



**ECHO RESOURCES
LIMITED**
ACN: 108 513 113

11 March 2016

ASX Announcement

SHAREHOLDER UPDATE

Mining Lease Application

Echo Resources Limited (the "Company"; ASX:EAR) is pleased to announce it has applied for a Mining Lease over the known Julius gold mineralisation and surrounding area. See Figure 1. The ML covers approximately 744 hectares and is large enough to accommodate a large open pit, associated waste dumps and mining infrastructure. A Miscellaneous Lease covering a transport corridor from the Julius ML to the Barwidgee road has also been pegged.

By way of background, the Julius gold mineralisation is localised on a deeply weathered contact of sheared mafic and ultramafic rocks in contact to the east with a granite and overlain by a 10 metre sequence of recent wind blown sands, and to the north a Tertiary aged paleo-channel sequence of clays. It is a structurally controlled gold deposit and a number of encouraging intersections at depth suggests the deposit has significant potential.

The work completed to date at Julius (based on compilation of previous quarterly reports) has defined a gold rich flat lying laterite mineralised body extending over approximately 500 metres of strike and 250 metres in width and averaging 4 metres thickness. Gold grades within the flat lying laterite have ranged from 1.0 g/t to 5.0 g/t.

The gold rich laterite sits underneath a shallow 10 metre thick cover sequence of wind blown sands. Lying underneath this laterite is a highly weathered sequence of rocks predominated by clays that extend down to 50-65 metres vertical depth. A zone of gold depletion exists below the laterite followed by a second zone of gold enrichment which generally lies between 35-60 metres vertical depth and extending for approximately 600 metres of strike length. The supergene gold blanket would be a clear focus of any open pit gold mining project.

Below the supergene gold at depth within the fresh rock, a number of significant intersections have been returned which warrant further testing. The extent and orientation of the deep high grade intersections, see Table 1 is unclear based on current available data.

Table 1: Deep Intersections: Julius

Hole	From	To	Thickness	Au g/t
ERC0186	235	238	3	35.02
ERC0222	276	280	4	59.7

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A summary of the more significant intersections from the Julius deposit are highlighted in Table 2 and have all been previously released in past quarterly reports. Modelling and estimation of the gold mineralisation at Julius will be undertaken once the full exploration database becomes available to the company.

At today's gold price and based on a number of assumptions the potential for the development of a profitable open pit at Julius is considered high, and further work to specifically highlight and document the likely tonnes and grade lying within an open pit gold mine and the economic significance of this is one of main priorities moving forward.

Programme of Work Approved

A Programme of Work (POW) was lodged recently with the Department of Mines and Petroleum and has now been approved. The POW covers the drilling of approximately 50 aircore holes for 3000 metres at Julius. The aim of the drilling program is to assist in the definition of the likely gold mineralisation within the top 60 metres of the deposit and is due to commence immediately after Easter and will take approximately 2 weeks to complete. An initial 6-8 holes will also be drilled at the Company's Zaphod Project.

Table 2: Selected Previous Significant Intersections: Julius Gold Deposit

HoleNo	From	To	Thickness (m)	Au g/t	Easting	Northing	RL (surface 500)	Gram Metres
ERB0034	32	48	16	1.66	295963	7038082	465	26.56
ERC0012	48	56	8	5.01	296054	7038270	460	40.07
ERC0015	52	60	8	4.53	295915	7037993	456	36.27
ERC0015	68	81	13	3.31	295926	7037993	442	43.05
ERC0029	24	37	13	2.10	295963	7038126	476	27.33
ERC0038	98	120	22	1.27	295969	7038271	419	27.96
ERC0041	24	33	9	3.44	295968	7038042	478	30.97
ERC0042	104	117	13	2.84	295972	7038352	415	36.93
ERC0064	12	21	9	3.04	295844	7037891	486	27.39
ERC0065	12	28	16	2.41	295912	7037928	482	38.60
ERC0080	36	61	25	2.10	295968	7038196	452	52.40
ERC0081	100	116	16	1.72	295921	7038229	392	27.53
ERC0083	79	108	29	1.02	295982	7038225	420	29.69
ERC0100	94	107	13	3.66	295969	7038389	403	47.56
ERC0106	67	85	18	1.47	295967	7038257	431	26.37
ERC0133	60	78	18	1.78	296059	7038303	443	32.10
ERC0153	28	56	28	2.71	295953	7038107	466	75.84
ERC0155	44	72	28	1.22	296099	7038313	445	34.24
ERC0163	54	65	11	3.16	295950	7038081	446	34.74
ERC0167	40	65	25	18.39	295950	7038125	457	459.80
ERC0170	41	59	18	2.17	296095	7038351	452	39.04
ERC0174	51	61	10	4.63	295881	7037963	454	46.25
ERC0179	40	54	14	2.00	295938	7038102	462	27.98
ERC0180	37	54	17	3.06	295979	7038178	463	52.01
ERC0181	57	73	16	2.32	295950	7038178	444	37.15
ERC0183	42	47	5	11.95	295803	7037903	461	59.73
ERC0194	68	91	23	2.37	296007	7038206	431	54.44
ERC0197	40	64	24	1.21	295947	7038167	455	28.97
ERC0201	14	30	16	1.87	295839	7037904	482	29.96
ERC0212	48	61	13	5.55	296081	7038328	447	72.09
ERC0217	38	65	27	7.60	295950	7038139	458	205.27
ERC0219	44	60	16	1.63	295920	7038103	457	26.05
ERC0220	96	134	38	1.17	295919	7038203	392	44.32
ERC0225	82	116	34	0.81	295933	7038205	407	27.60
ERC0228	37	45	8	5.03	295966	7038141	466	40.28
ERC0233	22	32	10	2.90	295950	7037985	477	28.99
ERC0233	65	72	7	6.17	295970	7037985	441	43.21

Other Matters

The company regrets to advise that despite a number of approaches to the previous Managing Director Ernst Kohler, no company records and assets sought have been returned. This is having a serious effect on the operations of the company as critical data records required for operational purposes are not presently available. Vehicles, computers, hard copy records and digital data have not been located or returned. The company is awaiting legal advice in respect of recovery of the company's property from Ernst Kohler.

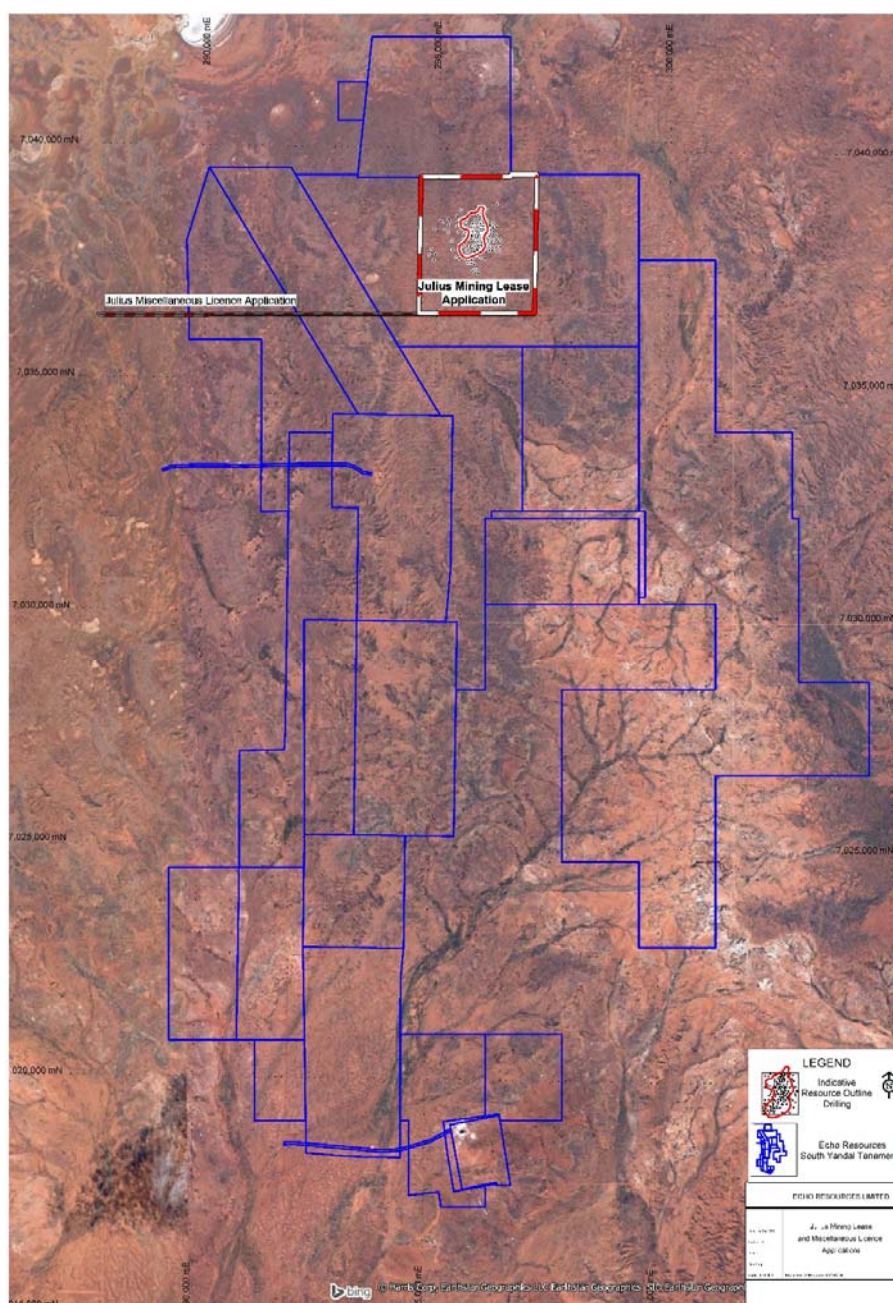


Figure 1: Location Plan: Julius Mining Lease Application

Competent Persons' Declarations

The information in this report relating to exploration activities and exploration potential is based on information compiled by Mr Simon Coxhell, a consultant and Director of Echo Resources Limited, who is a member of the Australasian Institute of Mining and Metallurgy. He has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that 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". Mr Coxhell consents to the inclusion in the report of the matters based on the information in the form and context in which it appears

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