



16 May 2011

Placement Completed

Echo Resources Limited [ASX: 'EAR'] is pleased to announce that it has completed a placement of 6,136,364 fully paid ordinary shares at \$0.22 per share to raise \$1.35 million (before costs). Patersons Securities Limited acted as Lead Manager.

The net proceeds from the issue will be used for exploration drilling and working capital.

The new shares issued will rank equally with all other ordinary shares on issue. Holding statements will be dispatched later this week.

Yours sincerely
ECHO RESOURCES LIMITED

A handwritten signature in black ink, appearing to read "G. Anderson", is positioned below the company name.

GRAHAM ANDERSON
Director and Company Secretary

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.

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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