ECHO RESOURCES
LIMITED
ACN: 108 513 113

24 March 2016

ASX Announcement

SHAREHOLDER UPDATE

Drilling Results

Echo Resources Limited (the "Company"; ASX:EAR) is pleased to announce the results from the drilling completed between December 2015 and January 2016. During that time a total of 10 reverse circulation holes for 1630 metres were drilled at the Julius gold prospect.

The drill holes were spaced over approximately 750 metres of strike and ranged in depth from 72 to 348 metres and comprised step out drilling testing the mineralised mafic granite contact at depth and infill drilling between existing drill holes.

All holes intersected the mineralised contact zone and results based on the 4 metre composite samples are summarised below based on a nominal 0.20 g/t Au grade cut off. A number of individual higher grade four metre composite results were returned within the overall intervals documented. On receipt of the one metre resplits, updated results and intervals will be reported. It is noted that the gold mineralisation is open in all directions. Figure 1 documents the location of the drill holes with Figures 2 to 5 illustrating cross sections.

Hole No	From (m)	To (m)	Thickness (m)	Grade (g/t Au)	East	North	Azimuth	Dip	Total Depth
ERC0260	292	312	20	0.70	295529	7038484	90	-60	317
ERC0261	128	180	52	1.00	295896	7038508	90	-65	228
ERC0262	36	76	40	0.57	296101	7038308	90	-70	100
ERC0263	12	32	20	2.01	295966	7038099	90	-50	105
including	*28*	*32*	*4*	*8.32*					
ERC0263	72	105	30	0.67					
including	*72*	*84*	*12*	*1.31*					
ERC0264	12	44	32	1.29	295940	7038102	90	-55	75
including	*24*	*28*	*4*	*2.55*					
including	*40*	*44*	*4*	*6.60*					
ERC0265	8	24	16	0.47	296000	7038058	90	-70	90
ERC0265	68	90	22	0.56					
ERC0266	24	56	32	0.56	295843	7037840	90	-50	72
including	*48*	*52*	*4*	*1.89*					
ERC0267	312	344	32	0.53	295500	7038575	90	-60	348
ERC0268	72	120	48	0.54	295956	7038223	90	-55	170
including	*88*	*96*	*4*	*1.42*					
ERC0269	60	88	28	0.35	296016	7038181	90	-65	125

Table One: Four Metre Composite Results

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The company advises that sufficient data has now been compiled to allow a maiden resource estimate for the Julius deposit to be completed. The estimate is likely to be defined as an Inferred Resource as insufficient information has been available for a higher level resource category to be defined. This Inferred Resource estimate will however be a major step forward. The upcoming drilling program at Julius due to commence in a weeks time will comprise approximately 50 holes for 3000 metres and should allow an upgrade of the resource category and lead to an early assessment of the project economics.

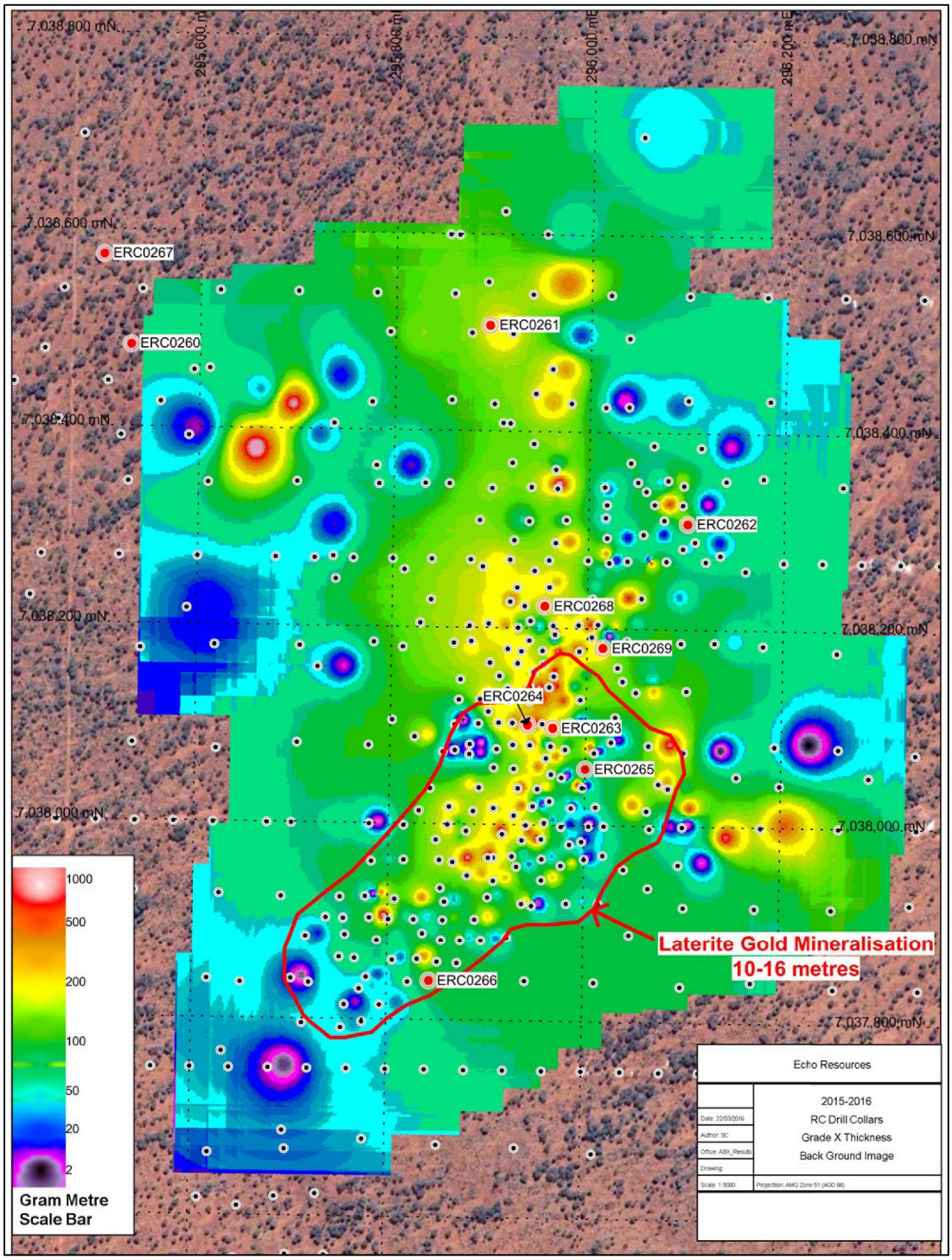

Figure 1: Drill Hole Location Plan: ERC0260→ERC0269

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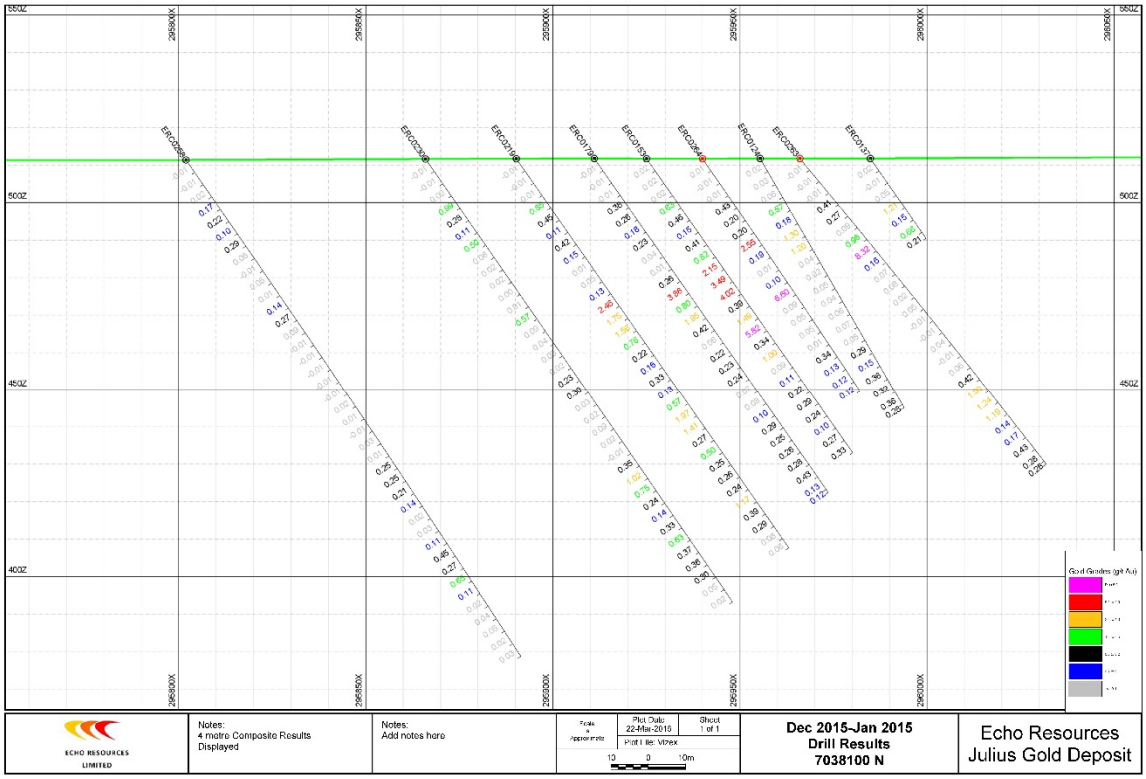

Figure 2: Cross Section 7038100N: ERC0263 and ERC0264

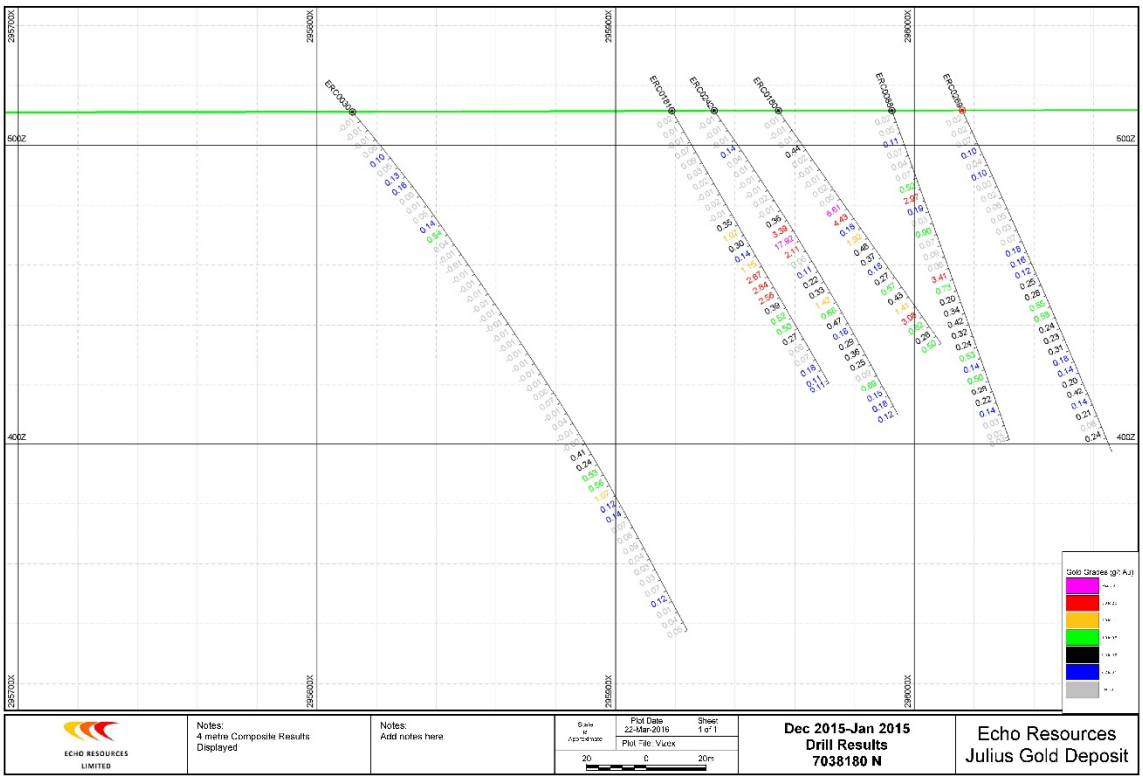

Figure 3: Cross Section 7038180N: ERC0269

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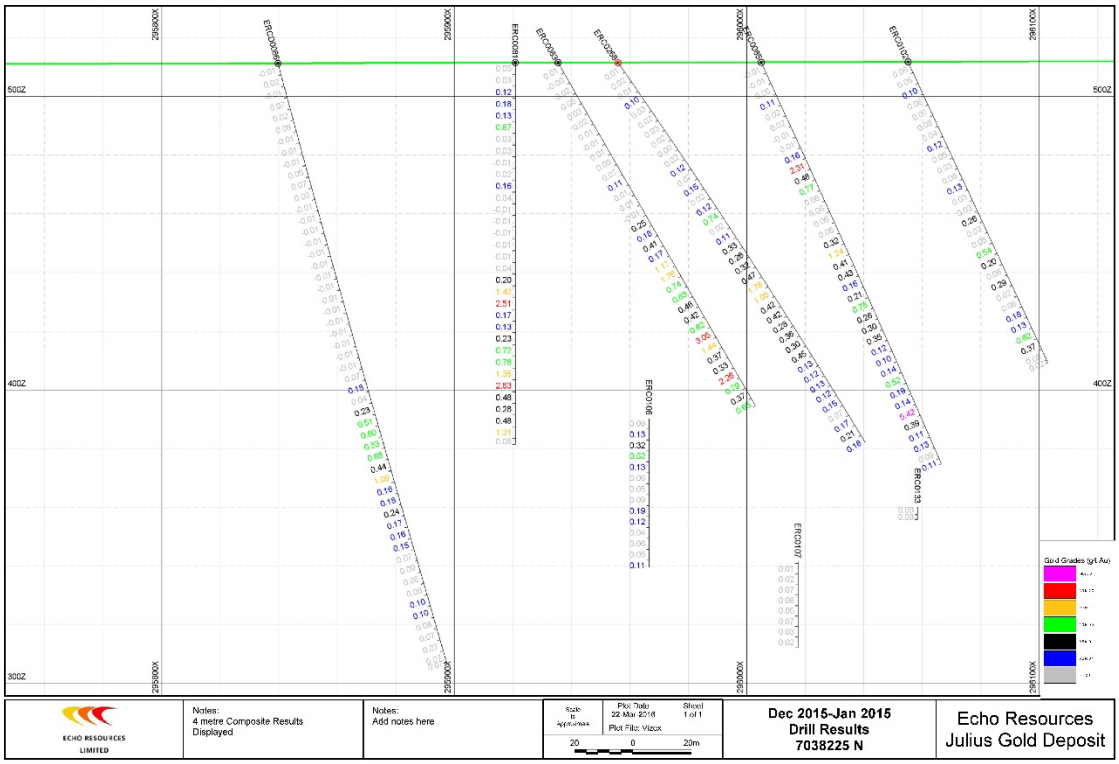

Figure 4: Cross Section 7038225N: ERC0268

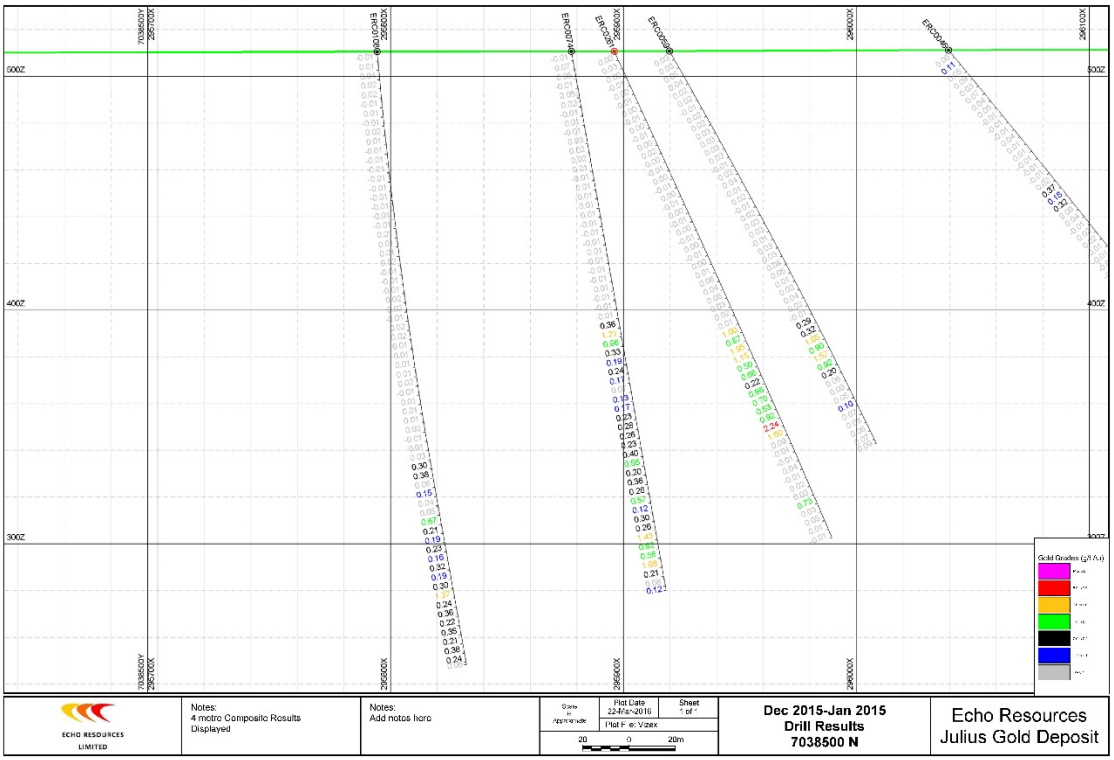

Figure 5: Cross Section 7038500N: ERC0261

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 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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JORC 2012 disclosures on sampling techniques and data

Section 1: Sampling Techniques and Data		
Criteria	**JORC Code Explanation**	**Commentary**
Sampling Technique	*Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling*	The Julius sampling was carried out with a Reverse Circulation (RC) drill rig which was used to collect 1m, cone-split samples of pulverized rock material (typically 1kg–4kg in weight) for geochemical analysis. At the laboratory, the samples were dried in kilns and then pulverized. A 25-30g charge of the pulverized material was prepared for gold fire assay analysis with AAS finish (0.01ppm Au detection limit). Given the nature of the mineralization being drilled, coarse gold may be present in some samples which may result in assay variability
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report.	The drill hole collar locations are determined by handheld GPS survey with an accuracy of +/- 5 metres. Samples were logged for lithology, alteration, weathering and mineralization.
	In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	At Julius, an RC drill rig with a face-sampling bit was used to collect 1m pulverized rock samples which were passed through a cone splitter to obtain 1kg – 4kg sub-samples suitable for analysis. The .RC drilling produced individual 1 metre samples which were then systematically sampled to produce 4 metre composite samples with approximately 2 kilograms of samples collected per composite.
Drilling	*Drill type (eg core, reverse circulation, open- hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Reverse Circulation drilling with a nominal 5 ¼ inch face sampling hammer.
Drill Sample Recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	The contractor and onsite geologist monitored recoveries, via visual examination of sample returns. .
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	In general recoveries are good and there are no significant sample recovery problems. Some wet samples were noted during the drilling
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	Insufficient testwork has been completed to determine any relationship between sample recovery and grade. It is unclear if there is any potential sample bias, however diamond drilling has returned similar gold values over similar widths compared to the RC drilling.
Logging	*Whether core and chip samples have been geologically and geotechnical logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	Logging is conducted on all drill holes. Information on lithology, mineralisation and oxidation state is collected and transferred to an electronic database. Once all the data is obtained it is presumably of a quality to support Mineral Resource estimation.
	Whether logging is qualitative or quantitative in nature. Core (or costean/Trench, channel, etc) photography.	Logging of RC chips is qualitative.
	The total length and percentage of the relevant intersections logged.	All drillholes are being logged in full to end of hole.
Sub-Sampling Technique and Sample Preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	A subsample from each sample metre was collected, comprising approximately 10% of each individual metre.

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	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	All samples were recorded as wet or dry (majority dry) and sampled with a cone splitter, nominal 1/8. .
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	The sample preparation for all samples follows industry best practice and was undertaken by Nagrom Perth, where they were crushed, dried and pulverised to produce a sub sample for analysis. Sample preparation involving oven drying, coarse crushing, followed by total pulverisation LM2 grinding mills to a grind size of 85% passing 75 microns.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	QC for sub sampling follows Nagrom procedures.
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	It is unknown if field duplicates have been taken ...
	Whether sample sizes are appropriate to the grain size of the material being sampled.	The sample sizes are considered to be appropriate to correctly represent the style of mineralisation, the thickness and consistency of the intersections.
Quality of Assay Data and Laboratory Tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	The laboratory used an aqua regia digest with an ICP/OES and AAS finish. Sample preparation checks for fineness were carried out by the laboratory as part of their internal procedures to ensure the grind size of 85% passing 75 micron was being attained.
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	Not used
	Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	Laboratory QA/QC involves the use of internal lab standards using certified reference material, blanks, splits and duplicates as part of the in house laboratory procedures.
Verification of Sampling and Assaying	*The verification of significant intersections by either independent or alternative company personnel.*	The Company's Geologist has visually verified anomalous intersections with rock chips collected..
	The use of twinned holes.	No twin holes have been drilled at this stage.
	The verification of significant intersections by either independent or alternative company personnel.	Primary data was collected using a set of company standard Excel templates and re-entered into laptop computers.
	Discuss any adjustment to assay data	No adjustments or calibrations were made to any assay data used in this report.
Location of Data points	*Accuracy and quality of surveys used to locate drill holes (collar and down- hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	All drillholes have been located by GPS in UTM grid WGS84 Zone 51 (S). Downhole surveys were completed approximately every 20 metres.

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	Specification of the grid system used	The grid system is AGD 84 Z 51(S).
	Quality and adequacy of topographic control	Topographic control is based on DTM data collected in previous DGPS surveys..
Data Spacing and Distribution	*Data spacing for reporting of Exploration Results*	Drilling is conducted on a hole by hole basis in areas of outcrop, geochemical anomalism or geophysical targets. A nominal grid spacing of 20-40 metres along sections lines 20 metres apart.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	Data spacing and distribution of the drilling is believed to be adequate for Mineral Resource Estimation.
	Whether sample compositing has been applied	Samples have been composited from the original one metre sample lengths to 4 metre downhole composites. One metre resplits have been collected and will be reported when results are available
Orientation of Data in Relation to Geological Structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	The orientation is normal to the overall trend of the gold mineralization and the contact zone of the mafic/granite contact. .
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	No orientation based sampling bias has been identified in the data at this point.
Sample Security	*The measures taken to ensure sample security*	Chain of custody is managed by the Company. Samples are transported to the laboratory by Company personel. Whilst in storage, they are kept in a locked yard. Tracking sheets are used track the progress of batches of samples
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No review of the data management system has been carried out.

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Section 2 Reporting of Exploration Results		
Criteria	**JORC Code Explanation**	**Commentary**
Mineral Tenement and Land Tenure Status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	The Julius Gold Deposit is is located within E53/1042, which is 100% owned by Echo Resources. The tenement is located in the Wiluna Native Title Claim Group (WC99/24). Newmont Yandal Operations has the right to buy back a 60% interest in any gold discovery containing aggregate Inferred Mineral Resources of at least 2 million ounces of gold. A net smelter royalty of 1.5% applies in respect of all minerals produced from the tenement. .
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The tenements are in good standing with no known impediments.
Exploration Done by Other Parties	*Acknowledgment and appraisal of exploration by other parties.*	The Julius Gold Deposit was initially discovered by Newmont during wide spaced RAB and aircore drilling. Echo Resources was the first company to follow up on these previous results with RC drilling.
Geology	*Deposit type, geological setting and style of mineralisation.*	The gold mineralisation at Julius is structurally controlled and localised along a mafic/granite contact. A gold rich laterite sits underneath 10-12 metres of barren silts and sands, a strong weathering profile has resulted in a substantial supergene weathered high grade laterally continuous zone underlain by gold in the fresh bedrock,.
Drill Hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* • *easting and northing of the drill hole collar* • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* • *dip and azimuth of the hole* • *down hole length and interception depth* • *hole length* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	Intercepts that form the basis of this announcement are tabulated in Table One and incorporate Hole ID, Easting, Northing, Dip, Azimuth, Depth and anomalous assay data. Appropriate maps and plans also accompany this announcement.
Data Aggregation Methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*	Grades were averaged over the length of any reported intersection in Table 1 located in the text of this announcement.
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	All intersections are assayed on four metre composites. No top cuts have been applied to exploration results Mineralised intervals are reported on a weighted average basis.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent values are used in this report.

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Relationship Between Mineralisation Widths and Intercept Lengths	*These relationships are particularly important in the reporting of Exploration Results If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	The Julius gold mineralization is interpreted to dip 20-50 degrees to the west and plunges northwest. Downhole lengths are likely to reflect the true mineralized widths, however further work and drilling is required. .
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	The appropriate plans and sections have been included in the text of this document.
Balanced Reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	All grades, high and low, are reported accurately with "from" and "to" depths and "hole identification" shown. A nominal cut off of 0.2 g/t Au has been used for interval selection and reporting. .
Other Substantive Exploration Data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	The outline of anomalies are identified on plan in figures in the body of the text.
Further Work	*The nature and scale of planned further work (eg tests for lateral extensions or large scale step out drilling. Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Future work at Julius will include additional aircore drilling, RC drilling , diamond drilling.

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