

17 December 2015

Drilling has commenced at the Julius Gold Discovery, WA

Echo Resources Limited (ASX: EAR) is pleased to announce that a 2,500m Reverse Circulation drilling program has commenced at the Julius Gold Discovery, Western Australia.

The Julius Discovery is the most exciting virgin gold find in the Yandal Gold Province since the late-1990's (Figures 1 and 2). The Yandal Province ranks among Australia's largest goldfields, hosting several multi-million ounce gold deposits, including those at Jundee (Northern Star Resources) and Darlot (Gold Fields).

The drilling program will test two main target areas for:

- potential extensions to gold mineralised zones northwest of the main drilling area, which have previously yielded intercepts of:
 - 5m @ 21.6 g/t Au** from 235m, including **3m @ 35.0 g/t Au** (ERC186)
 - 2m @ 13.0 g/t Au** from 187m to EOH, including **1m @ 21.6 g/t Au** (ERC206)
 - 7m @ 35.0 g/t Au** from 276m, including **4m @ 59.7 g/t Au** (ERC222)
 - 8m @ 2.3 g/t Au** from 293m, including **1m @ 5.8 g/t Au** (ERC238)
 - 2m @ 18.0 g/t Au** from 192m, including **1m @ 22.6 g/t Au** (ERC259)
- near-surface gold lodes in the central and eastern parts of the mineralised system, which have yielded intercepts of:
 - 23m @ 19.9 g/t Au** from 40m, including **11m @ 40.2 g/t Au** (ERC167)
 - 19.1m @ 8.1 g/t Au** from 49m, including **5m @ 21.7 g/t Au** (ERCD208)
 - 8m @ 8.9 g/t Au** from 52m, including **2m @ 29.7 g/t Au** (ERC212)
 - 20m @ 9.9 g/t Au** from 38m, including **5m @ 21.6 g/t Au** (ERC217)
 - 10m @ 9.4 g/t Au** from 43m, including **2m @ 31.9 g/t Au** (ERC242)
 - 8m @ 5.4 g/t Au** from 91m, including **1m @ 34.6 g/t Au** (ERC251)

The drilling program is expected to take five weeks to complete, with first assay results expected during February 2016.

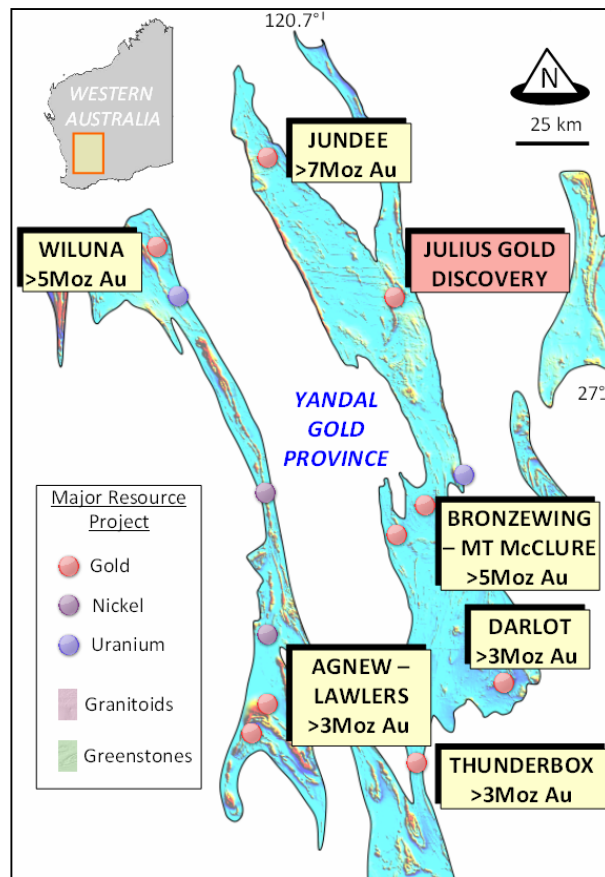
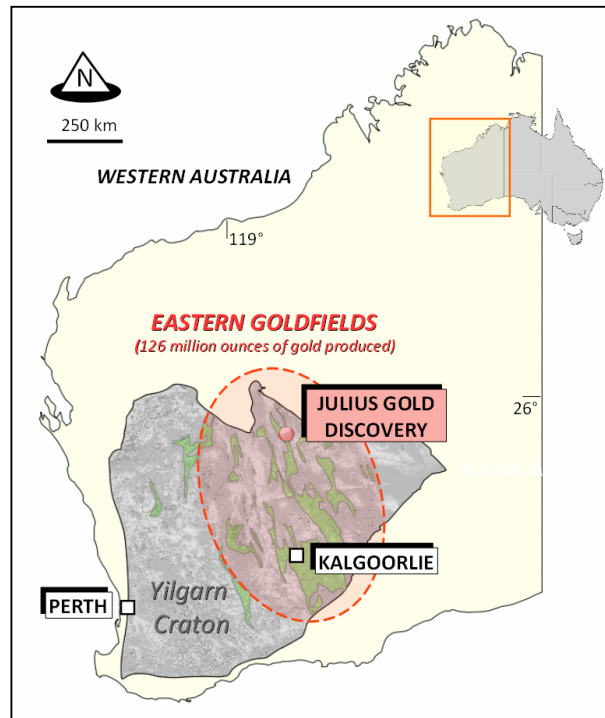


Fig. 1: Location of the Julius Gold Discovery.

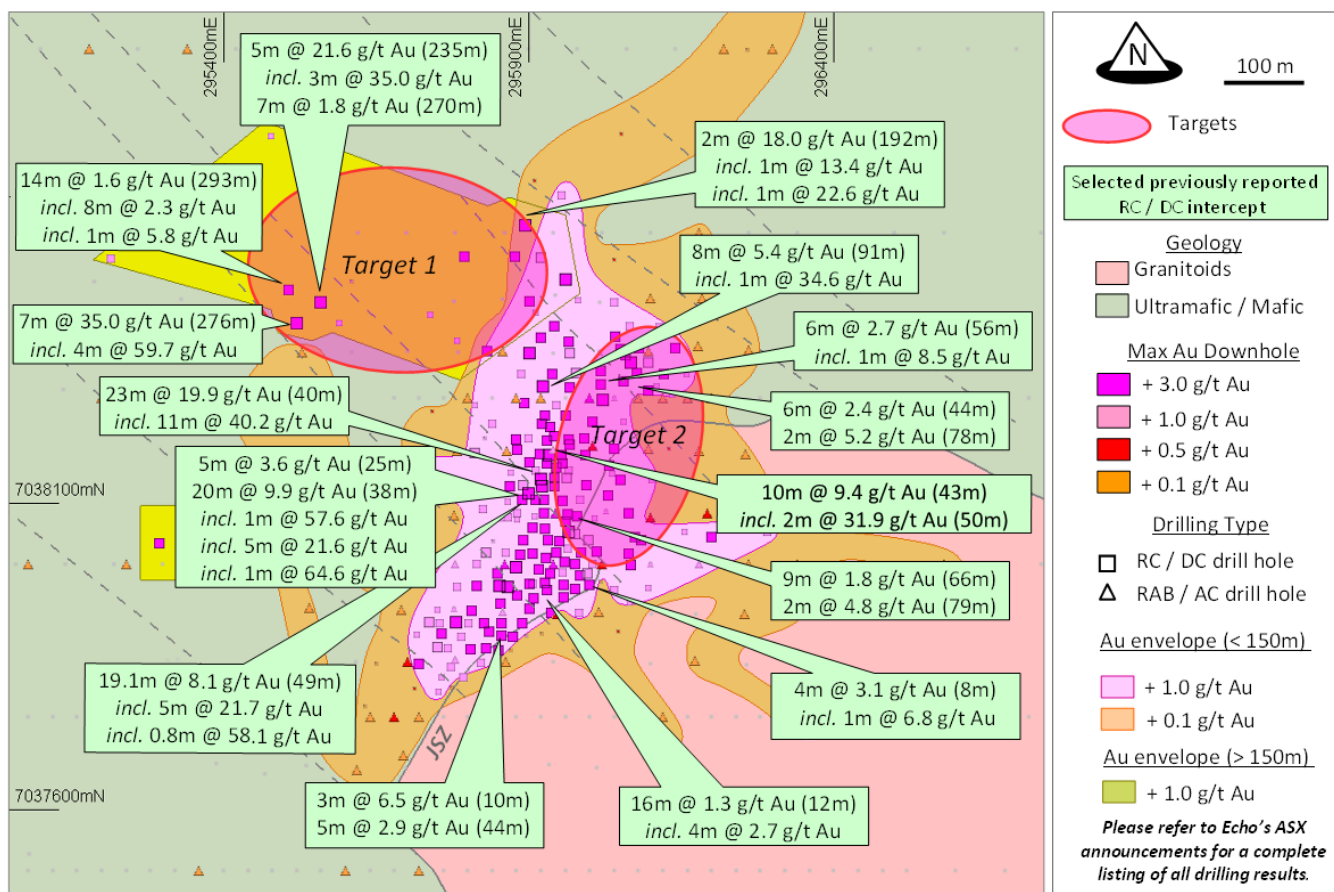


Fig. 2: Geological map showing selected drill intersections and major drilling targets.

About Echo Resources

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

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

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

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