

ASX | EAR



ECHO RESOURCES  
LIMITED

Advancing Julius – April 2016

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## **Large prospective ground holding in one of Western Australia's premier greenstone gold belts**

- ▶ Over 700km<sup>2</sup> of highly prospective tenements in the Yandal greenstone belt
- ▶ Limited exploration completed to date has concentrated on the Julius Gold Deposit
- ▶ Key focus on advancing the Julius Gold Deposit towards production
- ▶ Renewed focus on exploration for new deposits within the large tenement package
- ▶ Recent work at the Zaphod Gold Project (Yandal South) highlights exploration potential in the area
- ▶ A complex regolith masks the underlying rocks and surface expression of the mineralised zones
- ▶ Positive Australian dollar gold price environment.

# Corporate Overview



## Capital Structure 19 April 2016 ASX:EAR

Ordinary Shares on Issue	153.6m
Share Price	\$0.14
Undiluted Market Capitalisation	\$21.5m
Cash on Hand <sup>1</sup>	~A\$1.0m
Undiluted Enterprise Value	A\$20.1m

1. Cash based on 31/12/15 Qtly Report + Feb capital raising of \$836k

## Board of Directors

### Simon Coxhell – Exploration Director

- Geologist with 30+ years of diverse experience encompassing all aspects of the resource sector including exploration, resource development, metallurgy and mining.

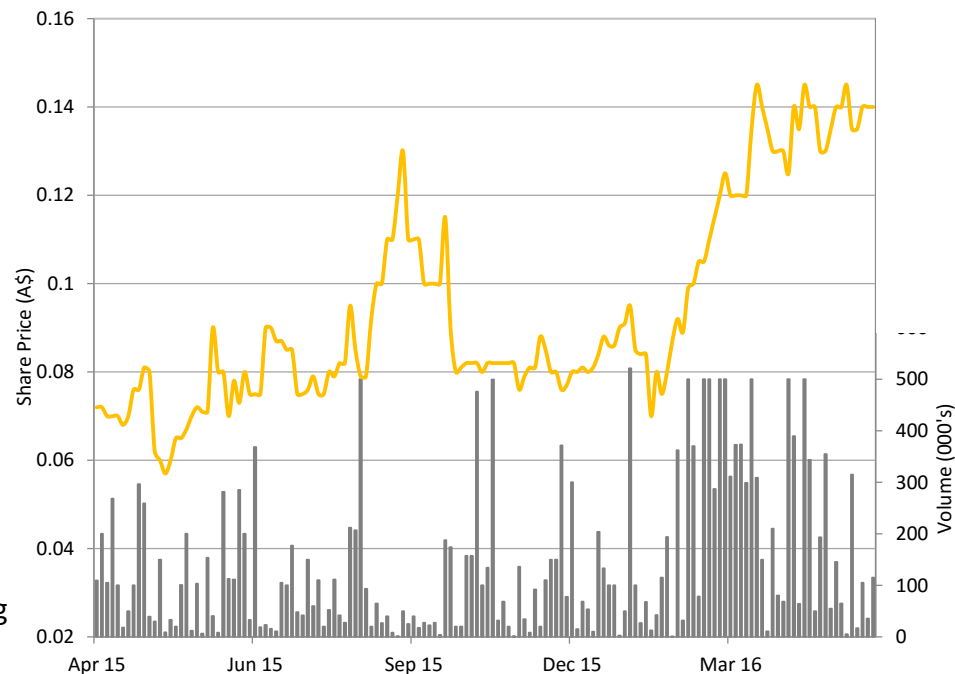
### Michael Ruane – Director

- 30+ years in chemical and metallurgical fields and Manager of mining operations in Western Australia and the Northern Territory

### Anthony McIntosh – Director

- Commercial manager of portfolio investments including listed and unlisted companies with significant marketing, investor relations and strategic planning skillsets.

## Price History (1 Year)



## Major Shareholders

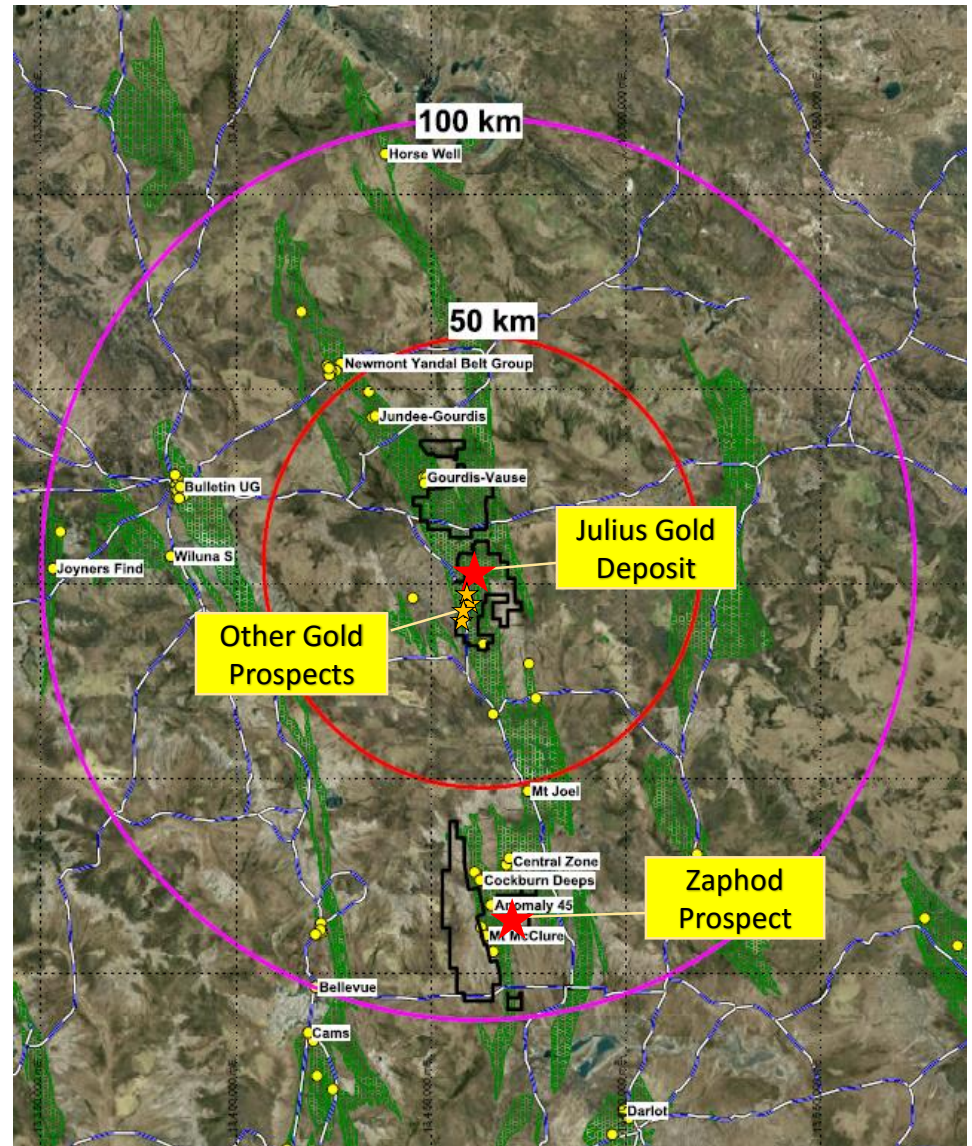
Name	Shares (m)	%
Directors & Management	25.3	16.5
E. Kohler	24.4	15.9
Top 20 Shareholders	103.7	67.5



# Introduction to Echo



- ▶ Echo listed on the ASX in 2006 with a package of highly prospective gold tenements in the multi-million ounce Yandal Greenstone Belt
- ▶ Tenements acquired from Newmont
- ▶ Limited exploration has been completed on the tenements during the 10yrs since listing
- ▶ Sole focus has been on Exploration of the Julius Gold Deposit while a number of other highly prospective areas exist (i.e. Zaphod, Shady Well, Tipperary, Wimbledon)

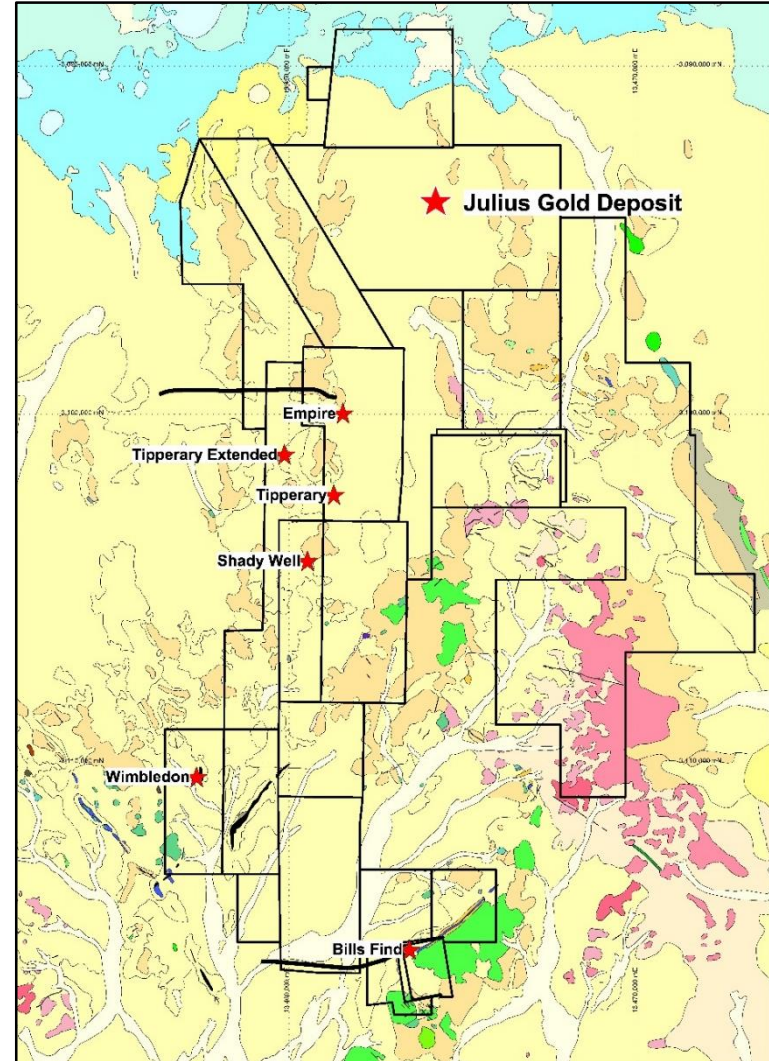
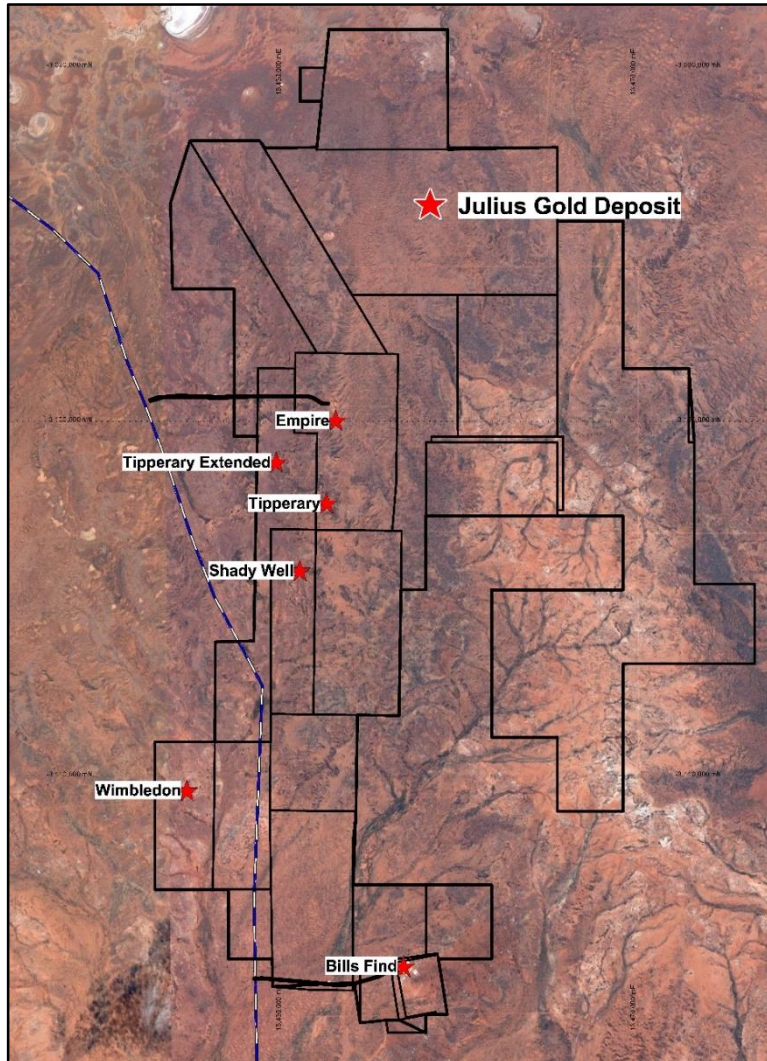




# Yandal North - Julius

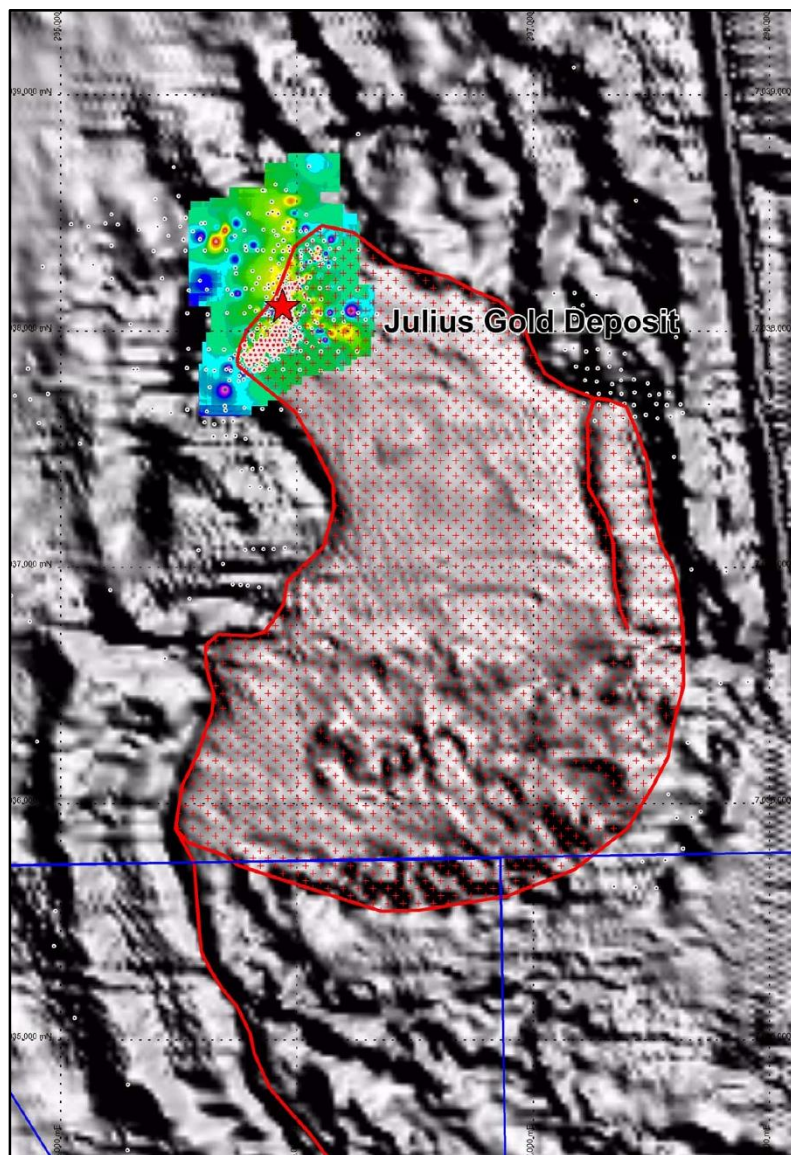


- ▶ Julius is only one of several gold deposits within the Yandal North tenement package





# Yandal North - Julius



- ▶ Located under 12-30 metres of transported cover Gold mineralisation localised on a shallow west-northwest dipping ultramafic-granite contact
- ▶ Initial wide spaced drilling outlined mineralisation extending over 900 metres of strike and down to 300 metres vertical depth, viz:

Hole ID	From	To	g/t Au
ERC222	276	277	9.9
ERC222	277	278	45.6
ERC222	278	279	102.9
ERC222	279	280	80.5

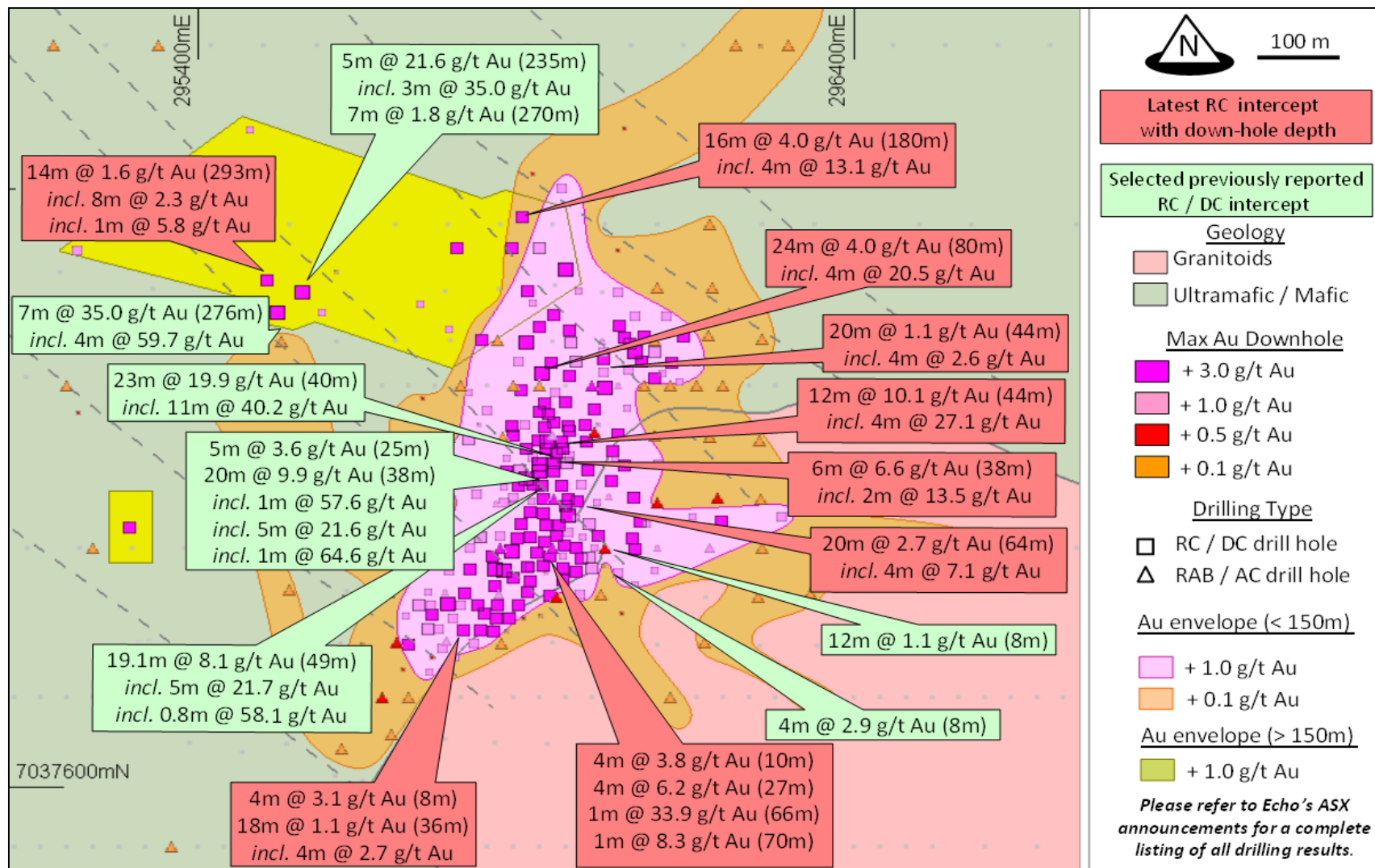
- ▶ Near surface high grade hits suggest continuity of high grade structures:

Hole ID	From	To	g/t Au
ERC167	45	46	14.5
ERC167	46	47	35.3
ERC167	47	48	22.3
ERC167	48	49	23.8
ERC167	49	50	17.3
ERC167	50	51	52.8
ERC167	51	52	55.3
ERC167	52	53	151.5
ERC167	53	54	29.5
ERC167	54	55	8.22
ERC167	55	56	32.3

# Yandal North - Julius



- Mineralisation at Julius extends over 1km of strike and at least 300m down dip

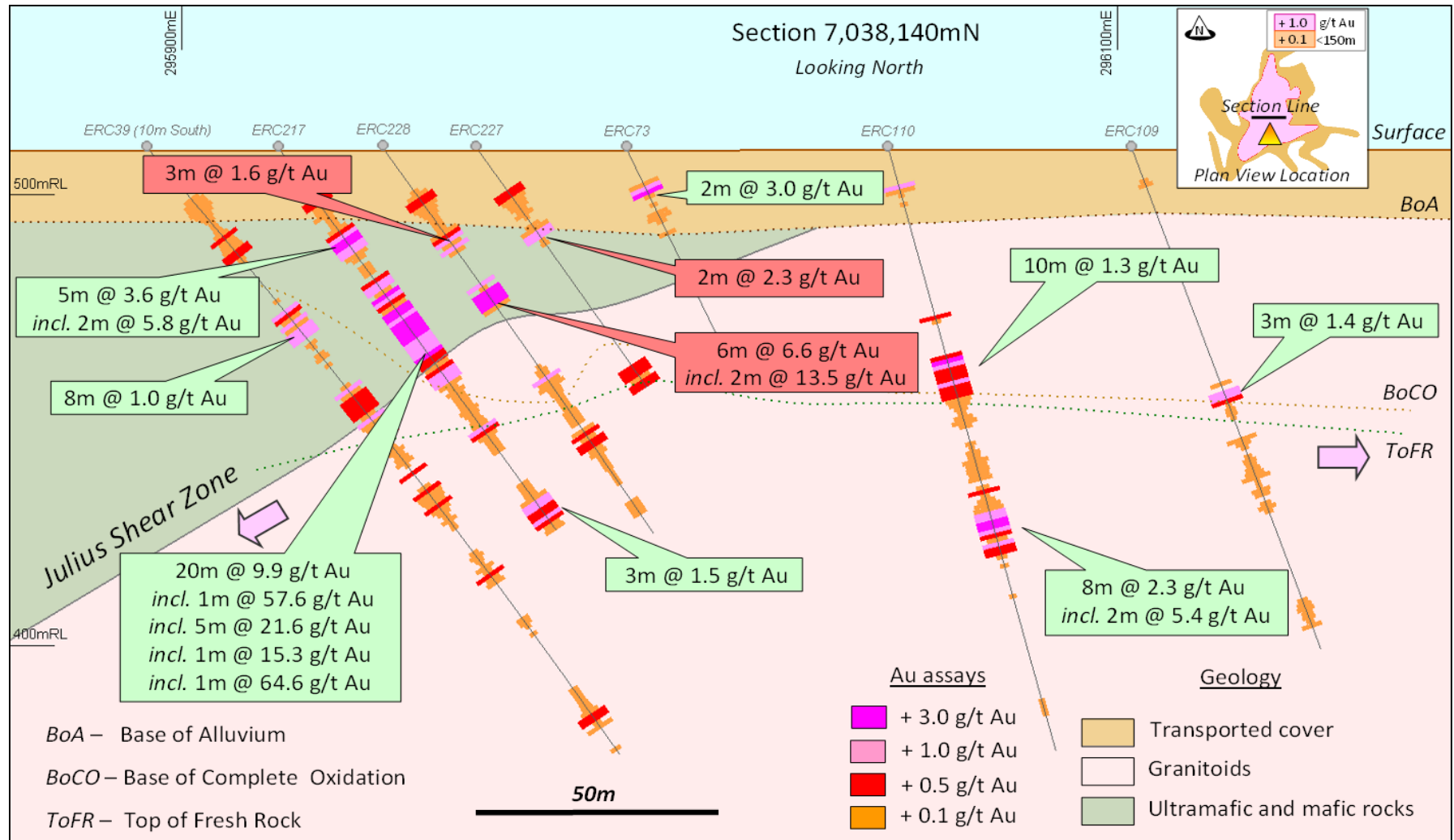




# Yandal North - Julius



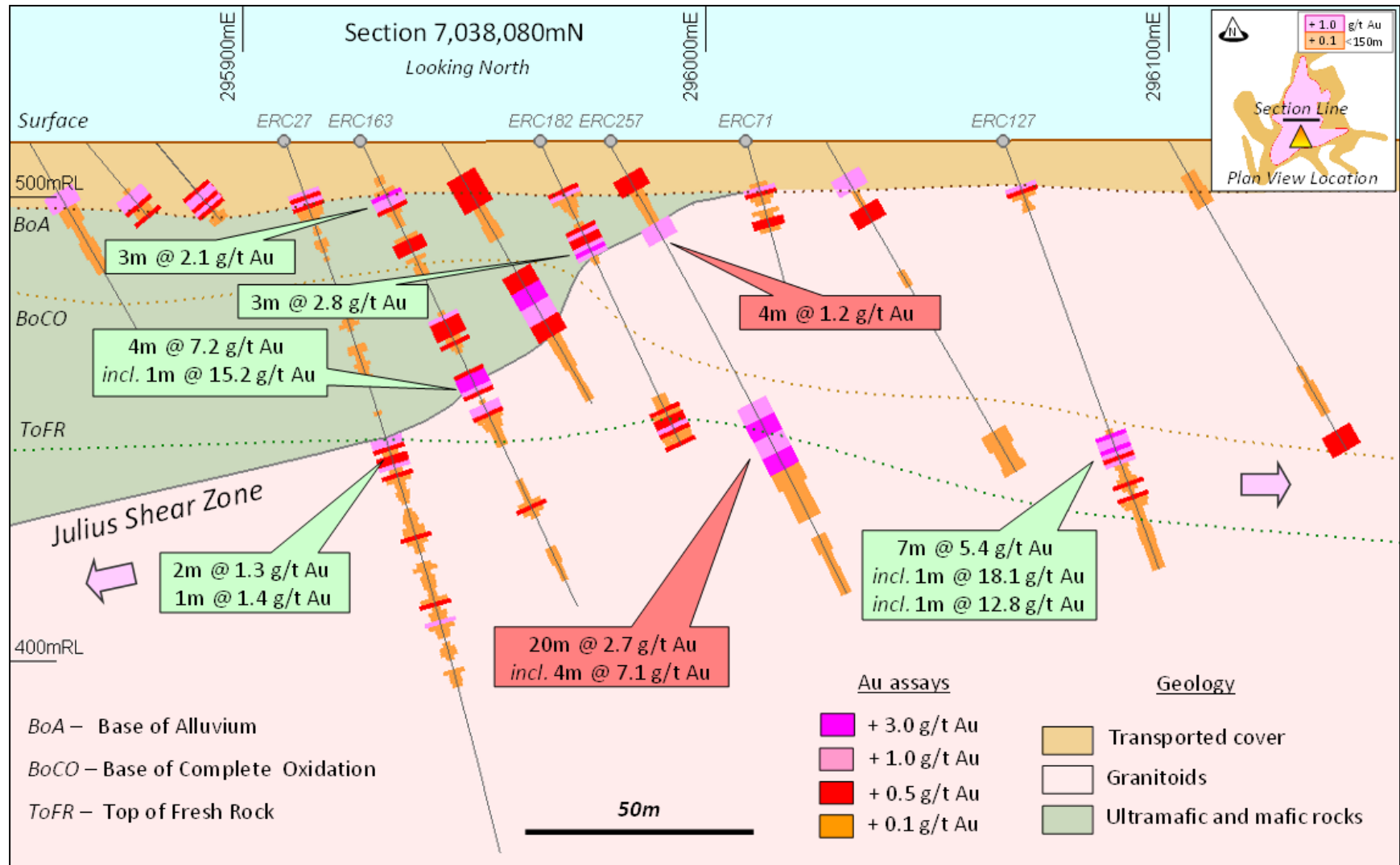
- Mineralisation is present both within ultramafic and granitic lithologies



# Yandal North - Julius



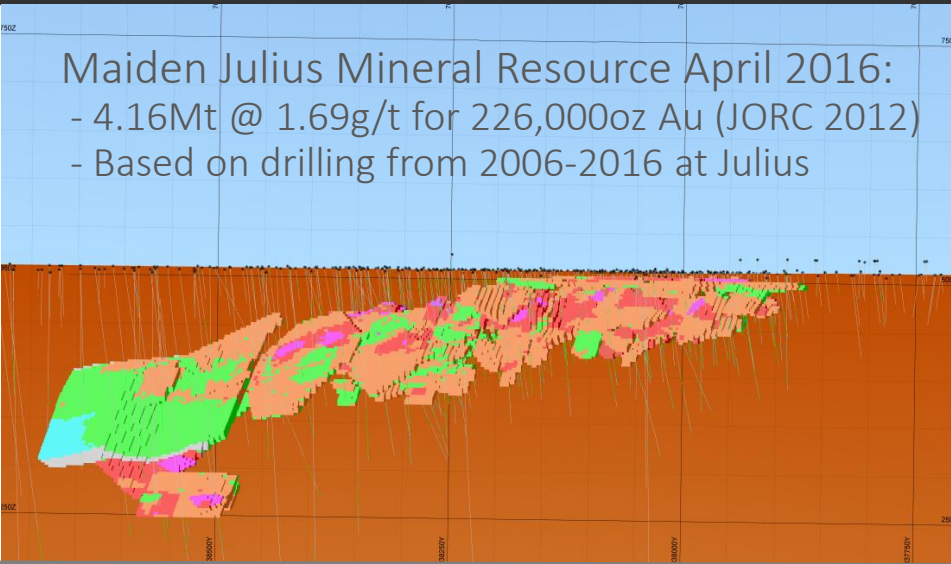
- Higher grades localised on ultramafic and granite contact zones



# Julius Gold Project – Recent Progress



Maiden Julius Mineral Resource April 2016:  
- 4.16Mt @ 1.69g/t for 226,000oz Au (JORC 2012)  
- Based on drilling from 2006-2016 at Julius



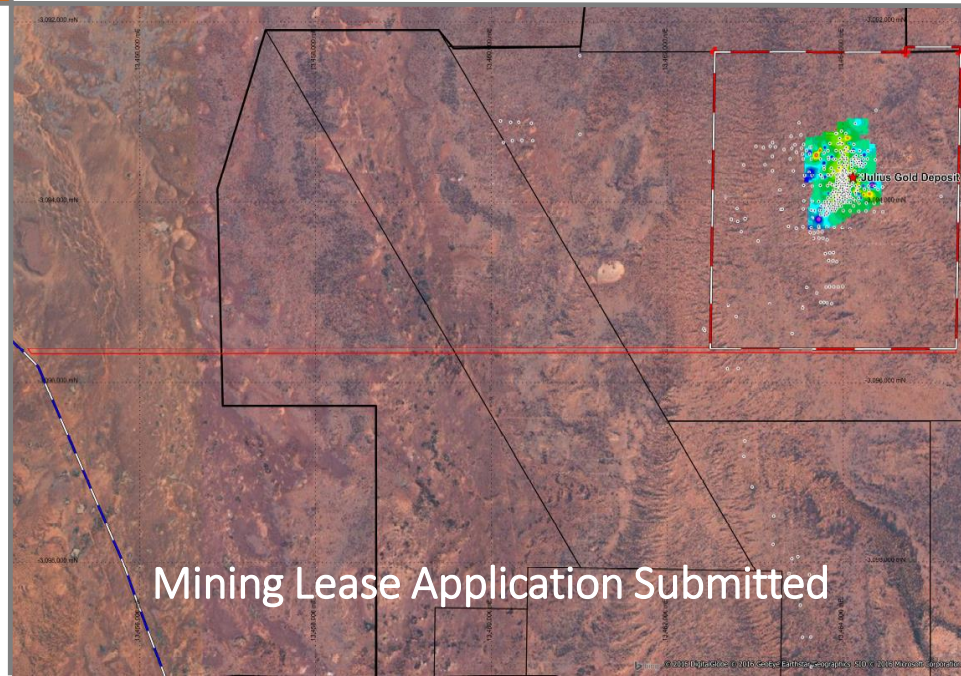
Management changes in February 2016 aimed at increasing the pace of development and mining of the Julius Gold Deposit

## Focussed Development

Preliminary desktop studies suggest a high margin simple open cut mining operation.

Permitting and commercial considerations for mining at the Julius Gold Deposit underway:

- Flora & Fauna Studies and Native title
- Open-cut mining considerations
- Toll treatment options studies
- Haul road options.



Mining Lease Application Submitted



# Julius – Recent Drilling



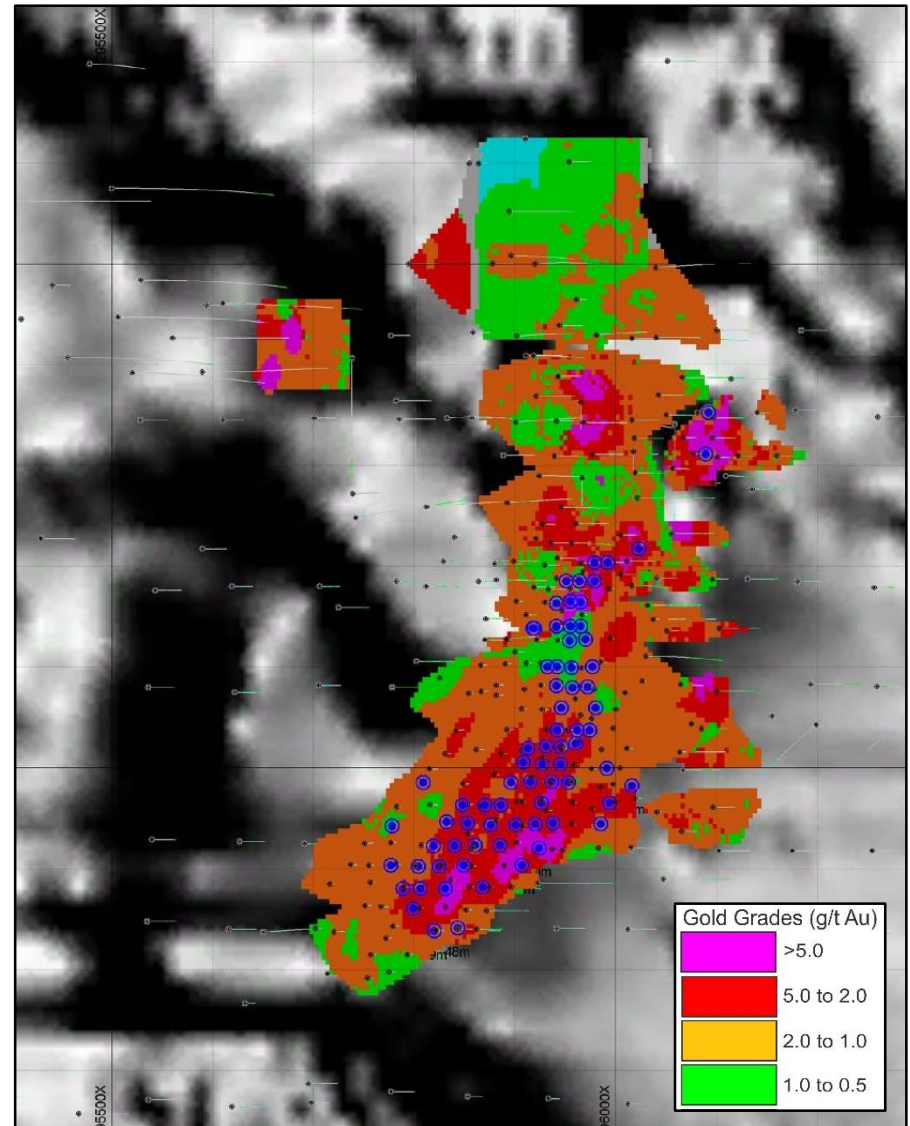
- ▶ Recent Aircore drilling programme to further define and confirm the gold mineralisation in the top 50 metres of the Julius Gold Deposit
- ▶ 74 holes drilled in April'16 for 3,400m
- ▶ Average hole depth of 50m; focused on the granite-ultramafic contact with results expected within 4 weeks
- ▶ Updated Mineral Resource, pit optimisation and design work to follow allowing an accurate assessment of the Project economics and development opportunities.



# Julius – Recent Drilling



- ▶ Drilling completed at Julius during March and April 2016
- ▶ 74 Aircore holes were completed for 3,397m
- ▶ Average hole depth of 50m
- ▶ Drilling targeted increased Mineral Resource definition in the top 50m of the Julius Gold Deposit
- ▶ Drilling specifically targeted the granite-ultramafic contact in the weathered zone
- ▶ Results are expected within 4 weeks and will allow appraisal of Project economics.





# Yandal North - Julius



- ▶ Highly weathered rocks to 60m vertical depth
- ▶ Quartz Veins adjacent and localised on the contact contain high grade gold
- ▶ Free dig environment suggests low mining costs.





# Yandal North – Other Prospects



- Other Echo gold deposits within 20km of Julius demonstrate excellent potential

JORC (2004) Category	Deposit	Tonnes	Grade (g/t Au)	Ounces Au
Indicated Resource	All Other	1.0Mt	1.60	54,000
Inferred Resource	All Other	1.1Mt	1.40	45,000
<b>Total Mineral Resource</b>	<b>All Other</b>	<b>2.1Mt</b>	<b>1.59</b>	<b>100,000</b>

## Bill's Find Prospect

- 6m @ 15.2g/t Au from 126m
- 13m @ 4.5g/t Au from 71m
- 4m @ 7.4g/t Au from 62m
- 6m @ 3.1g/t Au from 54m

## Shady Well Prospect

- 10m @ 15.5g/t Au from 20m
- 20m @ 2.8g/t Au from 38m
- 12m @ 2.5g/t Au from 52m
- 6m @ 10.2g/t Au from 12m

## Wimbledon Prospect

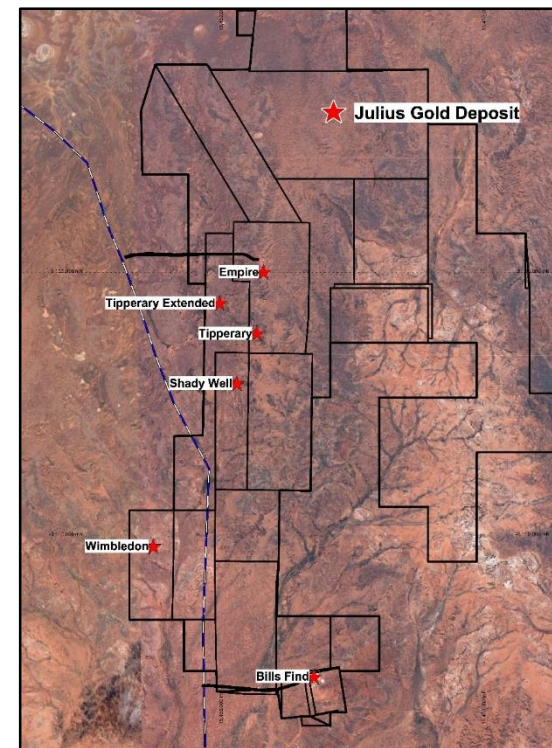
- 12m @ 12.8g/t Au from 28m
- 2m @ 14.6g/t Au from 51m
- 7m @ 3.8g/t Au from 22m

## Tipperary Well Prospect

- 22m @ 1.6g/t Au from 31m
- 2m @ 18.4g/t Au from 50m
- 6m @ 4.1g/t Au from 48m

## Orpheus Prospect

- 7m @ 11.0g/t Au from 43m
- 8m @ 12.9g/t Au from 24m
- 8m @ 3.5g/t Au from 54m
- 6m @ 4.5g/t Au from 72m

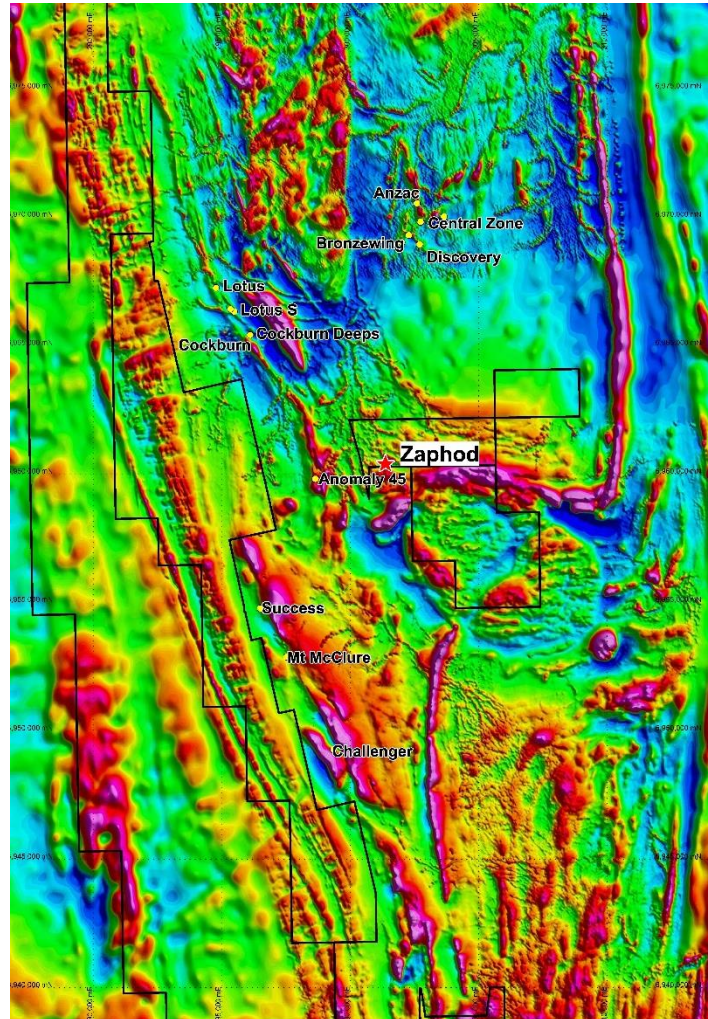
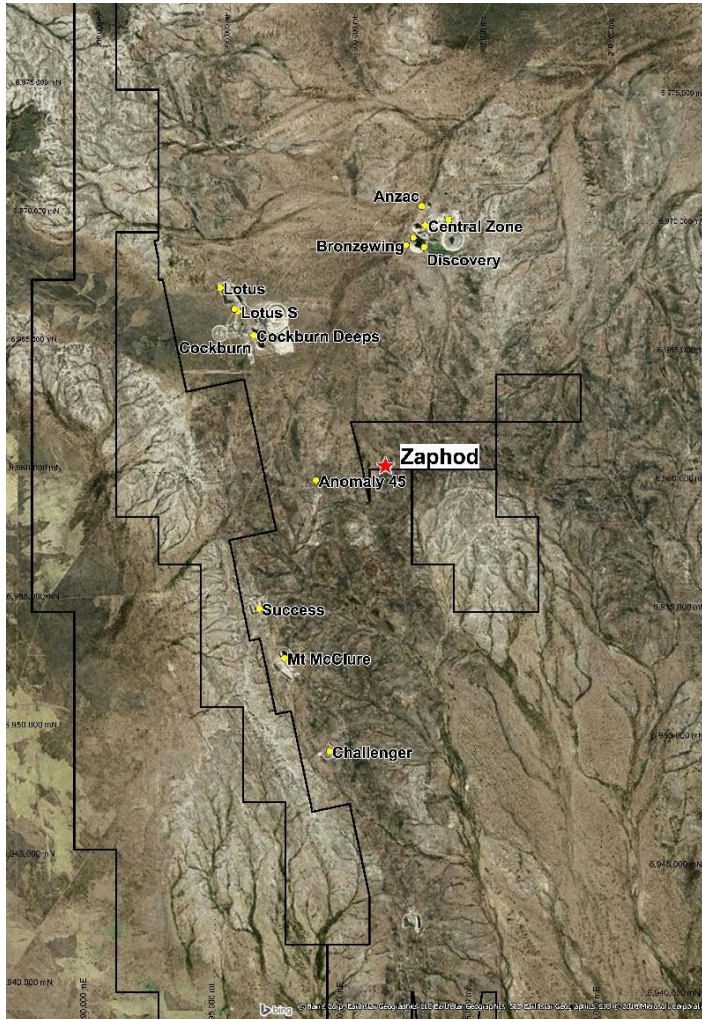




# South Yandal – Zaphod Prospect



- Zaphod is located within 10km of multi-million ounce Gold deposits





# Zaphod - Recent Work



- ▶ First pass drilling provided highly encouraging results
- ▶ Follow up drilling to commence shortly

Hole	From	To	Width	g/t Au
ZAC001	42	43	1	2.61
ZAC001	57	59	2	1.05
ZAC003	23	27	4	2.42
ZAC004	10	11	1	2.47
ZAC004	29	30	1	0.64
ZAC004	36	37	1	1.30
ZAC005	25	26	1	0.58
ZAC005	40	44	4	0.74
ZAC006	14	15	1	11.86
ZAC006	22	23	1	1.02
ZAC008	5	6	1	3.20
ZAC008	9	10	1	4.01
ZAC008	13	14	1	0.57
ZAC010	16	17	1	1.59
ZAC010	24	25	1	1.14
ZAC011	29	30	1	1.54
ZAC013	49	51	2	13.92



# Zaphod Gold Prospect



Preliminary results identified a major mineralised structure at Zaphod

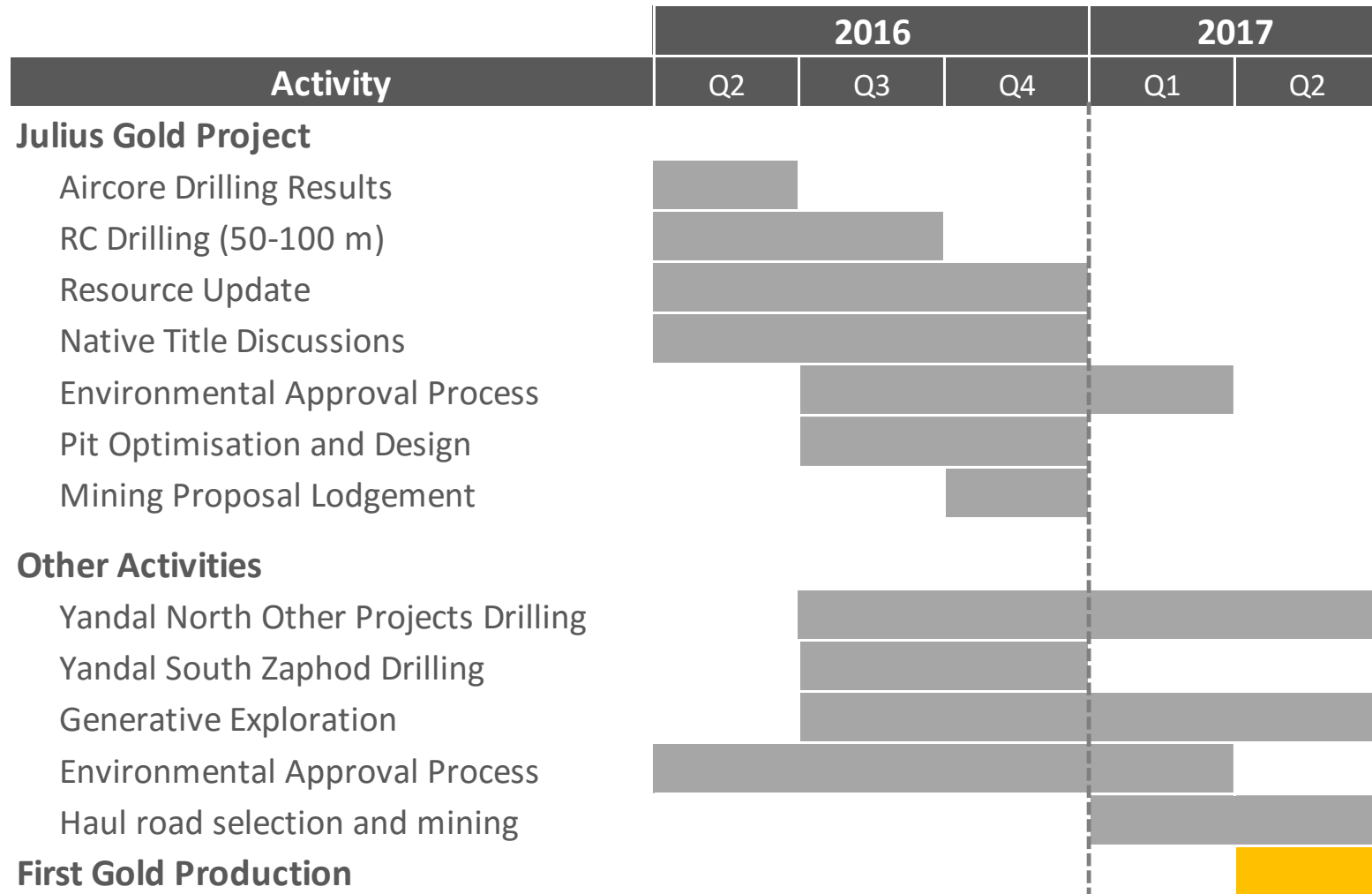


- ▶ Zaphod rockchips from over 100m of strike returned high grade gold values of up to 200g/t Au
- ▶ Recent drilling tested over 200m of strike and confirmed a major gold mineralised system exists
- ▶ Transported cover masks the area to the northwest
- ▶ However, review of regional magnetics has identified a conceptual target located 300m northwest of the Zaphod Prospect associated with a significant cross-fault

# Echo Project Timeline



Echo is committed to the timely development of the Julius Gold Project and the discovery and development of other high quality gold deposits



# Appendix 1: Mineral Resource



## JORC (2012) Mineral Resource Estimate – No Cut-Off

JORC Category	Deposit	Cut-off Grade (g/t Au)	Tonnes	Grade (g/t Au)	Ounces Au
Indicated Resource	Julius	0.0	2.1Mt	2.04	135,110
Inferred Resource	Julius	0.0	2.1Mt	1.35	91,147
<b>Total Mineral Resource</b>	<b>Julius</b>	<b>0.0</b>	<b>4.2Mt</b>	<b>1.69</b>	<b>226,257</b>

## JORC (2012) Mineral Resource Estimate – 1g/t Au Cut-Off

JORC Category	Deposit	Cut-off Grade (g/t Au)	Tonnes	Grade (g/t Au)	Ounces Au
Indicated Resource	Julius	1.0	1.7Mt	2.31	125,513
Inferred Resource	Julius	1.0	1.3Mt	1.78	72,108
<b>Total Mineral Resource</b>	<b>Julius</b>	<b>1.0</b>	<b>3.0Mt</b>	<b>2.08</b>	<b>197,621</b>

Refer to ASX Announcement dated 8 April 2016 for full details of the Mineral Resource Estimate





# Appendix 2: Competent Persons Statement



The information in this presentation that relates to Mineral Resources or Ore Reserves is based on information compiled by Mr Steve Hyland, a consultant of Echo Resource Limited and a Member of The Australian Institute of Mining and Metallurgy. This information was prepared and disclosed under the JORC Code 2012. Mr Hyland has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 Hyland consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.

The information in this presentation that relates to Exploration Results and metallurgical considerations is based on information compiled by Mr Simon Coxhell, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Coxhell is a Director of Echo Resource Limited. Mr Coxhell has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 presentation of the matters based on his information in the form and context in which it appears.

