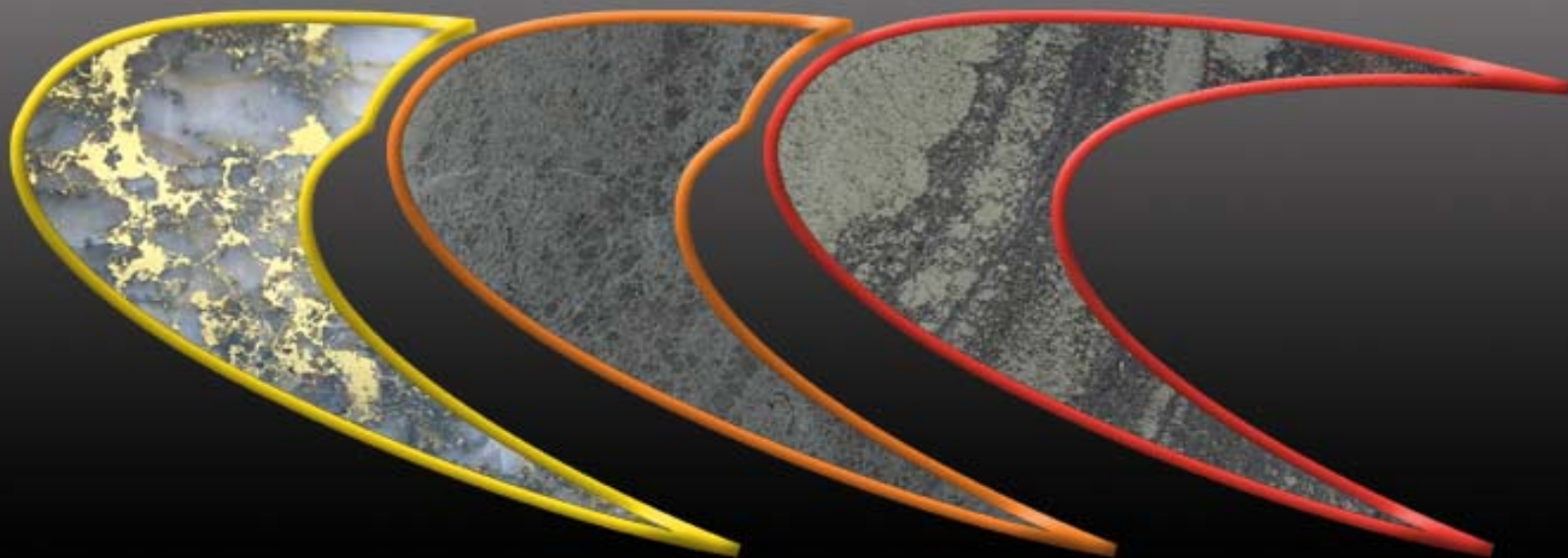


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# ECHO RESOURCES LIMITED

Julius Gold Discovery Update

*4 May 2011*

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# Highlights

Highly experienced team with a discovery track record

Exploring for world-class gold deposits in the Eastern Goldfields

Eastern Goldfields contains ~30% of World gold reserves and at least 15 world-class gold deposits

Julius Gold Discovery is located in the prolific Yandal Gold Province (+13Moz Au) between major gold mines operated by Newmont and Barrick

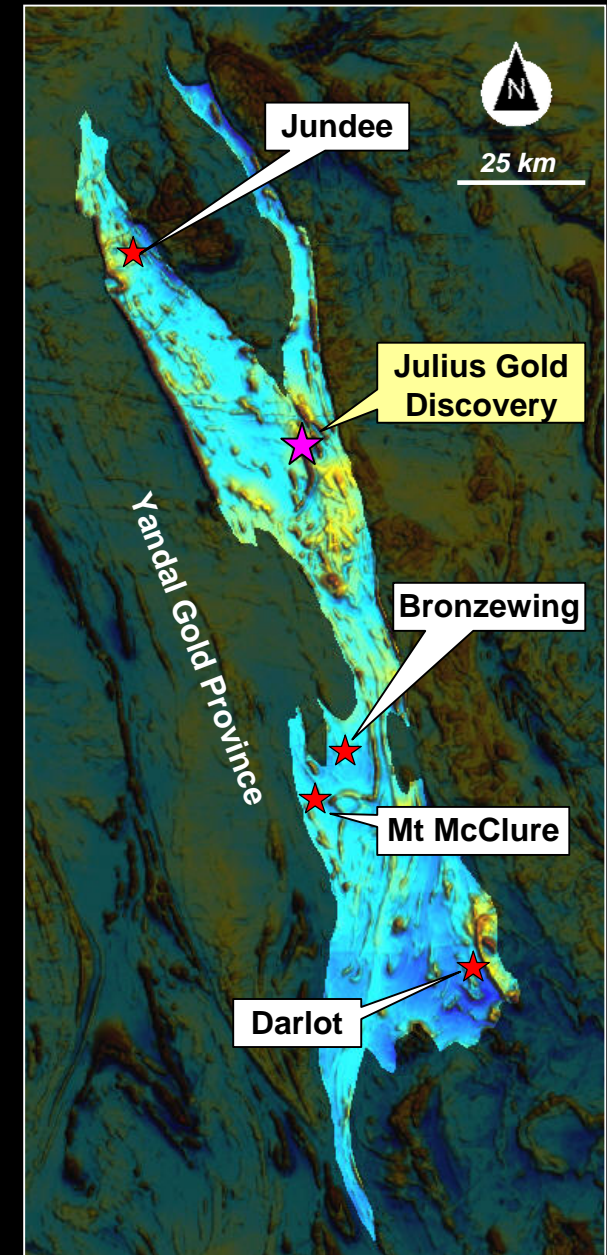
Greenfields gold discovery with multi-million ounce potential

Major drilling program with up to 2,500m of RC drilling and 1,000m of DC drilling about to start

Provision to extend the drilling program

Tight capital structure

Potential for significant share price re-rating



# Company Overview

## Directors

### Peter Andrews (Non-executive Chairman)

*BSc(Hons), BJuris(Hons), LLB, FAusIMM, FAIG*  
Geologist

40 years experience in the funding and management of resource companies.

### Ernst Kohler (Managing Director)

*PhD (Geology), MBA, MAusIMM, MAIG*

Chartered Geologist

Senior exploration and mining roles at the Jundee and Bronzewing Gold Mines. CSIRO Group Leader "Gold and Nickel Exploration Under Cover". Discovery track record for large gold deposits. Principal author of several chapters of CSIRO's Yandal Gold Province book.

### Graham Anderson (Director / Company Secretary)

*BBus*

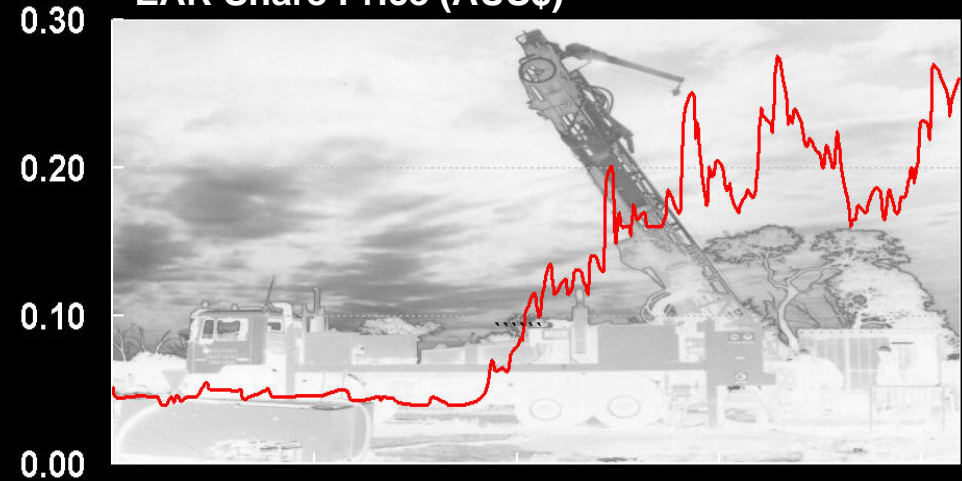
Chartered Accountant

25 years of commercial and corporate experience specialising in the mining and exploration industry.

## Capital Structure

ASX code	EAR
Issued shares	66.06M
Options (unlisted)	2.45M
Market capitalisation	\$15M
Top twenty	62%
Major Shareholders	37% Directors 12% JP Morgan Nominees

**EAR Share Price (AUS\$)**



21 April 2010

3 May 2011



# Outlook for Gold

Gold has been one of the best performing assets of the past decade

Safe-haven asset and currency-hedge

Strong investment demand

Declining world gold production

New supply growth limited

Strong gold demand forecast

Positive gold price outlook



## Gold to surpass \$US1600/oz

Colin Jacoby  
Thursday, 14 April 2011

**DON'T be surprised if gold breaks through the \$US1600 an ounce mark before year end, consultancy GFMS says, thanks to further growth in investment demand.**

In its Gold Survey 2011 report released on Wednesday, GFMS chairman Philip Klapwijk said the prospects for the precious metal for the remainder of 2011 "remain right".

"Investors continue to be concerned about the outlook for inflation, with governments in general showing little appetite to tighten monetary policy significantly," he said.

"And, with the spotlight also shining on the state of government finances, there is every reason to believe that investors will remain focused on the gold market."



## Obama lays out \$4 trillion in spending cuts

By Jane Cowan and Craig McMurtrie

Updated 4 hours 58 minutes ago

**US president Barack Obama has laid out a \$4 trillion plan to cut America's budget deficit, and slammed Republican plans for deeper spending cuts.**

Mr Obama wants to slash the deficit by ending tax cuts for the wealthy and cutting defence spending, but he is leaving the social security system largely intact and resisting calls to turn Medicare into a privatised voucher system.

Mr Obama's proposed cuts would occur over a 12-year period.



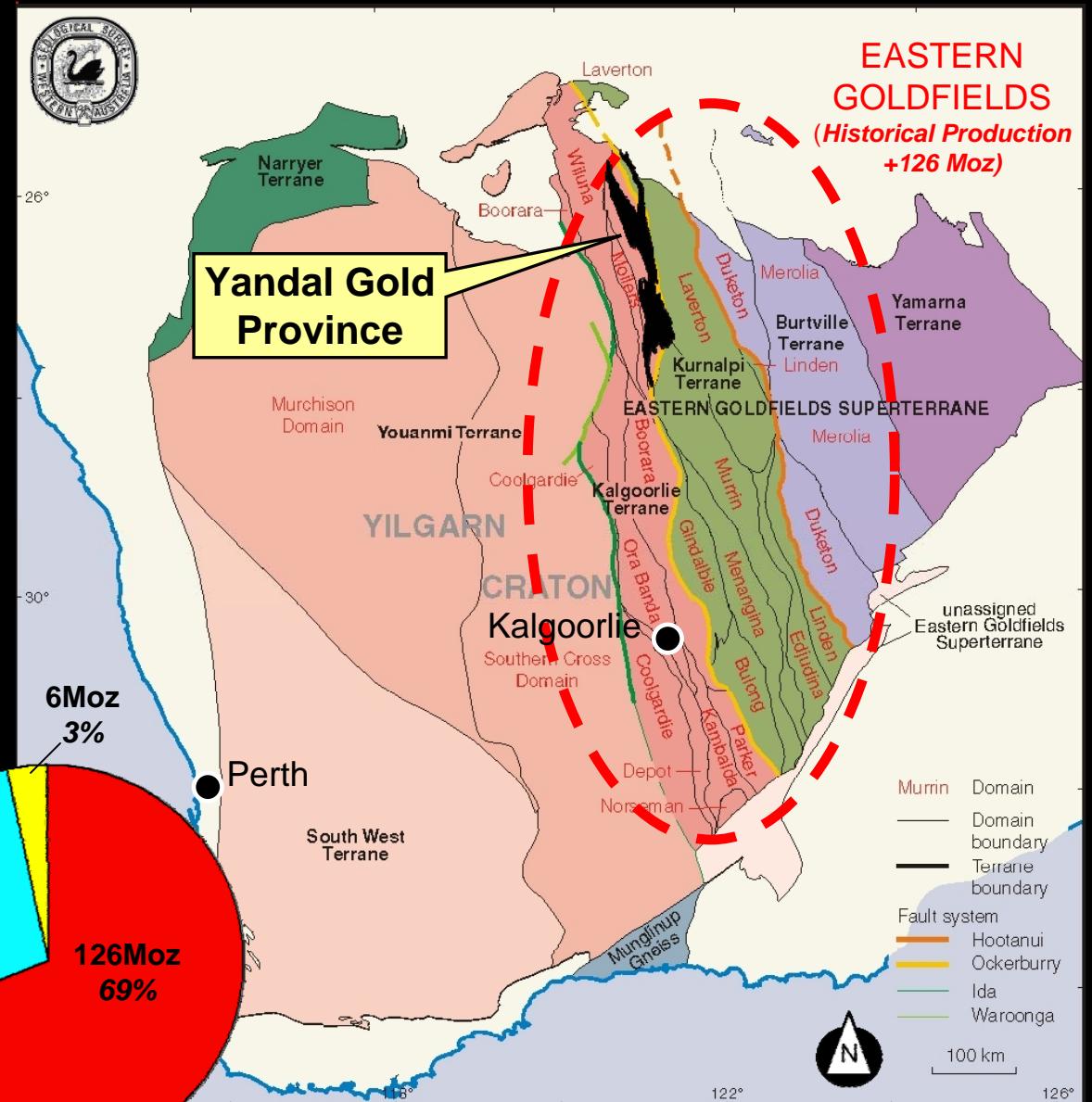
# Regional Context

Located in the Eastern Goldfields, Australia's premier mineral province

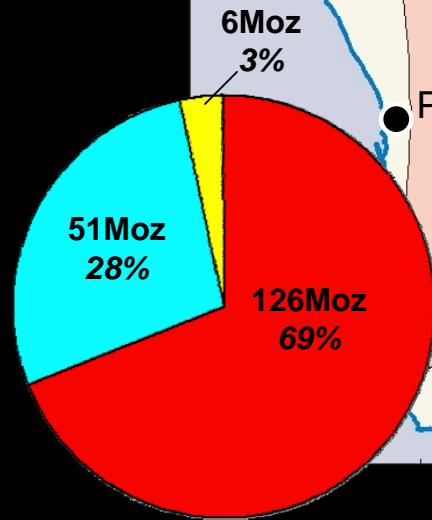
Contains ~30% of World gold reserves

At least 15 world-class (+3 million ounces) gold deposits

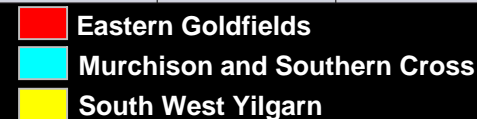
More than 126 million ounces of gold have been mined in the Eastern Goldfields



"Elephant Country"  
for gold deposits



Cumulative Yilgarn Gold  
Production 1893 to 2008



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# Yandal Gold Province

One of Australia's richest gold belts

Gold production and endowment exceeds 13Moz

Four operating gold mines

- Jundee (*Newmont*)
- Darlot (*Barrick*)
- Bronzewing & Mt McClure (*Navigator*)

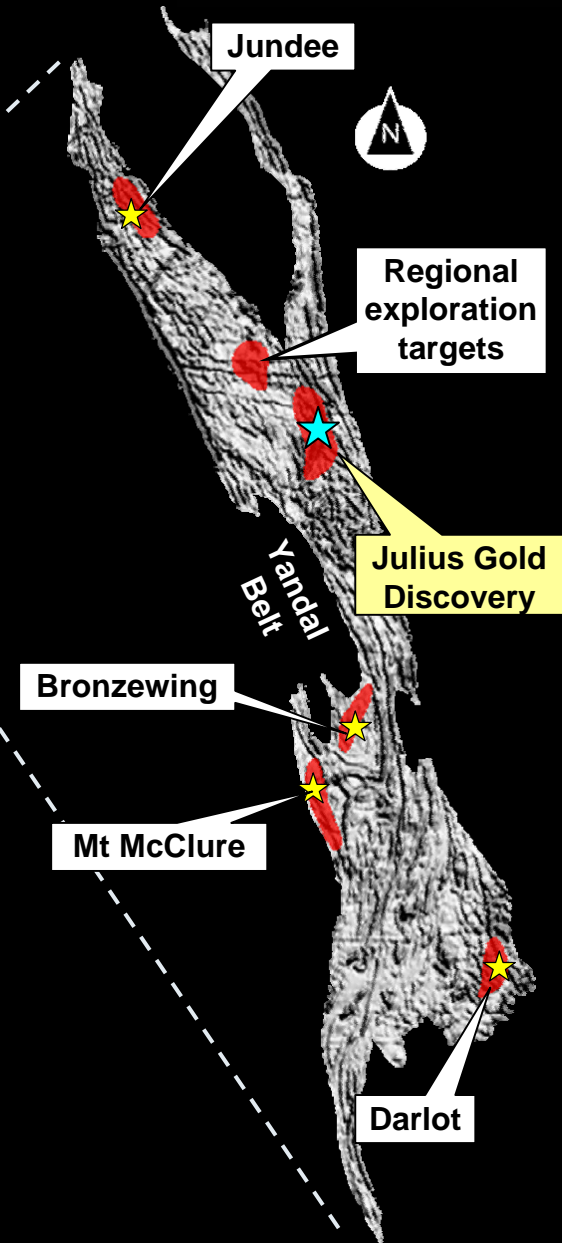
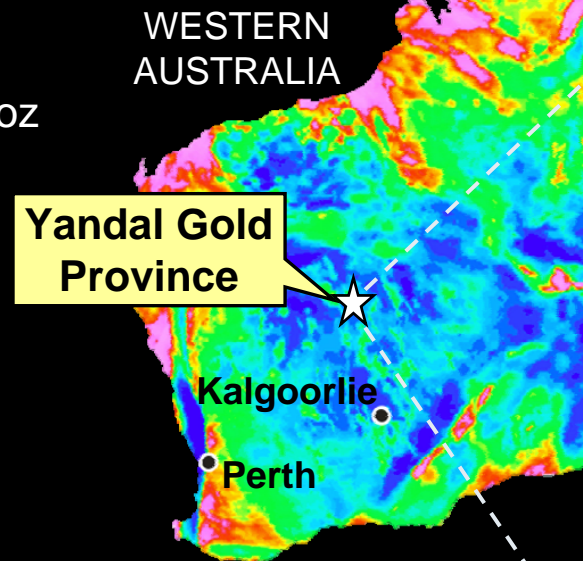
Under-explored for gold deposits

Potential for multi-million ounce gold discoveries

Significant scientific work undertaken by CSIRO

Multiple gold targets

Proximal to existing infrastructure



RAB drilling

TMI image showing regional gold exploration target areas

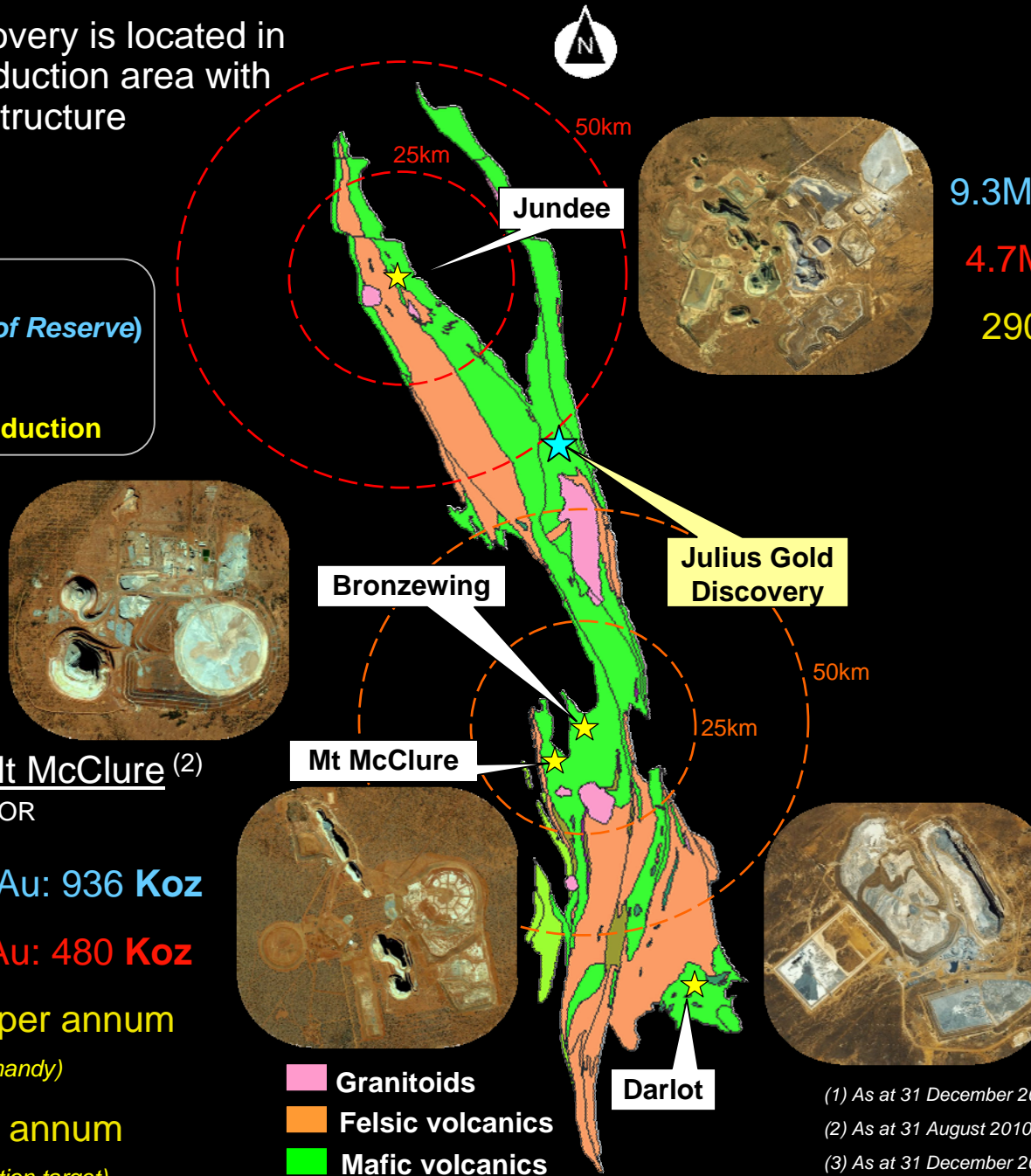
# Yandal Gold Production Hubs

Julius Gold Discovery is located in a major gold production area with substantial infrastructure

Jundee <sup>(1)</sup>  
NEWMONT

9.3Mt @ 4.1g/t Au: 1,215 Koz  
4.7Mt @ 5.0g/t Au: 760 Koz  
290 – 410 Koz per annum

**Key**  
Resource (inclusive of Reserve)  
Reserve  
Typical historical production



Bronzewing – Mt McClure <sup>(2)</sup>  
NAVIGATOR

13.5Mt @ 2.1g/t Au: 936 Koz  
8.1Mt @ 1.8g/t Au: 480 Koz  
190 – 300 Koz per annum  
(GCM / Normandy)

100 Koz per annum  
(Navigator production target)

Darlot <sup>(3)</sup>  
BARRICK

5.4Mt @ 4.2g/t Au: 749 Koz  
3.2Mt @ 3.9g/t Au: 403 Koz  
120 – 150 Koz per annum

Granitoids  
Felsic volcanics  
Mafic volcanics

Notes:

(1) As at 31 December 2010: Newmont Mining Corporation (24 February 2011)

(2) As at 31 August 2010: Navigator Resources Limited (14 February 2011)

(3) As at 31 December 2010: Barrick Gold Corporation (17 February 2011)

Please refer to end notes.

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# Regional Gold Potential

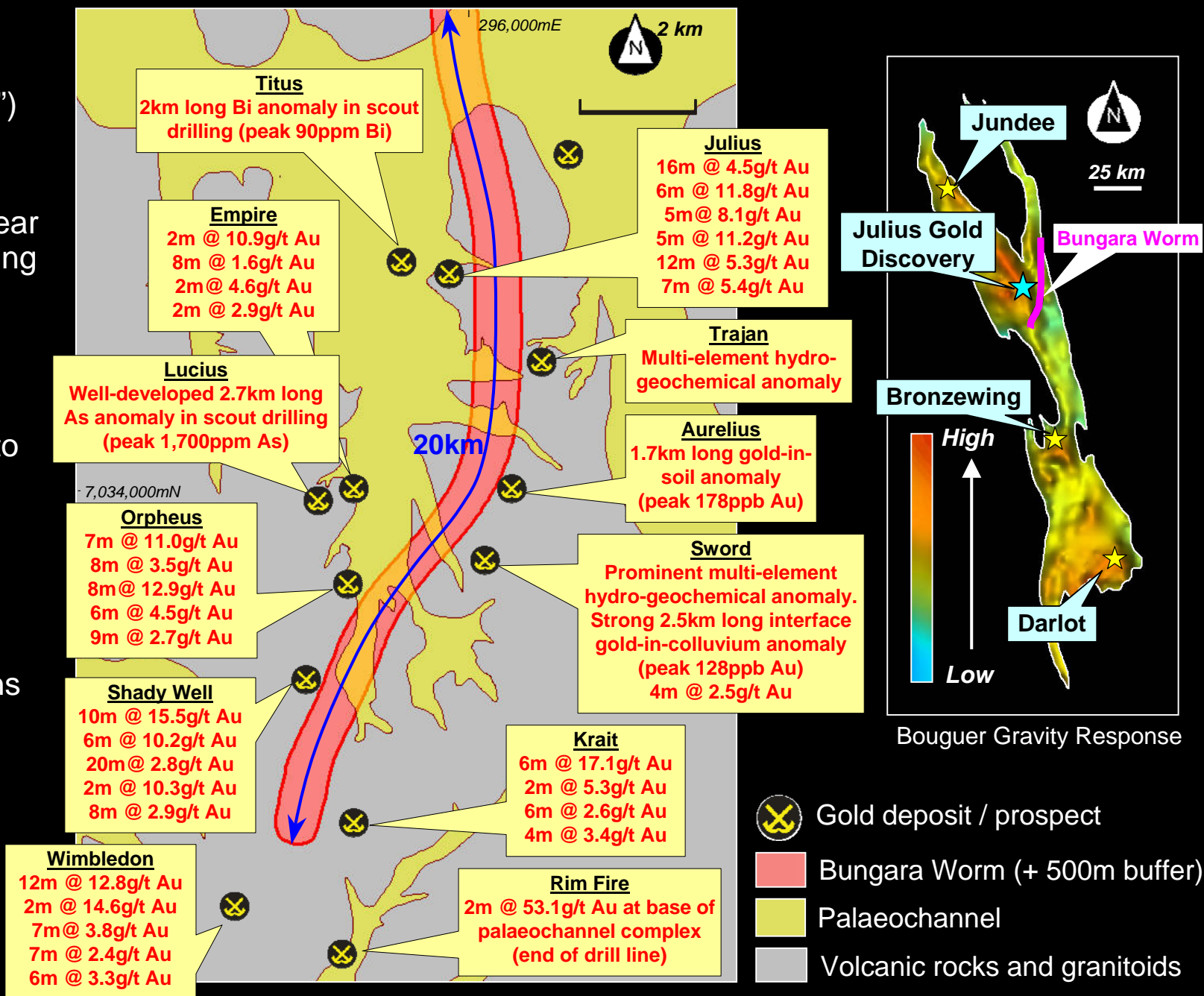
3D prospectivity analysis has identified a major "break" ("Bungara Worm") on Echo's ground

Marks a deep-seated shear zone or contact penetrating to a depth of +30km

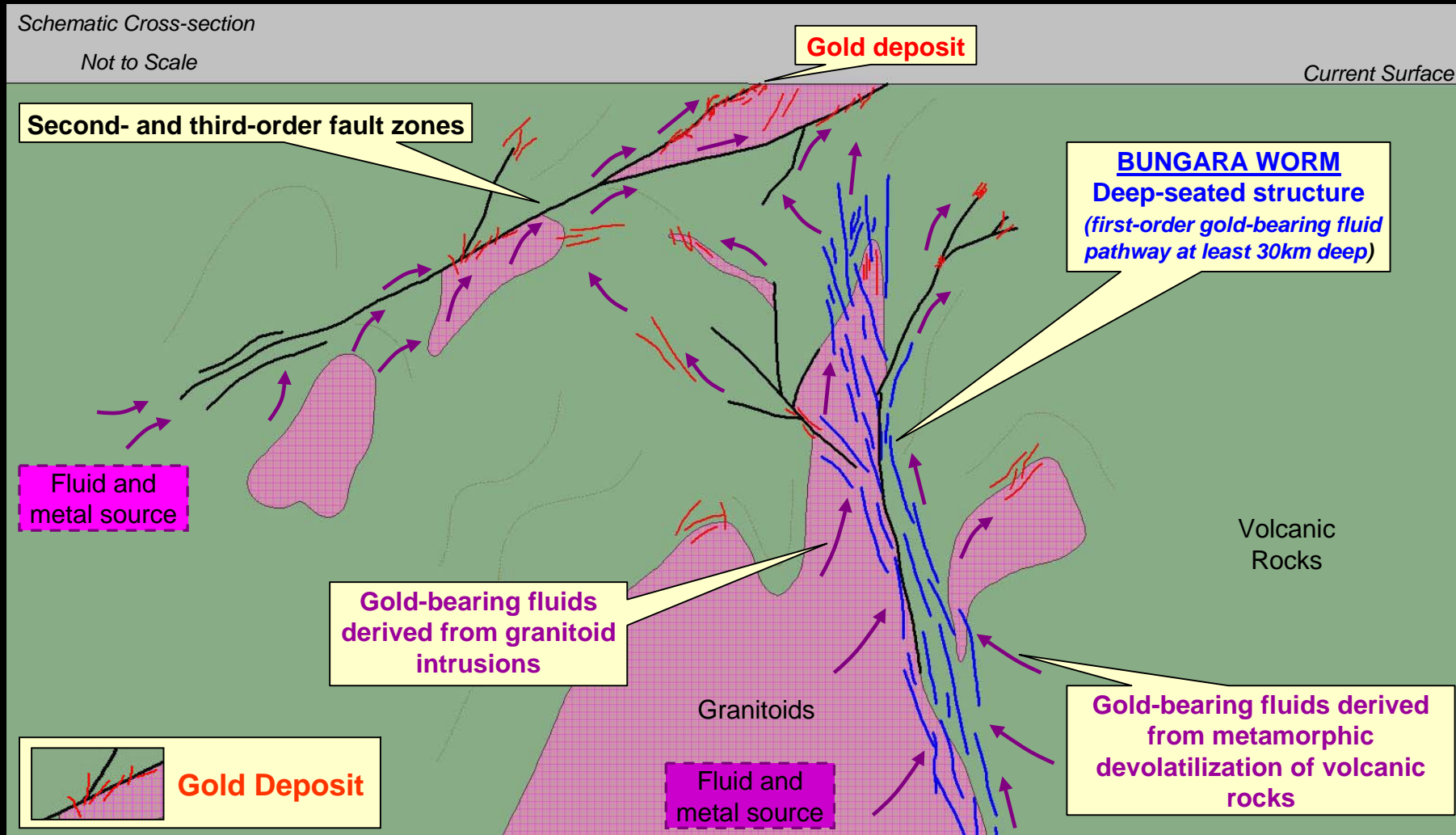
Several promising gold prospects are located on Echo's ground adjacent to the Bungara Worm

Significant untested gold potential

Northern strike extensions are virtually unexplored



# Exploration Model



The Bungara Worm is interpreted as a major conduit that enabled gold-bearing hydrothermal fluids and granitoid magmas to move from deep in the crust to higher crustal levels

The gold-bearing fluids then exploited shallower faults to reach trap sites suitable for forming gold deposits in volcanic and granitoid host rocks adjacent to, and above, the Bungara Worm

# Julius Gold Discovery

Virgin discovery along a sheared ultramafic - granodiorite contact

Weathering locally to 70-100m below surface

Gold mineralisation starts at 7m below surface and extends into fresh rock

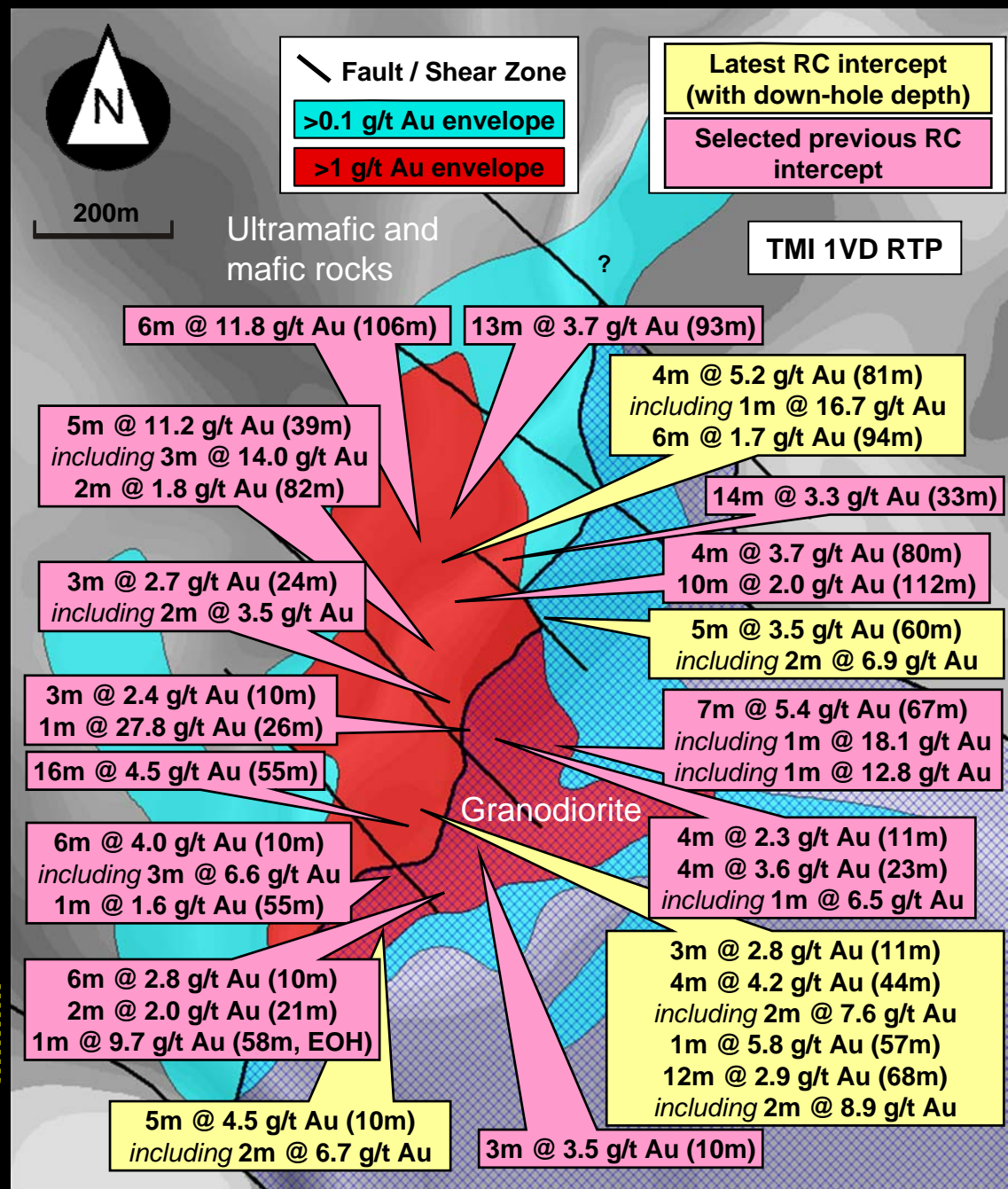
Significant widths of hydrothermal alteration within demagnetised bedrock

Altered and gold mineralised domain is at least 1,300m long x 600m wide in plan view

Mineralisation open to the north, west and east

High-grade shoots within the gold lodes

**Julius Gold Discovery offers an excellent opportunity to outline a high-quality gold deposit**

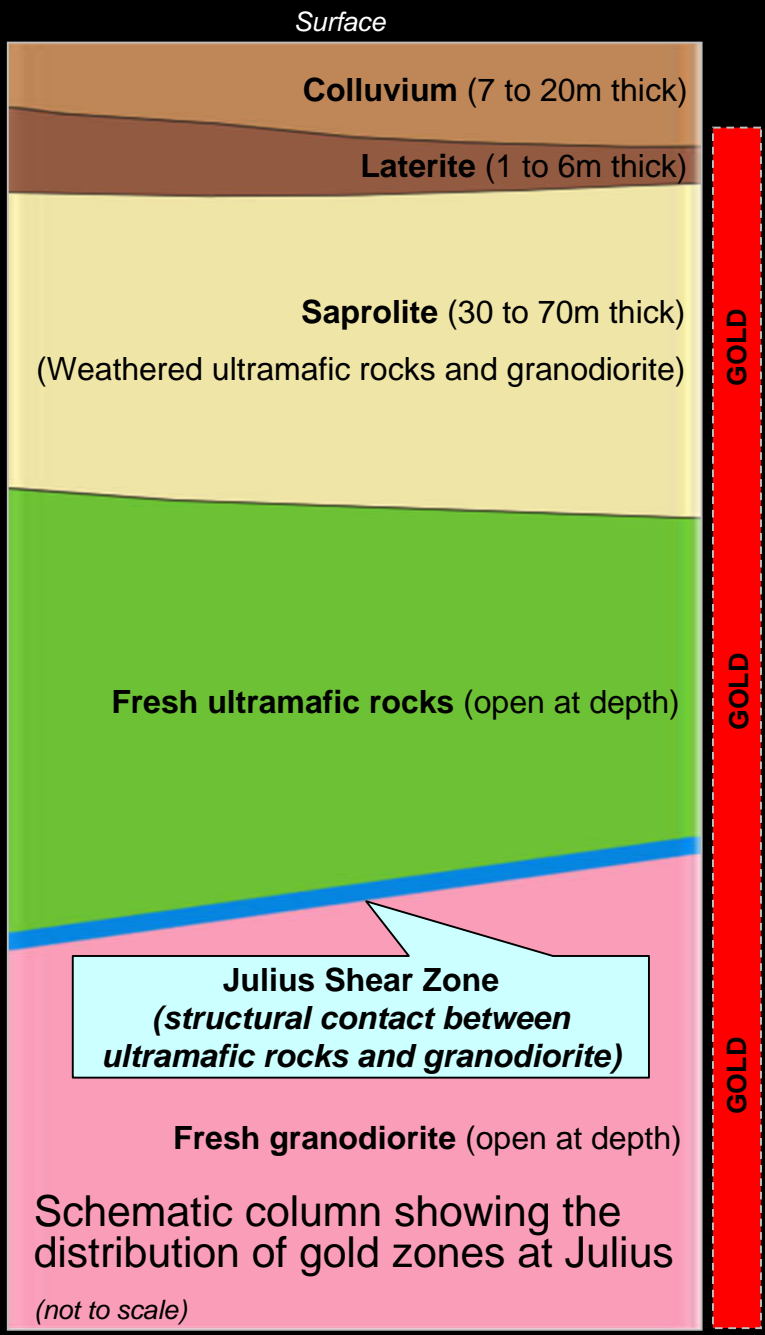




# Julius Gold Discovery



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6m @ 5.1 g/t Au



3m @ 11.7 g/t Au



6m @ 11.2 g/t Au

Sheared contact



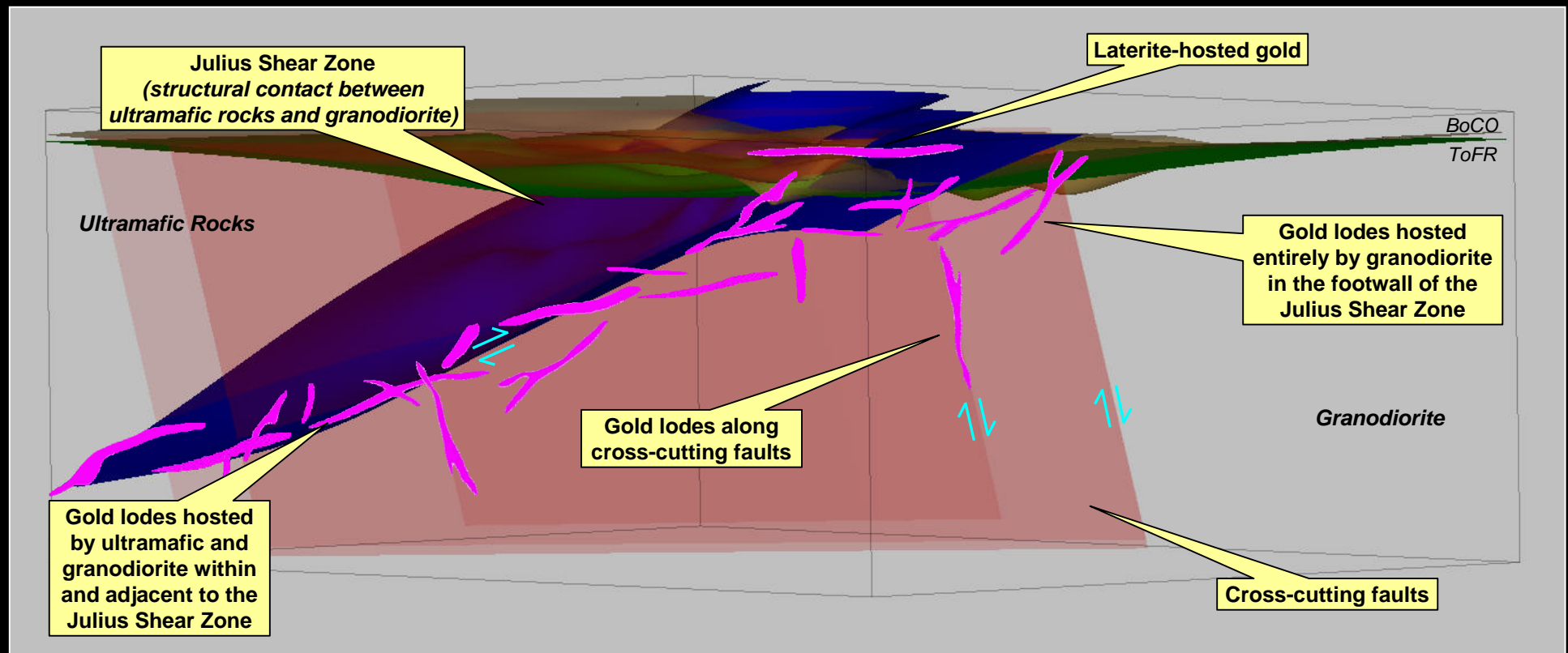
3m @ 7.2 g/t Au

Each chip-tray interval represents 1m of drilling



# Julius Gold Discovery

3D model of the structural framework of the Julius Gold Discovery showing interpreted extensions to the gold mineralisation at depth



Multi-million ounce potential

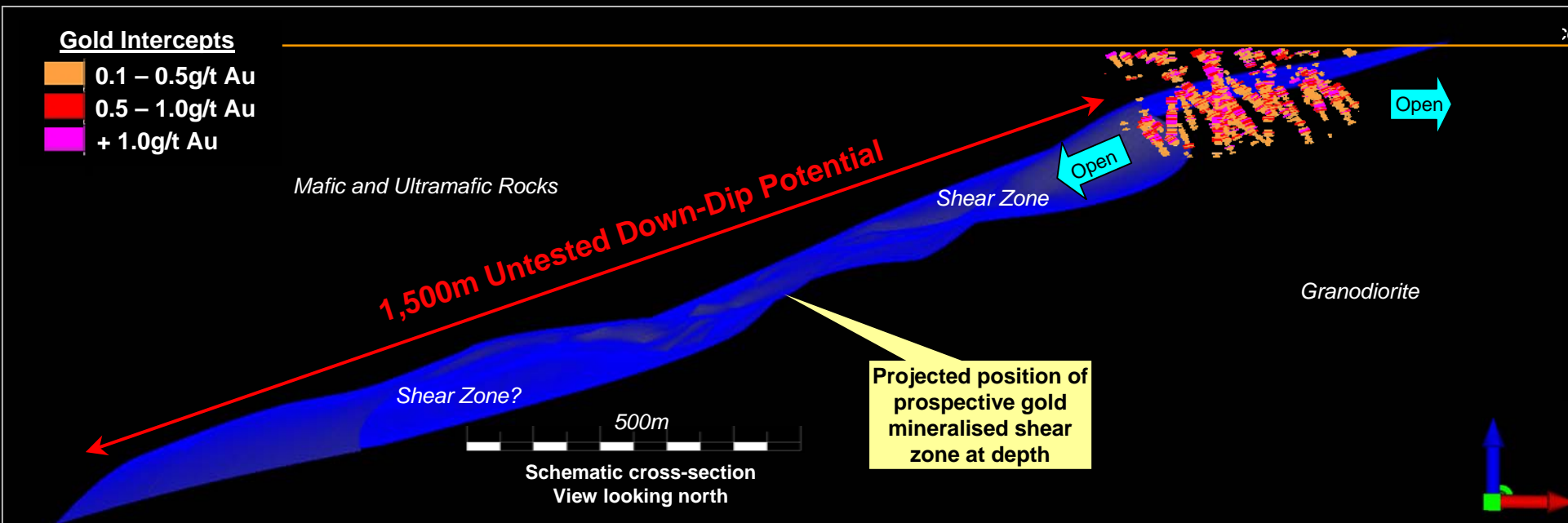
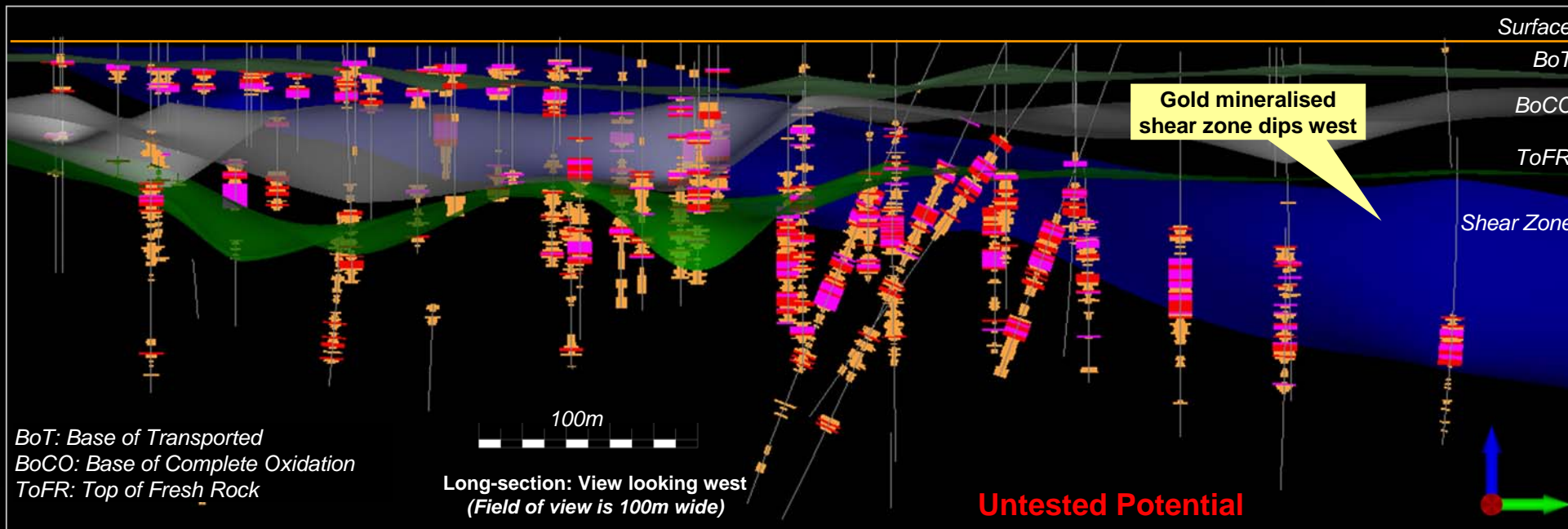
Interpreted gold lode

View looking North  
(not to scale)

BoCO: Base of Complete Oxidation  
ToFR: Top of Fresh Rock

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# Julius Gold Discovery



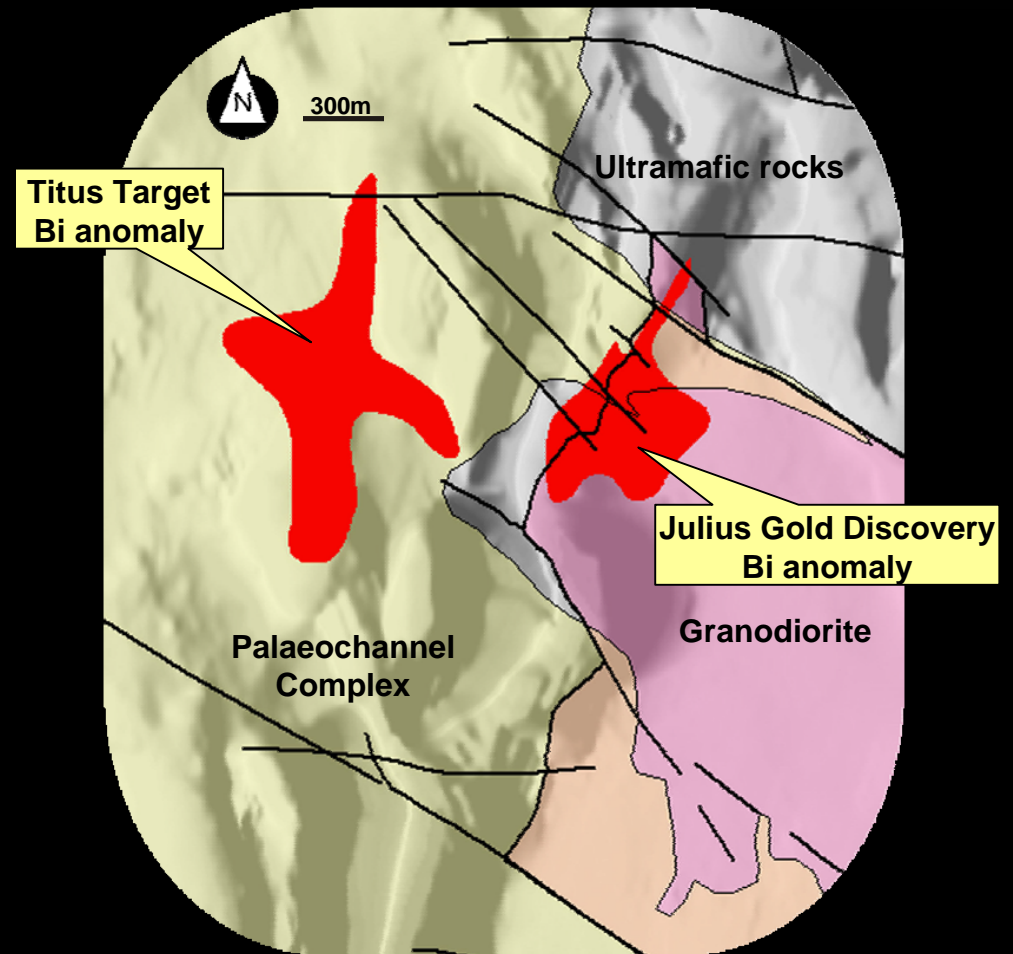
# Titus Gold Target

The Julius gold mineralisation is associated with elevated Bismuth (Bi), Molybdenum (Mo) and Tellurium (Te) “pathfinder” elements

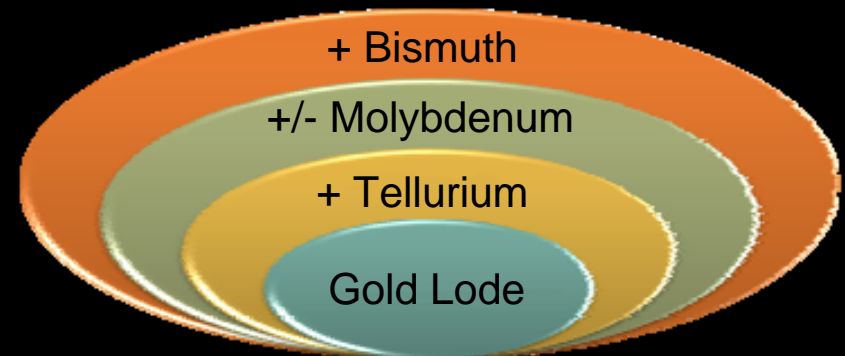
The pathfinder elements extend beyond the gold zone to form dispersion haloes which can be used to locate blind gold mineralisation

Shallow scout drilling across the Titus Target has located a 2km-long Bi anomaly beneath a palaeochannel complex west of Julius

The Titus Bi anomaly may reflect the down-dip extensions of the Julius gold system, or a new gold system



Significant untested exploration potential

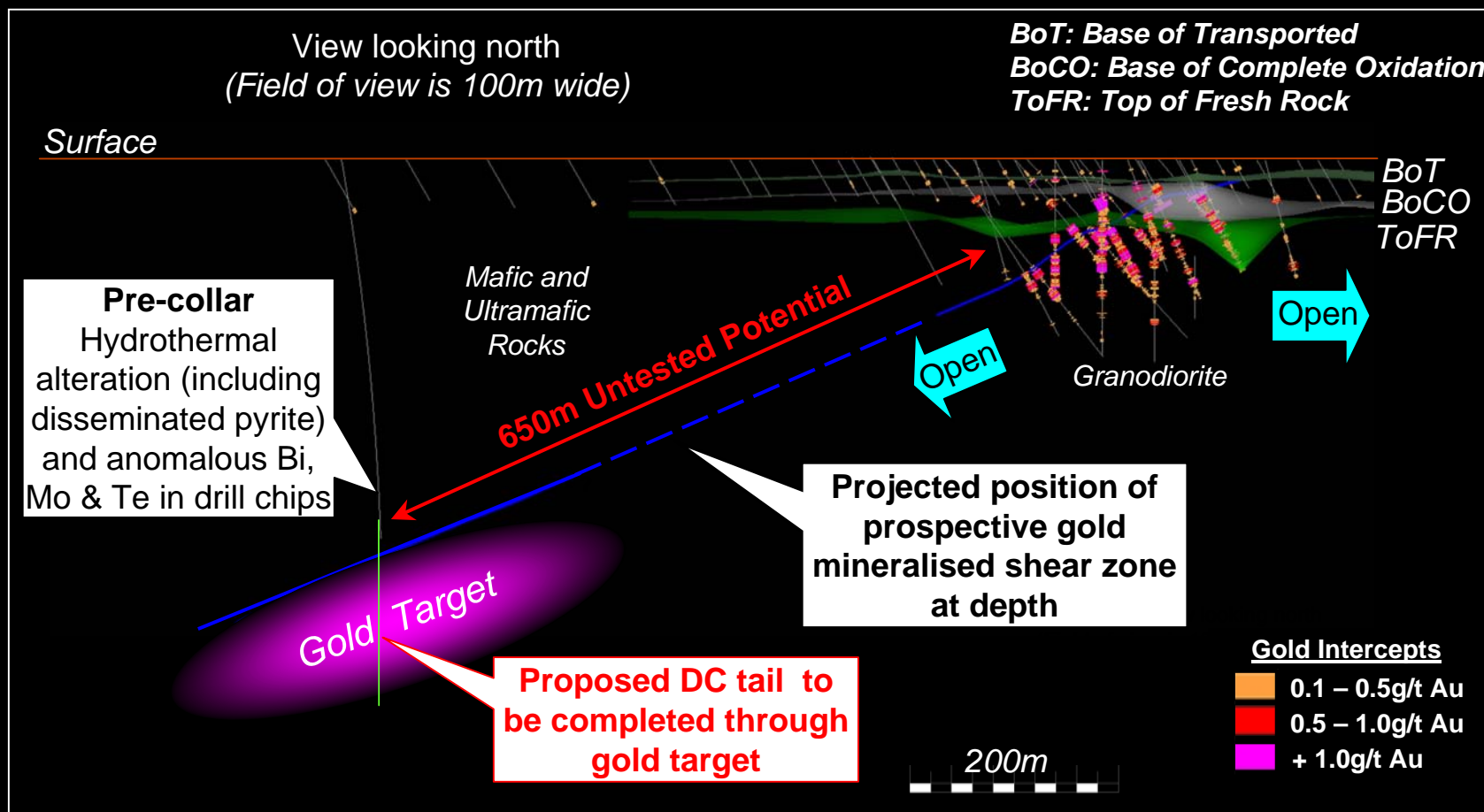


# Drilling Program

Major drilling program with up to 2,500m of Reverse Circulation (RC) drilling and 1,000m of Diamond Core (DC) drilling during May and June

Strategic step-out DC drilling to locate deep gold lodes and to assess the size of the deposit

RC rig will also test shallower gold targets north and east of Julius





# Positioned for Success

Actively exploring for world-class gold deposits in one of the World's most prospective domains

Targets open along strike and at depth

Outstanding multi-million ounce discovery potential

Extensive in-house expertise

Tight capital structure



Priority targets at Julius and Titus

Major exploration push underway

Aggressive RC and DC drilling program during May and June

Drilling to assess down dip and strike extensions for a +1Moz gold deposit

Potential for a major re-rating of the stock





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Enquiries regarding this document should be directed to:

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Tel: (08) 9362 4806

*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' (JORC Code). 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 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.*

*Resources and Reserves for Jundee, Darlot and Bronzewing-Mt McClure are based on latest publicly available reports and other historical information. These estimates have not been verified by Echo Resources Limited and may not comply with JORC Code. The estimates should not be considered as Mineral Resources or Ore Reserves.*