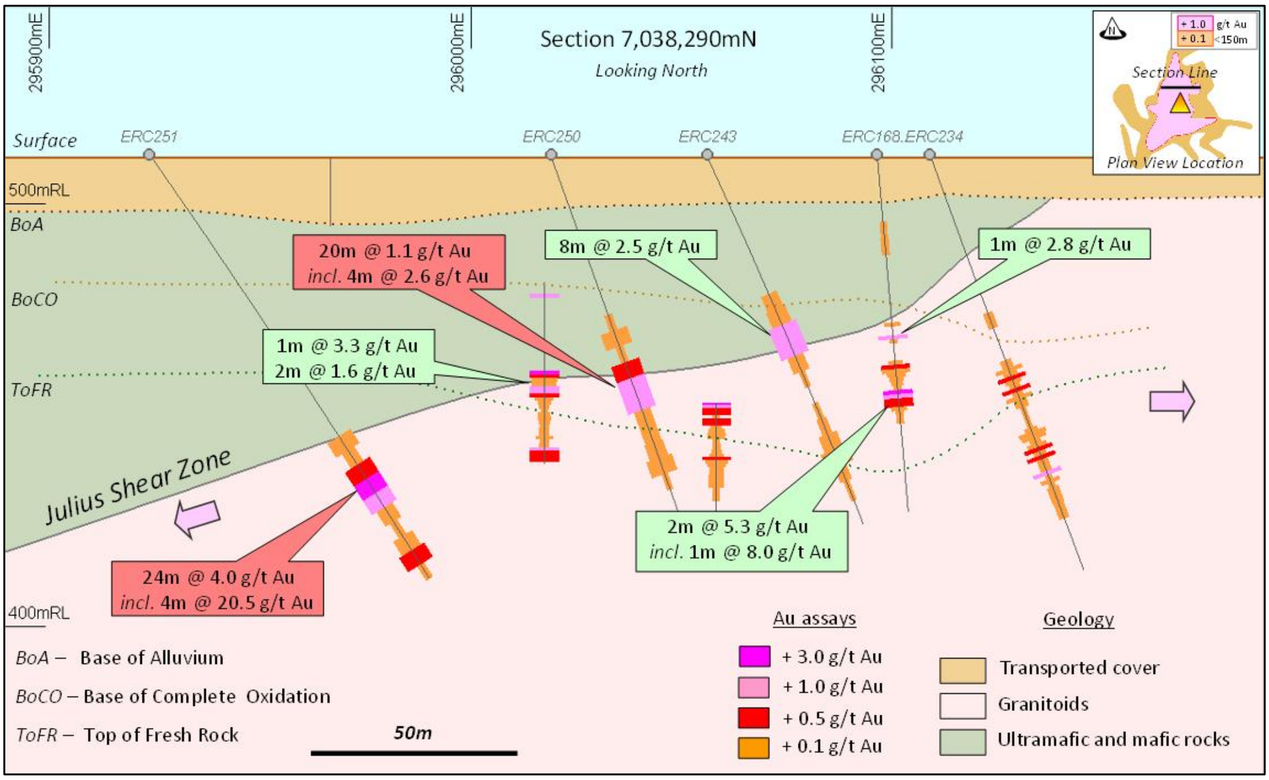


Fig. 6: Drilling results for drill hole ERC251.

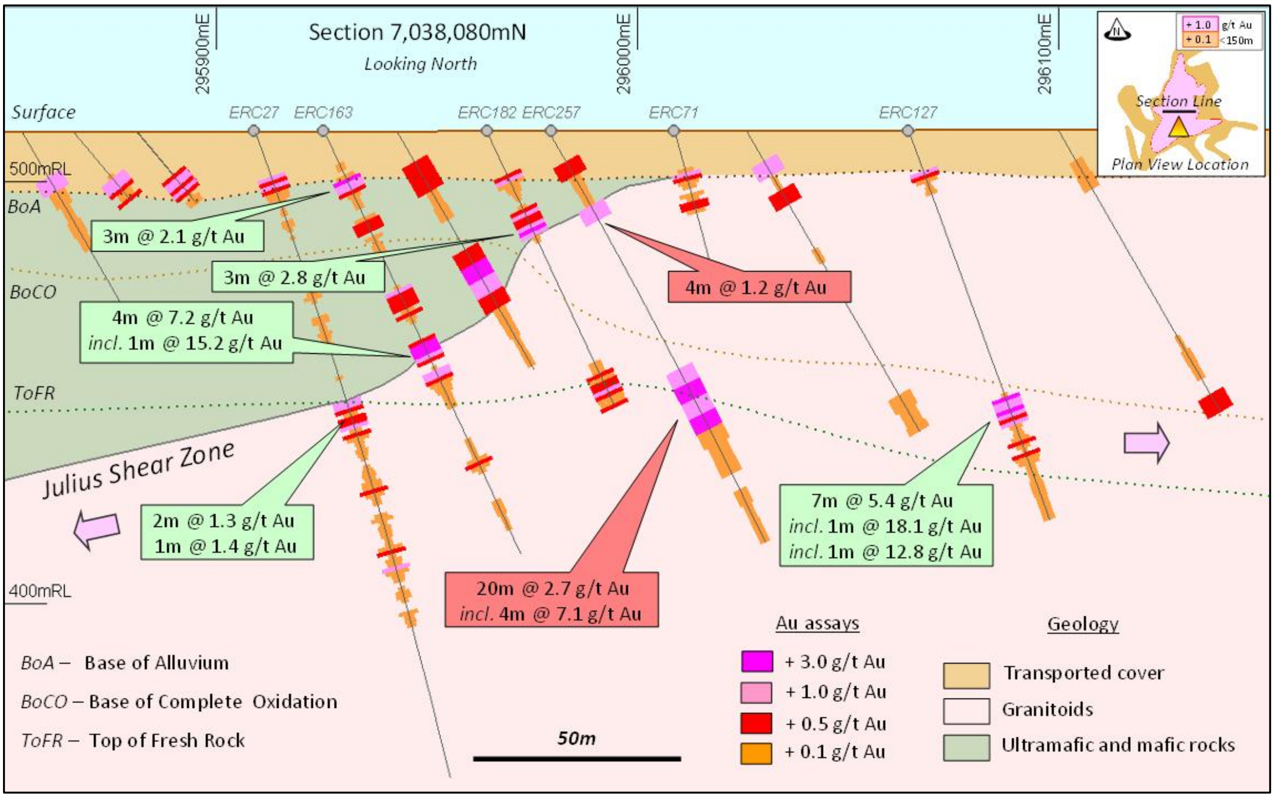


Fig. 7: Drilling results for drill hole ERC257.

REVIEW OF OPERATIONS (continued)

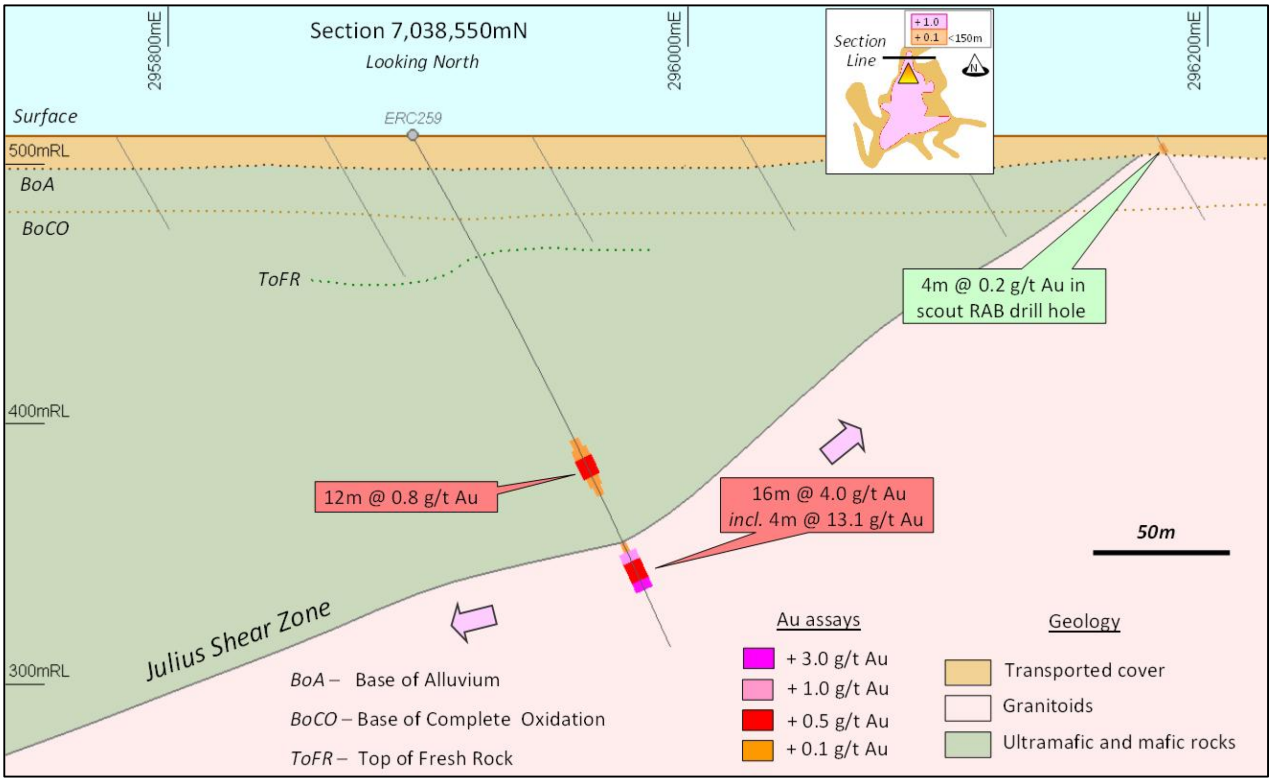


Fig. 8: Drilling results for drill hole ERC259.

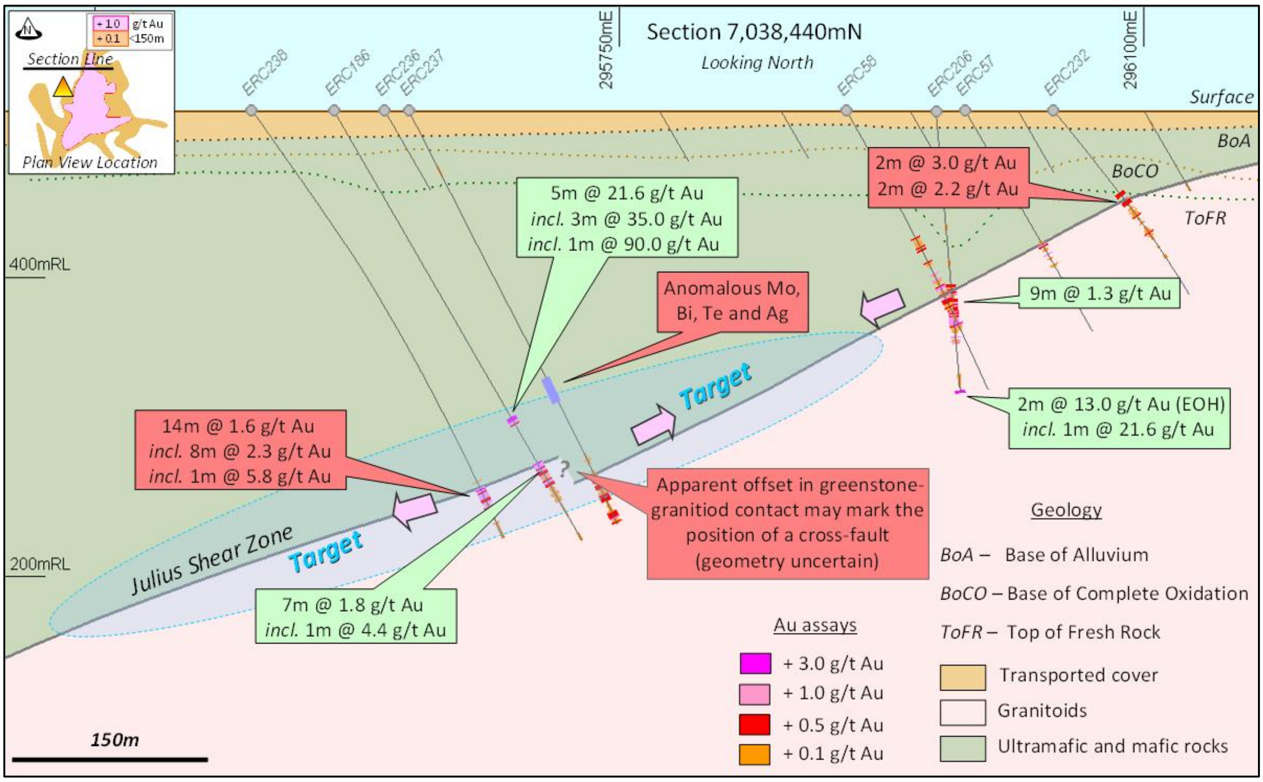


Fig. 9: Drilling results for drill hole ERC238.

REVIEW OF OPERATIONS (continued)

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)									
ERC228	7,038,141	295,942	-55º	105	26	29	3	1.6	4.8
			090º		38	44	6	6.6	39.7
including					42	44	2	13.5	27.0
					63	64	1	1.4	1.4
ERC233	7,037,985	295,936	-60º	80	10	14	4	3.8	15.0
including			090º		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
ERC238	7,038,447	295,506	-55º	330	293	307	14	1.6	23.0*
including			090º		293	301	8	2.3	18.3*
including					294	295	1	5.8	5.8
Preliminary 4m Composite Samples (+0.5g/t Au)									
ERC241	7,037,958	295,931	-55º	100	12	28	16	1.3	20.9
including			090º		12	16	4	2.7	10.8
including					24	28	4	1.7	6.8
ERC242	7,038,177	295,933	-55º	120	44	56	12	10.1	121.3
including			090º		48	52	4	27.1	108.2
					64	80	16	1.2	18.8
including					72	76	4	2.2	8.9
					104	108	4	0.7	2.9
ERC243	7,038,297	296,056	-65º	95	44	52	8	2.5	19.9
			090º		76	80	4	0.5	2.0
ERC245	7,037,966	296,000	-70º	25	8	12	4	2.9	11.5
			090º						
ERC250	7,038,293	296,019	-70º	90	44	64	20	1.1	21.8
including			090º		56	60	4	2.6	10.4
					76	80	4	0.5	1.8
ERC251	7,038,290	295,924	-55º	120	80	104	24	4.0	95.0
including			090º		92	100	8	11.1	88.5
including					92	96	4	20.5	82.0
					112	116	4	0.6	2.6

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)
ERC253	7,037,882	295,855	-60º	54	8	12	4	3.1	12.2
			090º		36	54	18	1.1	20.3 EOH
including					44	48	4	2.7	10.7
ERC257	7,038,078	295,979	-60º	110	8	12	4	0.7	2.9
			090º		20	24	4	1.2	4.8
					64	84	20	2.7	53.2
including					64	80	16	3.2	51.3
including					76	80	4	7.1	28.6
ERC259	7,038,552	295,894	-60º	220	136	148	12	0.8	9.0
			090º		180	196	16	4.0	64.0
including					192	196	4	13.1	52.3

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 composite samples were analysed by Aqua Regia with ICPMS finish. The composite sample intercepts were calculated using a minimum edge cut-off of 0.5g/t Au and up to 4m 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. 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). EOH denotes mineralization at end-of-hole. 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 – 514mRL.

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 mineralization 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

DIRECTORS' REPORT

The Directors present the following report on the consolidated entity (Echo or the Group) consisting of Echo Resources Limited and the entity it controlled at the end of, or during, the financial year ended 30 June 2015.

DIRECTORS

The names of each person who has been a Director during the year and continues in office to the date of this report are:

Mathew Longworth (Non-executive Chairman)
Anthony McIntosh (Non-executive Director)
Ernst Kohler (Managing Director)

INFORMATION ON CURRENT DIRECTORS

Mathew Longworth (Non-executive Chairman)

Mathew Longworth is a geologist with over 25 years' experience across exploration, project evaluation/development, operations and corporate management. He has previously held Exploration Director and Executive Director roles, and is currently a consultant to a top tier national mining consultancy, as well as a mining analyst with a boutique investment fund. Mathew has a strong track record of discovery and generating value for shareholders. He combines Board level experience with a strong technical and commercial background. Mathew is a member of the Australasian Institute of Mining and Metallurgy (AusIMM) and Australian Institute of Company Directors.

Other Current Directorships	*Former Directorships in the Last Three Years*
Metalicity Limited	None

Ernst Kohler (Managing Director)

Dr Ernst Kohler (BSc (Hons First Class), PhD(Geology), MBA, MAusIMM (CPGeo)), MAIG is a registered Chartered Professional Geologist with the Australasian Institute of Mining and Metallurgy. From 1996 to 2001 Dr Kohler held senior exploration and mining roles with Great Central Mines Limited and Normandy Mining Limited at the Jundee and Bronzewing gold mines in Yandal Belt, WA. Prior to joining Echo, he worked with CSIRO as Business Development Manager and Group Leader, Gold and Nickel Exploration Under Cover. In the 3 years immediately before the end of the financial year Dr Ernst Kohler did not serve as a director of any other listed companies.

Other Current Directorships	*Former Directorships in the Last Three Years*
None	None

Anthony McIntosh (Non-executive Director)

Anthony holds a Bachelor of Commerce Degree from Bond University and manages a portfolio of investments including both listed and unlisted companies, as well as rural, residential and commercial properties. Anthony holds board positions with listed and unlisted companies and brings to Echo marketing, investor relations and strategic planning skills, as well as a network of stockbroking and investment fund manager supporters.

Other Current Directorships	*Former Directorships in the Last Three Years*
None	Style Limited from 10 August 2012 to 16 May 2013

COMPANY SECRETARY

Kate Stoney – Appointed 20 April 2015

Kate is a CPA qualified accountant. She graduated from Edith Cowan University with a Bachelor of Business (Double major in accounting and finance). Kate has almost 10 years' experience working in accounting and administration including senior positions in listed companies.

Krystel Kirou – Resigned 20 April 2015

Krystel graduated from University of Western Australia with a Bachelor of Commerce and is a member of CPA Australia.

DIRECTORS' REPORT (continued)

DIRECTORS' INTERESTS IN SHARES AND OPTIONS

As at the date of this report the relevant interest of each Director in the shares and options of the Group are:

	Shares		Options	
	Direct	Indirect	Direct	Indirect
Directors	2015	2015	2015	2015
Mathew Longworth	291,879	-	-	-
Ernst Kohler	23,591,135	-	-	-
Anthony McIntosh	-	5,371,393	-	-

PRINCIPAL ACTIVITY

The principal activity of the Group is exploration for mineral resources.

REVIEW OF OPERATIONS AND RESULTS

Details of the operations of the Group are set out in the Review of Operations on page 4.

The Group incurred an after tax operating loss of $1,377,035 (2014: $1,124,319).

DIVIDENDS

No dividend has been paid or recommended for the current year.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

In the opinion of the Directors, there were no other significant changes in the state of affairs of the Group that occurred during the year under review not disclosed in this report or in the financial statements.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

On the 29th of June the Company announced receipt of notices under section 249D and 249F of the Corporations Act. The meeting was held on the 24th of August and results announced on the 25th of August. The majority of votes were for the current board to remain in place.

On the 27th of August the company announced the receipt of a Non Binding Indicative Offer from AXF Resources Pty Ltd. At the time of writing discussions between the Company and AXF Resources Pty Ltd were continuing.

There have been no other matters or circumstances, other than that referred to in the financial statements or notes thereto, that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the Company. Accordingly, this information has not been disclosed in this report.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Likely developments in the operations of the Group are set out in the Review of Operations on page 4.

MEETINGS OF DIRECTORS

The numbers of meetings of the Company's Board of Directors held during the year ended 30 June 2015, and the numbers of meetings attended by each director were:

Name of Director	Number eligible to attend	Number attended
Mathew Longworth	5	5
Ernst Kohler	5	5
Anthony McIntosh	5	5

AUDIT COMMITTEE

The Group has established an Audit Committee that comprises the full Board of the Group. The Audit Committee did not meet during the year.

DIRECTORS' REPORT (continued)

ENVIRONMENTAL REGULATIONS

The Company's operations are subject to environmental regulation in respect to its mineral tenements relating to exploration activities on those tenements. No breaches of any environmental restrictions were recorded during the financial year. The Company has not yet fully reviewed the reporting requirements under the Energy Efficient Opportunities Act 2006 or the National Greenhouse and Energy Reporting Act 2007 but believes it has adequate systems in place to ensure compliance with these Acts having regard to the scale and nature of current operations.

DIRECTORS' BENEFITS

Since the date of the last Directors' Report, no Director of the Group has received, or become entitled to receive, (other than a remuneration benefit included in Note 13 to the financial statements or remuneration report), a benefit because of a contract that involved:

(a) the Director; or

(b) a firm of which the Director is a member; or

(c) an entity in which the Director has a substantial financial interest (during the year ended 30 June 2015, or at any other time) with the Group; or

(d) an entity that the Group controlled, or a body corporate that was related to the Group, when the contract was made or when the Director received, or became entitled to receive, the benefit (if any).

REMUNERATION REPORT (AUDITED)

The information provided in this remuneration report has been audited as required under Section 308 (3C) of the *Corporations Act 2001*. During the financial year there were no key management personnel other than the Directors (see page 12 for details about each Director). The names of Directors in office are as follows.

Mathew Longworth	Non-executive Chairman
Ernst Kohler	Managing Director
Anthony McIntosh	Non-executive Director

Remuneration Governance

The role of the Remuneration Committee has been assumed by the full Board. The Board's policy for determining the nature and amount of remuneration for board members and senior Executives of the Group is as follows:

The objective of the Group's policy is to provide remuneration that is competitive and appropriate. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

(i) competitiveness and reasonableness;
(ii) acceptability to shareholders;
(iii) transparency; and
(iv) capital management.

Performance, shareholder wealth and directors' and executives' remuneration

The policy of the Group is to pay remuneration of Directors in amounts in line with employment market conditions relevant in the mining industry. Minor amounts of employee fringe benefits in the form of employee meals and entertainment are provided as part of the executives' way of conducting business.

Fees and payments to non-executive directors reflect the demands which are made on, and the responsibilities of, the directors. Non-executive Directors' fees and payments are reviewed annually by the Board. The Chairman's fees are determined independently to the fees of Non-Executive Directors based on comparative roles in the external market.

The Constitution of the Company provides that non-executive Directors may collectively be paid as remuneration for their services a fixed sum not exceeding the aggregate maximum sum per annum determined by the Company in a general meeting. The current aggregate maximum is $150,000.

DIRECTORS' REPORT (continued)

The table below sets out summary information about the Consolidated Entity's earnings and movements in shareholder wealth for the last 5 years:

	30-Jun-15	30-Jun-14	30-Jun-13	30-Jun-12	30-Jun-11
	$	$	$	$	$
Revenue	9,725	40,769	42,973	61,948	48,288
Net Profit /(Loss) before tax	(1,377,075)	(1,124,319)	(1,209,357)	(773,042)	(1,305,858)
Share price at year-end	0.08	0.12	0.08	0.07	0.19

Performance based remuneration
There was no performance-based remuneration paid to Directors during the financial year. Based upon the present stage of development of the Company, performance based remuneration is not considered appropriate.

Voting and comments made at the Group's 2014 Annual General Meeting
The Company received 99% of "yes" votes on its remuneration report for the 2014 financial year. The Group did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

DETAILS OF REMUNERATION

Amounts of remuneration
Details of the remuneration paid or payable to Directors, the Key Management Personnel of the Group (as defined in AASB 124 *Related Party Disclosures)* and specified executives of the Group are set out in the following tables:

	SHORT-TERM BENEFITS	**POST EMPLOYMENT BENEFITS**		**LONG-TERM BENEFITS**		**SHARE-BASED PAYMENT**		**TOTAL**
Directors	Salary and fees	Superannuation	Retirement Benefits	Annual Leave	Long Service Leave	Options	Remuneration consisting of Options	**$**
Mathew Longworth (Non-executive Chairman)								
2015	39,996	-	-	-	-	-	-	39,996
2014	43,325	-	-	-	-	-	-	43,325
Ernst Kohler (Managing Director)*								
2015	207,692	19,731	-	18,080	3,333	-	-	248,836
2014	200,000	18,500	-	24,234	31,508	-	-	274,242
Anthony McIntosh (Non-executive Director)								
2015	35,000	-	-	-	-	-	-	35,000
2014	35,000	-	-	-	-	-	-	35,000
Total Remuneration Directors								
2015	282,688	19,731	-	18,080	3,333	-	-	323,832
2014	278,325	18,500	-	24,234	31,508	-	-	352,567

* No salary or fees were paid to Mr Kohler during the current and prior year and are outstanding as at 30 June 2015.

There are no other transactions with key management personnel for the year ended 30 June 2015.

Use of Remuneration Consultants
During the year, the Company did not use any remuneration consultants.

SERVICE AGREEMENTS
There are no service agreements with key management personnel.

SHARE-BASED COMPENSATION

Options granted to Directors' and Officers of the Group

There were no options granted to Directors' and Officers of the Group during the financial year (2014: nil).

Shares issued on exercise of options

During or since the end of the financial year, the Group did not issue any ordinary shares as a result of the exercise of options.

ADDITIONAL INFORMATION

Options granted to Directors carry no dividend or voting rights. No options have been granted since the end of the financial year.

Shareholdings of Key Management Personnel

	Balance 1 July 14	Granted as remuneration	On exercise of options	Net change Other	Balance 30 June 15
Mathew Longworth	212,275	-	-	79,604	291,879
Ernst Kohler	14,961,240	-	-	8,629,895	23,591,135
Anthony McIntosh	3,906,467	-	-	1,464,926	5,371,393
	19,079,982	-	-	10,174,425	29,254,407

Option holdings of Key Management Personnel

	Balance 1 July 14	Granted as remuneration	On exercise of options	Net change Other	Balance 30 June 15
Mathew Longworth	-	-	-	-	-
Ernst Kohler	-	-	-	-	-
Anthony McIntosh	-	-	-	-	-
	-	-	-	-	-

There were no other transactions with Directors and KMPs during the year ended 30 June 2015

This is the end of the audited remuneration report.

INDEMNIFICATION

There are indemnities and insurances for the Directors in regard to their positions. These insure and indemnify the Directors including former Directors against certain liabilities arising in the course of their duties. The Directors have not disclosed the amount of the premiums paid as such disclosure is prohibited under the terms of the policies.

PROCEEDINGS ON BEHALF OF GROUP

No person has applied for leave of Court under section 237 of the *Corporations Act 2001* to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings. The Group was not a party to any such proceedings during the year.

NON-AUDIT SERVICES

There were no non-audit services provided for the financial year (2014: nil). The Auditor's remuneration is disclosed in Note 20.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 17.

Signed in accordance with a resolution of the Directors and on behalf of the board by

Ernst Kohler
Director
Perth, Western Australia
30 September 2015

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Australia

DECLARATION OF INDEPENDENCE BY PHILLIP MURDOCH TO THE DIRECTORS OF ECHO RESOURCES LIMITED

As lead auditor of Echo Resources Limited for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Echo Resources Limited and the entity it controlled during the period.

Phillip Murdoch

Director

BDO Audit (WA) Pty Ltd

Perth, 30 September 2015

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 $	2014 $ (restated)
Revenue from continuing operations	2	9,725	40,769
Other Income		-	185,781
Exploration and evaluation expenses		(623,913)	(655,883)
Employee expenses		(309,342)	(404,881)
Occupancy expenses		(48,797)	(46,042)
Other expenses	2	(404,748)	(244,063)
Loss before income tax		(1,377,075)	(1,124,319)
Income tax benefit	3	-	-
Loss for the year		(1,377,075)	(1,124,319)
Other comprehensive loss for the year, net of tax		-	-
Total comprehensive loss for the year		(1,377,075)	(1,124,319)
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO MEMBERS OF ECHO RESOURCES LIMITED		(1,377,075)	(1,124,319)
Loss per share attributable to ordinary equity holders of the Company:			
Basic and diluted loss per share (cents)	14	(0.70)	(1.18)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015

	Note	2015 $	2014 $
Current Assets			
Cash and cash equivalents	4	1,543,423	638,614
Trade and other receivables	5	53,195	236,634
Total Current Assets		1,596,618	875,248
Non-Current Assets			
Other financial assets	6	22,500	25,000
Plant and equipment	7	62,768	63,662
Non-Current Assets		85,268	88,662
Total Assets		1,681,886	963,910
Current Liabilities			
Trade and other payables	9	859,616	855,326
Total Current Liabilities		859,616	855,326
Total Liabilities		859,616	855,326
Net Assets		822,270	108,584
Equity			
Contributed equity	10	12,468,107	10,377,346
Accumulated losses	11	(11,912,279)	(10,535,204)
Options reserve	12	266,442	266,442
Total Equity		822,270	108,584

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015

	Note	Contributed Equity	Accumulated Losses	Options Reserve	Total Equity
Balance at 1 July 2014		10,377,346	(10,535,204)	266,442	108,584
Loss for the year	11	-	(1,377,075)	-	(1,377,075)
Total comprehensive loss for the year		-	(1,377,075)	-	(1,377,075)
Transaction with owners in their capacity as owners		-	-	-	-
Contributions to equity net of transactions costs	10	2,090,761	-	-	2,090,761
Balance 30 June 2015		**12,468,107**	**(11,912,279)**	**266,442**	**822,270**
Balance at 1 July 2013		10,377,346	(9,410,885)	266,442	1,232,903
Loss for the year	11	-	(1,124,319)	-	(1,124,319)
Total comprehensive loss for the year		-	(1,124,319)	-	(1,124,319)
Transaction with owners in their capacity as owners		-	-	-	-
Contributions to equity net of transactions costs	10	-	-	-	-
Balance 30 June 2014		**10,377,346**	**(10,535,204)**	**266,442**	**108,584**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 $	2014 $
Cash flows from operating activities			
Interest received		21,340	33,113
Payments to suppliers and employees		(293,621)	(264,011)
Payments for exploration		(914,857)	(708,608)
Net cash (outflow) from operating activities		(1,187,138)	(939,506)
Cash flows from investing activities			
Purchase of fixed assets		-	(450)
Net cash (outflow) from investing activities		-	-
Cash flows from financing activities			
Proceeds from issue of shares		2,220,226	-
Capital raising costs		(128,279)	(2,252)
Net cash (outflow)/inflow from financing activities		2,091,947	(2,252)
Net (decrease)/increase in cash and cash equivalents		904,809	(942,208)
Cash and cash equivalents at beginning of the year		638,614	1,580,822
Cash and cash equivalents at the end of the year	4	1,543,423	638,614

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

CORPORATE INFORMATION

The financial report of the Group for the year ended 30 June 2015 was authorised for issue in accordance with a resolution of the Directors on 30 September 2015. Echo Resources Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian stock exchange.

The nature of the operations and principal activities of the Group are described in the review of operations.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation
These financial statements are general-purpose financial statements, which have been prepared in accordance with the requirements of the Corporations Act 2001, and Australian Accounting Standards and Interpretations. The consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Going concern
The Directors have prepared the financial statements on the basis of going concern, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business. The Group recognises it incurred a net loss of $1,377,075 and a net cash outflow from operating activities of $1,187,138 in the period ending 30 June 2015.

The Directors recognise that additional funding through the issue of shares is required to continue its normal business activities and to ensure the realisation of asset and extinguishment of liabilities as and when they fall due. However, if the Consolidated Entity is unable to achieve the above, there is material uncertainty that may cast significant doubt on the group's ability to continue as a going concern and therefore whether it will be able to pay its debts as and when they fall due and realise its assets and extinguish its liabilities in the normal course of business at the amounts stated in the financial report.

The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts, nor the amounts or classification of liabilities that might be necessary should the Consolidated Entity not be able to continue as a going concern.

The Directors are confident of the Group's ability to raise additional funds as and when they are required. The Directors are satisfied that the going concern basis of preparation is appropriate.

b) Statement of Compliance
These financial statements comply with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS), and other authoritative pronouncements of the Australian Accounting Standards Board and Australian Accounting Interpretations. Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with the International Financial Reporting Standards (IFRS).

c) Critical Accounting Estimates
Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts and liabilities within the next financial year are discussed below.

Echo Resources Limited has filed a Notice of Appeal against the Queensland Department of Environment and Heritage Protection's decision to issue a Clean-up Notice to Echo Resources Limited. The Notice relates to tenements formally held by the Company's subsidiary, Affinis Pty Ltd, and relates to incidents which occurred after Affinis was placed in liquidation.

Whilst the outcome of the appeal remains uncertain at the date of this report, the Directors are of the opinion that they will be successful in their appeal based upon preliminary legal advice received and have therefore not recognised any amounts in relation to this claim within the financial statements.

Notes to the Consolidated Financial Statements

(i) Voluntary Change in accounting policy for refundable R&D incentives
The consolidated financial statements have been prepared on the basis of a retrospective application of a voluntary change in accounting policy relating to R&D incentives. The previous accounting policy was to account for refundable R&D tax incentives as an income tax benefit. The company has determined that this incentive is more akin to government grants because this is not conditional upon earning taxable income. Refundable tax incentives are now accounted for under AASB 120 Accounting for Government Grants because the directors consider this policy to provide more relevant information to meet the economic decision-making needs of users, and to make the financial statements more reliable. The change in accounting policy involves restating each of the affected financial statement items for prior periods as shown in the table below.

Voluntary change involves restating the following balances:

Consolidated Statement of Profit and Loss and Other Comprehensive Income (extract)

	2015 Restated	2015 Previous policy	2015 Increase/ (decrease)	2014 Restated	2014 Previous policy	2014 Increase/ (decrease)
Income tax benefit	-	-	-	-	185,781	(185,781)
Other income	-	-	-	185,781	-	185,781
Loss for the year	-	-	-	-	-	-

Consolidated statement of cash flows (extract)

	2015 Restated	2015 Previous policy	2015 Increase/ (decrease)	2014 Restated	2014 Previous policy	2014 Increase/ (decrease)
R&D tax refund	-	185,781	(185,781)	-	179,305	(179,305)
Payments for exploration	185,781	-	185,781	179,305	-	179,305
Net cash (outflow) from operating activities	-	-	-	-	-	-

d) Exploration and Evaluation Expenditure
The Group has adopted the policy of expensing all exploration and evaluation expenditure in relation to its mineral tenements as incurred.

e) Property, Plant and Equipment
Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation.

Depreciation is calculated on the diminishing value basis to write off the net cost of each item of property, plant and equipment over its expected useful life. Depreciation rates for motor vehicles are at 25% and for other plant and equipment, the rates range from 22.5 - 40%.

Land is held at cost at the date it is acquired. As no finite useful life for land can be determined, related carrying amounts are not depreciated.

Assets that are subject to an annual depreciation charge are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount exceeds its recoverable amount.

f) Cash and cash equivalents
For purposes of the statement of cash flows, cash includes deposits at call which are readily convertible to cash on hand and which are used in the cash management function on a day-to-day basis, net of outstanding bank overdrafts.

g) Goods and Services Tax
Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Statement of Financial Position. Cash flows are included in the Statement of Cash Flows on a gross basis.
The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

h) Trade and other payables
Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Group. Trade accounts payable are normally settled within 30 days.

i) Contributed Equity
Ordinary shares are classified as equity. Transaction costs arising on the issue of equity instruments are recognised directly in equity as a reduction of the proceeds of the equity instruments to which the costs relate.

j) Earnings per Share
(i) *Basic Earnings per Share*
Basic earnings per share is determined by dividing the operating loss after income tax by the weighted average number of ordinary shares outstanding during the financial year.

(ii) *Diluted Earnings per Share*
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share by taking into account amounts unpaid on ordinary shares and any reduction in earnings per share that will probably arise from the exercise of partly paid shares or options outstanding during the financial year.

k) Revenue recognition
Revenues are recognised at fair value of the consideration received net of the amount of goods and services tax (GST). Exchanges of goods or services of the same nature without any cash consideration are not recognised as revenues.

Interest income
Interest income is recognised as it accrues, taking into account the effective yield on the financial asset.

Sale of non-current assets
Gains or losses arising on the sale of non-current assets are included in profit or loss at the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed. The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

Notes to the Consolidated Financial Statements

l) Principles of Consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Echo Resources Limited.

Subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of asset transferred. Accounting policies of subsidiaries are consistent with the policies adopted by the consolidated entity.

The Company controls an entity when the company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

m) Trade and other receivables
Trade accounts receivable, amounts due from related parties and other receivables represent the principal amounts due at reporting date plus accrued interest and less, where applicable, any unearned income and provisions for doubtful accounts.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset’s carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in the statement of profit or loss and other comprehensive income within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectable in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the statement of profit or loss and other comprehensive income.

n) Income Tax
Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Notes to the Consolidated Financial Statements

n) Income Tax (continued)
Deferred income tax liabilities are recognised for all taxable temporary differences:

- Except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of the unused tax assets and unused tax losses can be utilized:

Except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

o) Employee Benefits
Provision is made for the Group's liability for employee benefits arising from services rendered by employees to reporting date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits and included in other payables.

p) Segment Reporting
Operating segments are now reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker, which has been identified by the Group as the Managing Director and other members of the Board of Directors.

Notes to the Consolidated Financial Statements

q) Impairment of Assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such a reversal is recognised in profit or loss unless the asset is carried at its revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

r) Fair Value Estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Company is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

s) Share based payments

Share-based compensation benefits are provided to employees via Echo's Employee Share Option Plan and an employee share scheme.

The fair value of options granted under the Employee Share Option Plan is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options. The fair value at grant date is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expect dividend yield and the risk free interest rate for the term of the option.

The fair value of the options granted is adjusted to reflect market vesting conditions, but excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

Notes to the Consolidated Financial Statements

s) Share based payments (continued)
Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate. The impact of the revision to original estimates, if any, is recognised in the statement of profit or loss and other comprehensive income with a corresponding adjustment to equity.

Shares issued under the Employee Share Option Plan to employees for no cash consideration vest immediately on grant date. On this date, the market value of the shares issued is recognised as an employee benefits expense with a corresponding increase in equity.

t) New, revised or amending Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

The adoption of the above standards and amendments did not result in adjustments to the amounts recognised in the financial statements and no change to the Group's accounting policy was required.

New standards and interpretations not yet adopted
Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2015 reporting periods and have not been early adopted by the company. The company's assessment of the impact of these new standards and interpretations is set out below.

Title of standard	*Nature of change*	*Impact*	*Mandatory application date/ Date adopted by company*
AASB 9 Financial Instruments	AAB 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities. Since December 2013, it also sets out new rules for hedge accounting.	There will be no impact on the company's accounting for financial assets and financial liabilities as the new requirements only affect the accounting for available-for-sale financial assets and the accounting for financial liabilities that are designated at fair value through profit or loss and the company does not have any such financial assets or financial liabilities. The new hedging rules align hedge accounting more closely with the company's risk management practices. As a general rule it will be easier to apply hedge accounting going forward. The new standard also introduces expanded disclosure requirements and changes in presentation.	Must be applied for financial years commencing on or after 1 January 2018. Application date for the company will be 30 June 2019. The company does not currently have any hedging arrangements in place.

Title of standard	*Nature of change*	*Impact*	*Mandatory application date/ Date adopted by company*
AASB 15 Revenue from contracts with customers	An entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue will be recognised when control of goods or services is transferred, rather than on transfer of risks and rewards as is currently the case under IAS 18 Revenue.	Due to the recent release of this standard the company has not yet made an assessment of the impact of this standard.	Must be applied for annual reporting periods beginning on or after 1 January 2018. Application date for the company will be 30 June 2019.

Notes to the Consolidated Financial Statements

NOTE 2: REVENUE AND EXPENSES

	2015 $	2014 $
(a) Revenue		
Bank interest received	9,725	40,769
(b) Other Expenses		
Accounting/secretarial fees	35,700	42,000
Depreciation expense	894	1,085
Legal Fees	123,953	9,129
External professional fees	8,993	57,076
Other administrative expenses	235,208	134,773
	404,748	244,063

NOTE 3: INCOME TAX

The prima facie income tax expense on pre-tax accounting loss from operations reconciles to the income tax expense in the financial statements as follows:		
Accounting loss before income tax	(1,377,075)	(1,124,319)
Income tax expense calculated at 30%	(413,123)	(337,296)
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:	2,592	15
Movement in recognised temporary differences	(12,031)	61,300
Deferred tax assets relating to tax losses and temporary differences not recognised	422,562	275,981
Income tax expense reported in the statement of comprehensive income	-	-

The tax rate used in the above reconciliation is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law. There has been no change in this tax rate since the previous reporting period.

The Company has tax losses arising in Australia. The tax benefit of these losses of $1,124,319 (2014: $1,209,357) is available indefinitely for offset against future taxable profits of the companies in which the losses arose.

Unrecognised deferred tax assets
Deferred tax assets have not been recognised in respect of the following items:

Deferred Tax Assets		
Deductible temporary differences	217,262	210,756
Tax losses	3,430,915	3,008,354
	3,648,177	3,219,110
Deferred Tax Liabilities		
Other temporary differences	(4,648)	(5,230)
Net deferred tax assets	3,643,529	3,213,880

Notes to the Consolidated Financial Statements

NOTE 3: INCOME TAX (continued)

The deductible temporary differences and tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Company can utilise the benefits thereof.

Net deferred tax assets have not been brought to account as it is not probable within the immediate future that tax profits will be available against which deductible temporary differences and tax losses can be recognised.

NOTE 4: CASH AND CASH EQUIVALENTS

	2015 $	2014 $
Cash at bank and on hand	1,543,423	95,471
Short-term deposits	-	543,143
	1,543,423	638,614

Bank Guarantees
The Group has no bank guarantees in 2015 (2014:$105,000)

Information about the Group's exposure to interest rate risk is disclosed in Note 15.

(i) Reconciliation of loss for the year to net cash flows from operating activities

Loss for the year	(1,377,075)	(1,124,319)
Depreciation	894	1,085
(Increase)/decrease in assets:		
Current receivables	185,939	4,748
Increase/(decrease) in liabilities:		
Current payables	3,104	178,980
Net cash from operating activities	(1,187,138)	(939,506)

NOTE 5: TRADE AND OTHER RECEIVABLES

Other receivables	37,703	30,347
Prepayments	15,492	20,506
R&D refund	-	185,781
	53,195	236,634

As of 30 June 2015, trade receivables that were past due or impaired was nil (2014: nil). Information about the Group's exposure to credit risk is provided in Note 15.

NOTE 6: OTHER FINANCIAL ASSETS

Other receivables	22,500	25,000
	22,500	25,000

Notes to the Consolidated Financial Statements

NOTE 7. PROPERTY PLANT AND EQUIPMENT

	MOTOR VEHICLES $	LAND & BUILDNGS $	PLANT & EQUIPMENT $	TOTAL $
As at 1 July 2014				
At cost	33,636	59,809	26,782	120,227
Accumulated depreciation	(31,005)	-	(26,454)	(57,459)
Total written down amount	2,631	59,809	328	62,768
Reconciliation				
Opening written down value	3,436	59,809	417	63,662
Depreciation charge for the year	(805)	-	(89)	(894)
Closing written down value 2015	2,631	59,809	328	62,768
As at 1 July 2013				
At cost	33,636	59,809	33,362	126,807
Disposals	-	-	(6,580)	(6,580)
Accumulated depreciation	(30,200)	-	(26,365)	(56,565)
Total written down amount	3,436	59,809	417	63,662
Reconciliation				
Opening written down value	4,448	59,809	-	64,297
Additions	-	-	450	450
Depreciation charge for the year	(1,052)	-	(33)	(1,085)
Closing written down value 2014	3,436	59,809	417	63,662

NOTE 8: FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amount of the following financial assets and liabilities is considered a reasonable approximation of fair value:

- trade and other receivables
- cash and cash equivalents
- trade and other payables

NOTE 9: TRADE AND OTHER PAYABLES

	2015 $	2014 $
Trade payables	160,642	194,039
Accruals	467,495	524,603
Other payables	75,237	3,152
Provision for annual leave	156,242	133,532
	859,616	855,326

Notes to the Consolidated Financial Statements

NOTE 10: CONTRIBUTED EQUITY

	2015	2014
	$	$
Ordinary shares fully paid	132,986,431	94,981,768
	132,986,431	94,981,768

Movement in share capital	**2015**	
	Number	**$**
Balance at 1 July 2014	94,981,768	10,377,346
Issue of 6,364,000 ordinary fully paid shares at 11 cents each	6,364,000	700,040
Issue of 38,004,663 ordinary fully paid shares at 4 cents each	38,004,663	1,520,186
Less capital raising costs		(129,465)
Balance at 30 June 2015	139,350,431	12,468,107

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. Ordinary shareholders rank behind creditors in the distribution of proceeds from the winding-up of the Company. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Movement in share capital	**2014**	
	Number	**$**
Balance at 1 July 2013	94,981,768	10,377,346
Balance at 30 June 2014	94,981,768	10,377,346

Movement in share options

	Number
Balance at 1 July 2014	-
Balance at 30 June 2015	-
Balance at 1 July 2013	-
Balance at 30 June 2014	-

Transaction costs arising on the issue of equity instruments are recognised directly in equity as a reduction of the proceeds of the equity instruments to which the costs relate.

Capital risk management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or adjust the capital structure, the Group may issue new shares or reduce its capital, subject to the provisions of the Constitution and any relevant regulatory requirements.

NOTE 11. ACCUMULATED LOSSES

	2015	2014
	$	$
Accumulated losses at beginning of the year	(10,535,204)	(9,410,885)
Net loss for the year	(1,377,075)	(1,124,319)
Accumulated losses at end of the year	(11,912,279)	(10,535,204)

Notes to the Consolidated Financial Statements

NOTE 12. OPTIONS RESERVE

	2015 $	2014 $
Balance at the beginning of the year	266,442	266,442
Option expense for the year	-	-
Balance at the end of the year	266,442	266,442

Nature and purpose of reserves
Options reserve
The options reserve is used to recognise the fair value of options issued to employees and Directors.

NOTE 13. COMMITMENTS FOR EXPENDITURE

	2015	2014
(a) Operating Lease Commitments	$	$
Non-cancellable operating lease rentals are payable as follows:		
Not later than one year	48,648	48,648
Later than one year but no later than two years	8,108	101,188
	56,756	149,836

The Company leases an office under a non-cancellable operating lease expiring on 31 August 2016. On renewal, the terms of the lease are renegotiated.

NOTE 14. EARNINGS PER SHARE

	2015	2014
	Cents	
Basic and diluted loss per share	(0.70)	(1.18)
	Number	
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic loss per share	197,015,625	94,981,768

Diluted loss per share has not been calculated as the Group made a loss for the year and the impact would be to reduce the loss per share.

NOTE 15. FINANCIAL RISK MANAGEMENT

The Company's financial instruments consist of deposits with banks and accounts receivable and payable.

Overall Risk Management

The Company's activities expose it to a variety of financial risks; market risk (including fair value interest rate risk), credit risk, liquidity risk and cash flow interest rate risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. Risk management is carried out by the Board of directors under policies approved by the Board.

Credit risk

Credit risk arises from the financial assets of the Company, which comprise cash and cash equivalents and trade and other receivables. The Company's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments.

The Company does not have any significant credit risk exposure to any single counterparty. The credit risk on liquid funds is limited because the counter party is a bank with a high credit rating.

Notes to the Consolidated Financial Statements

NOTE 15. FINANCIAL RISK MANAGEMENT (continued)

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	2015 $	2014 $
Cash and cash equivalents	1,543,423	638,614
Other receivables	37,703	221,850
Security deposits	22,500	25,000
	1,603,626	**885,464**

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

	2015	**2014**
Cash at bank and short-term bank deposits		
AA	1,543,423	638,614
	1,543,423	**638,614**

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash to meet commitments as and when they fall due. The Company's financial liabilities include other payables which are non-interest bearing and generally paid within a 60 day period. Expenses are managed on an ongoing basis, and the company will raise additional funds as and when necessary.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk is not significant and is limited to cash and cash equivalents. The company does not rely on the generation of interest to provide working capital.

Impairment losses

None of the Group's other receivables are past due (2014: nil). There is no impairment loss recognised as at 30 June 2015.

The allowance accounts in respect of other receivables are used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible; at that point the amount is considered irrecoverable and is written off against the financial asset directly. At 30 June 2015 the Group does not have any collective impairment on its other receivables or its held-to-maturity investments (2014: nil).

Guarantees

Group policy is to provide financial guarantees only to wholly-owned subsidiaries. There is no financial guarantees amount allocated to the wholly-owned subsidiary as at 30 June 2015 (2014: nil).

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, finance leases and hire purchase contracts.

Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.
At 30 June 2015, the Group held no deposits at call (2014: $543,143) that are expected to readily generate cash inflows for managing liquidity risk.

Notes to the Consolidated Financial Statements

NOTE 15. FINANCIAL RISK MANAGEMENT (continued)

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

30 June 2015

	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Trade and other payables	859,616	859,616	824,774	34,842	-	-	-
	859,616	859,616	824,774	34,842	-	-	-

30 June 2014

	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Trade and other payables	855,325	855,325	823,817	31,508	-	-	-
	855,325	855,325	823,817	31,508	-	-	-

Market Risk
Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Foreign Exchange
The Group operates only in Australia and therefore is not exposed to any currency risk.

Interest rate risk
Exposure arises predominantly from assets and liabilities bearing variable interest rates as the Group intends to hold fixed rate assets and liabilities to maturity. Interest rate risk is not considered to be material.

	Fixed Interest	Floating Interest	Non-Interest Bearing	Total
Financial Assets	**$**	**$**	**$**	**$**
Cash and cash equivalents	-	1,543,423	-	1,543,423
Trade and other receivables	-	-	53,195	53,195
Weighted Average Interest Rate	-	0.01%	-	-
	-	1,543,423	53,195	1,596,618
Financial Liabilities				
Trade and other payables	-	-	859,616	859,616
	-	-	859,616	859,616

Sensitivity analysis
If the interest rates had weakened/strengthen by 2% at 30 June 2015, there would be no material impact on the statement of profit of loss and other comprehensive income. There would be no effect on the equity reserves other than those directly related to statement of profit of loss and other comprehensive income movements.

Fair value estimation
All financial assets and liabilities have been recognised at the reporting date at amounts approximating their carrying value due to their short term nature.

Notes to the Consolidated Financial Statements

NOTE 16. SEGMENT INFORMATION
Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The entity does not have any operating segments with discrete financial information. The Group does not have any customers, and all the Group's assets and liabilities are located within Australia.

NOTE 17. CONTINGENT LIABILITIES
The Queensland Department of Environmental and Heritage Protection has issued Echo Resources Limited a Clean-up Notice; the Company has since lodged a Notice of Appeal. The Directors have not recognised a provision in the financial report on the basis that they are of the opinion that they will be successful in their appeal however, acknowledge that there is inherent uncertainty over outcomes of such disputes.There were no other contingent liabilities as at 30 June 2015.

NOTE 18. EVENTS OCCURING AFTER THE REPORTING PERIOD
On the 29th of June the Company announced receipt of notices under section 249D and 249F of the Corporations Act. The meeting was held on the 24th of August and results announced on the 25th of August. The majority of votes were for the current board to remain in place.

On the 27th of August the company announced the receipt of a Non Binding Indicative Offer from AXF Resources Pty Ltd. At the time of writing discussions between the Company and AXF Resources Pty Ltd were continuing.

	2015 $	2014 $
NOTE 19. AUDITOR'S REMUNERATION		
Audit and review of financial statements	25,333	25,088
	25,333	**25,088**

NOTE 20. DIVIDENDS
There were no dividends recommended or paid during the financial years ended 30 June 2015 and 30 June 2014.

Notes to the Consolidated Financial Statements

NOTE 21. RELATED PARTY

(a) Summarised Compensation of Key Management Personnel

Summary of Directors and Key Management Personnel compensation in the following categories are as follows:

	2015 $	2014 $
Short-term employee benefits	282,688	278,325
Post-employment benefits	19,731	18,500
Long-term benefits	21,413	55,742
Other Remuneration	-	-
	323,832	352,567

b) Other Transactions with Key Management Personnel
There were no other transactions with related parties during the year ended 30 June 2015 other than those disclosed in the Directors' Report.

NOTE 22. INVESTMENT IN CONTROLLED ENTITIES

Details of investment in the ordinary share capital of controlled entities are as follows:

Name of Entity	Place of Incorporation	Equity Holding		Cost of Parent Entity's Investment	
		2015	2014	2015	2014
		%	%	$	$
Parent Entity					
Echo Resources Limited	Australia				
Controlled Entities					
Affinis Pty Ltd	Australia	0	100	-	-
				-	-

NOTE 23. SHARE BASED PAYMENTS

During the financial year ended 30 June 2015 and 30 June 2014 no share-based payments were made.

NOTE 24. ECHO RESOURCES LIMITED PARENT COMPANY INFORMATION

	2015	2014
ASSETS	**$**	**$**
Current assets	1,596,618	875,248
Non-current assets	85,268	88,662
TOTAL ASSETS	**1,681,886**	**963,910**
LIABILITIES		
Current liabilities	859,616	855,326
TOTAL LIABILITIES	**859,616**	**855,326**
EQUITY		
Contributed equity	12,468,107	10,377,346
Options Reserve	266,442	266,442
Retained earnings	(11,912,279)	(10,535,204)
TOTAL EQUITY	**822,270**	**108,584**
FINANCIAL PERFORMANCE		
Loss for the year	1,377,075	1,124,319
Other comprehensive income	-	-
Total comprehensive loss	**1,377,075**	**1,124,319**

DIRECTORS' DECLARATION

The Directors of the Group declare that:

1. The financial statements and note set out on pages 18 to 37, are in accordance with the *Corporations Act 2001* and:

(a) comply with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements and

(b) give a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date.

In the Director's opinion, there are reasonable grounds to believe that the group will be able to pay its debts as and when they become due and payable.

2. The remuneration disclosures included in the Directors' report (as part of audited Remuneration Report) for the year ended 30 June 2015, comply with section 300A of the *Corporations Act 2001*.

3. The Directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A.

4. The Group has included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:

Ernst Kohler
Managing Director

Perth, Western Australia
30 September 2015

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Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Echo Resources Limited

Report on the Financial Report

We have audited the accompanying financial report of Echo Resources Limited, which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Echo Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

(a) the financial report of Echo Resources Limited is in accordance with the *Corporations Act 2001*, including:

   (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and

   (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

Emphasis of matter

Without modifying our opinion, we draw attention to Note 1(a) in the financial report, which indicates that the ability of the consolidated entity to continue as a going concern is dependent upon the future successful raising of necessary funding through equity. This condition, along with other matters as set out in Note 1(a), indicate the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

Emphasis of matter

We draw your attention to Note 17 and Note 1(c) in the financial report which describes the uncertainty related to the outcome of the clean-up notice issued by the Queensland Department of Environmental and Heritage Protection. Our opinion is not modified in respect of this matter.

Report on the Remuneration Report

We have audited the Remuneration Report included the directors' report for the year ended 30 June 2015. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Echo Resources Limited for the year ended 30 June 2015 complies with section 300A of the *Corporations Act 2001*.

BDO Audit (WA) Pty Ltd

BDO

Phillip Murdoch

Director

Perth, 30 September 2015

CORPORATE GOVERNANCE STATEMENT

Echo Resources Limited (Company) has established a set of corporate governance policies and procedures that are based on the ASX Corporate Governance Council's *Principles of Good Corporate Governance and Best Practice Recommendations* (ASX CGP). The key features of which are set out in this statement.

The Company acknowledges the Corporate Governance Council's *Principles of Good Corporate Governance and Best Practice Recommendations* have been revised under Edition 3 and notes that as this Report outlines the Company's corporate governance framework in place for the year ended 30 June 2014, it is reporting against Edition 2. The Company is currently in the process of reviewing its corporate governance framework in light of Edition 3 additions and modifications.

<u>Lay solid foundations for management and oversight (ASX CGP 1) and structure the Board to add value (ASX CGP 2)</u>

Structure and composition of Board

The Company has established the functions reserved to the Board, and those delegated to senior executives and has set out these functions in its Board Charter consistent with ASX CGP 1.

The Board is collectively responsible for promoting the success of the Company through its key functions of overseeing the management of the Company, providing overall corporate governance of the Company, monitoring the financial performance of the Company, engaging appropriate management commensurate with the Company's structure and objectives, involvement in the development of corporate strategy and performance objectives, and reviewing, ratifying and monitoring systems of risk management and internal control, codes of conduct and legal compliance.

As at the date of this report, the Board is comprised of three Directors. A profile of each Director setting out their skills, experience, qualifications and term of office is set out in the Directors' Report. All Directors bring to the Board the requisite skills which are complementary to those of the other Directors and enable them to adequately discharge their responsibilities.

The Board as a whole undertakes the process of reviewing the skill base and experience of existing Directors to enable identification or attributes required in new Directors.

Director independence

The Company does not have a majority of independent Directors. The Board considers that the Company is not of a size or scale, nor are its affairs of such complexity to justify the expense of the appointment of a majority of independent non-executive Directors. Mr Ernst Kohler is deemed to be non-independent due to being an Executive Director and substantial shareholder of the Company and Mr Anthony McIntosh is not deemed independent due to his shareholding in the Company. The Chair, Mr Mathew Longworth, is deemed to be independent and the role of the Chair and the CEO is not exercised by the same individual.

Notwithstanding the Directors' lack of independence, the Board believes that the interests of shareholders are best served by the current composition of the Board. All Directors bring to the Board the requisite skills which are complementary to those of the other Directors and enable them to adequately discharge their responsibilities and bring independent judgments to bear on their decisions.

Committees

The Board considers that the Company is not of a size or scale to justify the formation of sub-committees. The Company will give consideration at an appropriate time in the Company's development for the creation of a separate committees.

Board performance

Due to the size of the Board and the Company, the Board undertakes ad hoc self-assessments of its collective performance by way of Board discussion.

Access to information
Directors may access all relevant information required to discharge their duties. With the approval of their Chairman, Directors may seek independent professional advice, as required, at the Company's expense.

Promote ethical and responsible decision making (ASX CGP 3)

Share trading
A Share Trading Policy is in place for Directors, senior executives and employees. The objective of the policy is to minimise the risk of Directors and employees who may hold material non-public information contravening the laws against insider trading, ensure the Company is able to meet its reporting obligations under the ASX Listing Rules and increase transparency with respect to trading in securities of the Company. A copy of the policy is available on the ASX Market Announcements Platform.

Diversity
The Company recognises the value of a diverse work force and believes that diversity supports all employees reaching their full potential, improves business decisions, business results, increases stakeholder satisfaction and promotes realisation of the company vision.

The Board has established a formal Diversity Policy which sets out the positive steps taken to ensure that current and prospective employees are not discriminated against, either directly or indirectly on such characteristics as gender, age, disability, marital status, sexual orientation, religion, ethnicity or any other area of potential difference.

The Company supports an inclusive workplace that embraces and promotes diversity however the Board has determined that no specific measurable objectives will be established until the number of employees and level of activities of the Company increases to a level sufficient to enable meaningful and achievable objectives to be developed. There is currently only one employee in the Company who is not female.

Make timely and balanced disclosure (ASX CGP 5)

The Company has established a formal Continuous Disclosure Policy designed to ensure compliance with ASX Listing Rule disclosure requirements and accountability at a senior executive level for that compliance.

Respect the rights of shareholders (ASX CGP 6)

Shareholder Communication
The Company's Shareholder Communications Policy promotes effective communication with the Company's shareholders and encourages shareholder participation at general meetings. Information is communicated to shareholders:

- through the release of information to the market via the ASX;
- through the distribution of the annual report and notices of annual general meeting;
- through shareholder meetings and investor relations presentations; and
- by posting relevant information on the Company's website: www.echoresources.com.au

Safeguard integrity in financial reporting (ASX CGP 4) and recognise and manage risk (ASX CGP 7)

The Board as a whole undertakes the identification and management of risk and the review of the operation of the internal control systems.

The Board is responsible for ensuring that risks as well as opportunities are identified on a timely basis and receive an appropriate and measure response. It is the Board's responsibility to ensure that an effective internal control framework exists within the entity.

This includes both internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial and non-financial-information.

The Company has not formally adopted a Risk Management Policy. Significant areas of concern and potential risks are discussed at Board level on a regular basis to ensure potential risks to the business are identified and then managed. When appropriate, experts are invited to address Board meetings on major risks facing the Company and to develop strategies to mitigate those risks.

The lead audit partner responsible for the Company's external audit is required to attend each Annual General Meeting and to be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

Remunerate Fairly and Responsibly (ASX CGP 8)

The Board as a whole is responsible for the remuneration arrangements for Directors and executives of the Company. Details of remuneration, including the Company's policy on remuneration, are contained in the 'Remuneration Report' which forms part of the Directors' Report.

Long term performance incentives may include options granted to both executive and non-executive Directors at the discretion of the Board and subject to obtaining the relevant approval. The grant of options is designed to recognise and reward efforts as well as to provide additional incentive and may be subject to the successful completion of performance hurdles.

Executives are offered a competitive level of base pay at market rates and are reviewed annually to ensure market competitiveness. The annual total of fees to non-executive Directors is set by the Company's shareholders and allocated as Directors' Fees and Committee Fees by the Board on the basis of the roles undertaken by the Directors. Full details of Directors' remuneration appear in the Remuneration Report.