



28 April 2011

Major drilling program imminent

- **Reverse Circulation (RC) and Diamond Core (DC) drill rigs scheduled to mobilize to site commencing next week.**
- **Up to 2,500m of RC drilling and 1,000m of DC drilling, with provision to extend the program.**
- **Step-out DC drill holes have been designed to locate deep gold lodes at Julius and Titus.**
- **RC drilling will test the potential of shallower gold targets at Julius.**
- **Potential to bring about a substantial re-rating of the Company.**

Echo Resources Limited (ASX: EAR) is pleased to announce the imminent commencement of Diamond Core (DC) and Reverse Circulation (RC) drilling programs at its Yandal Project, including its Julius Gold Discovery.

The Julius Gold Discovery is located in the Yandal Gold Province, one of Australia's most significant gold exploration and mining areas. The Yandal Province hosts multi-million ounce gold deposits including those at Jundee, Bronzewing and Darlot.

Echo's Managing Director, Dr Ernst Kohler, said that the drilling program has the potential to bring about a significant re-rating of the Company.

"Our geologists have put in a lot of effort to ensure that the drilling program has the maximum possible chance of locating extensions to the Julius Gold Discovery. If the step-out drill holes successfully intercept gold mineralised zones, then this will demonstrate that the Julius - Titus area has the potential to host more than 1 million ounces of gold *".

** The potential quantity and grade of this Exploration Target is conceptual in nature, and it is uncertain if further exploration will result in the determination of a Mineral Resource.*

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Recent shallow drill intercepts from Julius include:

- 2m @ 7.6g/t Au within 4m @ 4.2g/t Au
- 2m @ 8.9g/t Au within 12m @ 2.9g/t Au
- 1m @ 16.7g/t Au within 4m @ 5.2g/t Au
- 2m @ 6.7g/t Au within 5m @ 4.5g/t Au
- 2m @ 6.9g/t Au within 5m @ 3.5g/t Au

A DC drill rig is scheduled to mobilize to site next week, and will be followed shortly after by an RC drill rig. The DC rig will commence drilling a step-out core tail to test if the Julius gold mineralisation extends 650m down-dip from previous RC drilling along the prospective sheared ultramafic - granodiorite contact (Figure 1).

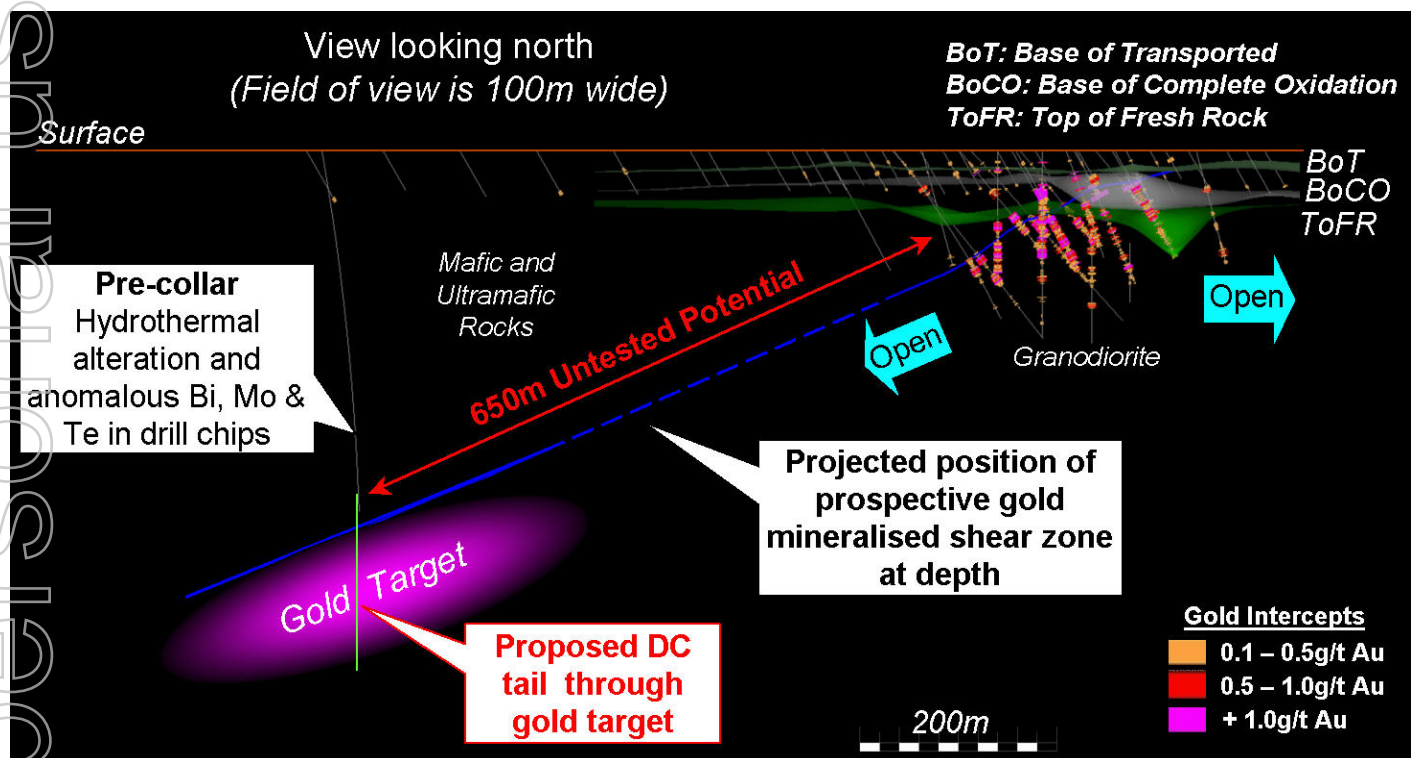


Figure 1. Cross-section showing the potential down-dip extension of the Julius gold mineralisation.

The step-out pre-collar has intersected hydrothermally altered mafic and ultramafic rocks containing visible disseminated pyrite and chalcopyrite above the main gold target zone (Figure 1). Geochemical analyses on the pre-collar drill chips have also shown anomalous Mo, Te and Bi values similar to those associated with shallower gold lodes at Julius. The anomalous Mo, Te and Bi values in the pre-collar drill chips are interpreted to reflect primary geochemical dispersion of pathfinder elements from potential gold mineralisation located below the pre-collar.

The RC rig will commence drilling pre-collars for additional DC step-out holes designed to test for down-dip extensions to the Julius Gold Discovery and the nearby Titus Gold Target. The RC rig will also complete holes at Julius to locate gold mineralised lodes in shallower priority target areas.

About Echo Resources

Echo's key projects are located in Western Australia (gold and nickel) and central Queensland (copper and gold). The projects have established JORC resources. Echo's corporate goal is the discovery and development of large gold (>3 million ounces @ >3 g/t Au), copper (>450 million pounds @ >1.5% Cu equivalent) and nickel (>90 million pounds @ >5% Ni) deposits in world-class mineral provinces.

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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 and the Australian Institute of Geoscientists. Dr Kohler is Managing Director of Echo Resources Limited. Dr Kohler has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 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. Nothing in this announcement should be construed as either an offer to sell or a solicitation of an offer to buy or sell securities.

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 presentation relating to exploration targets should not be misunderstood or misconstrued as an estimate of Mineral Resource 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.

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