

Key Points

- A step-out RC drill hole, collared 300m west of the main drilling area at the Julius Gold Discovery, returned a high-grade intercept of:

5m @ 21.6 g/t Au from 235m, *including* 1m @ 90.0 g/t Au from 236m

- This intercept is regarded as the most significant drilling result from Julius to date, because it may have located potential down-plunge extensions of the Julius gold system.

- Other RC and DC drill holes at Julius returned best intercepts of:

19.1m @ 8.1 g/t Au from 49m, *including* 5m @ 21.7 g/t Au

2m @ 13.0 g/t Au from 187m to end-of-hole, *including* 1m @ 21.6 g/t Au

14m @ 3.5 g/t Au from 76m, *including* 5m @ 6.9g/t Au from 76m

- Gold mineralisation at Julius is open to the west, north, east and south.
- A follow-up drilling program comprising fourteen RC drill holes to a maximum down-hole depth of 349m was undertaken at Julius to test for potential extensions to high-grade gold mineralisation in step-out positions, and to locate and define near-surface gold lodes. The follow-up drill holes all intersected zones of sheared and altered rocks.

During the quarter, Echo announced gold fire assay results from Reverse Circulation (RC) and Diamond Core (DC) drilling undertaken at the Julius Gold Discovery (ASX release 29 November 2013).

The Julius Discovery is located in the Yandal Gold Province, approximately 750km northeast of Perth, Western Australia (Fig. 1). The Yandal Province hosts several multi-million ounce gold deposits, including those at Jundee (Newmont) and Darlot (Gold Fields; Fig. 2). Julius is a virgin gold discovery in an area of thick transported cover with no historical gold workings. The gold lodes at Julius are hosted by weathered and fresh, mafic to ultramafic rocks adjacent to a mineralised granodiorite body. The granodiorite-ultramafic

contact is marked by the west-northwest-dipping Julius Shear Zone (JSZ) which is interpreted to be cross-cut by a pattern of northwest-striking faults or "breaks" (Fig. 3).

Best gold intercepts from the drilling (at a 1 g/t Au lower cut-off; down-hole depths and widths; Table 1) included:

ERC186:	5m @ 21.6 g/t Au from 235m
<i>including</i>	3m @ 35.0 g/t Au from 235m
<i>including</i>	1m @ 90.0 g/t Au from 236m
	7m @ 1.8 g/t Au from 270m
ERCD208:	19.1m @ 8.1 g/t Au from 49m
<i>including</i>	5m @ 21.7 g/t Au from 54m
<i>including</i>	0.8m @ 58.1 g/t Au from 58.2m
ERC206:	9m @ 1.3 g/t Au from 134m
	2m @ 13.0 g/t Au from 187m to end-of-hole
<i>including</i>	1m @ 21.6 g/t Au from 187m
ERC194:	10m @ 1.7 g/t Au from 43m
	14m @ 3.5 g/t Au from 76m
<i>including</i>	5m @ 6.9 g/t Au from 76m
ERC198:	3m @ 2.7 g/t Au from 12m
	2m @ 6.1 g/t Au from 51m
<i>including</i>	1m @ 10.9 g/t Au from 52m
ERC200:	6m @ 3.1 g/t Au from 12m
	4m @ 3.9 g/t Au from 12m
ERC192:	2m @ 6.7 g/t Au from 76m
<i>including</i>	1m @ 11.4 g/t Au from 76m
ERC201:	7m @ 2.4 g/t Au from 13m
<i>including</i>	2m @ 4.1 g/t Au from 15m
	4m @ 2.1 g/t Au from 25m
ERC197:	12m @ 1.7 g/t Au from 41m
ERC196:	6m @ 1.7 g/t Au from 31m

The latest drilling results have confirmed the presence of significant gold grades in step-out drill hole ERC186, which was collared 300m west of the main RC drilling area at Julius. ERC186 intersected two zones of gold mineralisation. An upper, high-grade gold zone is hosted by altered mafic rocks above the JSZ, and returned an intercept of 5m @ 21.6 g/t Au from 235m, including 1m @ 90.0 g/t Au from 236m (Figs. 4 and 5). The lower zone of gold mineralisation returned 7m @ 1.8 g/t Au from 270m hosted by sheared mafic-ultramafic and granodioritic rocks within the JSZ.

ERC186 is interpreted to have located potential down-plunge extensions of the Julius gold system. The high-grade intercept in this drill hole is considered to be the most significant result from drilling at Julius to date.

ERCD208 collared within the main Julius drilling area, returned 19.1m @ 8.1 g/t Au from 49m, including 5m @ 21.7 g/t Au from 54m. This intercept is hosted by partially weathered ultramafic rocks above the JSZ.

ERC206, collared at the northern end of the Julius drilling area, returned 2m @ 13.0 g/t Au from 187m to end-of-hole, including 1m @ 21.6 g/t Au from 187m. This intercept is hosted by fresh hematite-dusted granodioritic rocks within an interpreted gold shoot lying below JSZ. Higher up in the same drill hole, fresh ultramafic and granodioritic rocks within the JSZ yielded 9m @ 1.3 g/t Au from 134m.

Towards the end of the quarter, a follow-up RC drilling program was undertaken at Julius, with fourteen holes for 1,982m completed to a maximum down-hole depth of 349m. The drilling program was designed to test for potential extensions to the high-grade gold mineralisation located in ERC186, and to locate and define near-surface gold lodes in the central and north-eastern parts of the mineralised system. All of the follow-up drill holes intersected zones of sheared and altered rocks, some of which contain quartz-carbonate veins and traces of disseminated fine-grained pyrite. Preliminary composite sample assays for these drill holes are expected to be received in early February 2014.

Planning for follow-up drilling at Julius is at an advanced stage.



Ernst Kohler
Managing Director

About Echo Resources Limited

Echo Resources ("Echo") (**ASX code EAR**) is a gold, copper and nickel exploration company committed to the growth of shareholder value through successful exploration and project acquisitions. Echo's key projects are located in Western Australia and Queensland. Echo's corporate goal is the discovery and development of large gold (more than 3 million ounces of gold), copper (more than 450 million pounds copper) and nickel (more than 90 million pounds) deposits in world-class mineral provinces. Echo has a strong management team capable of rapidly transforming the Company from an explorer to producer.

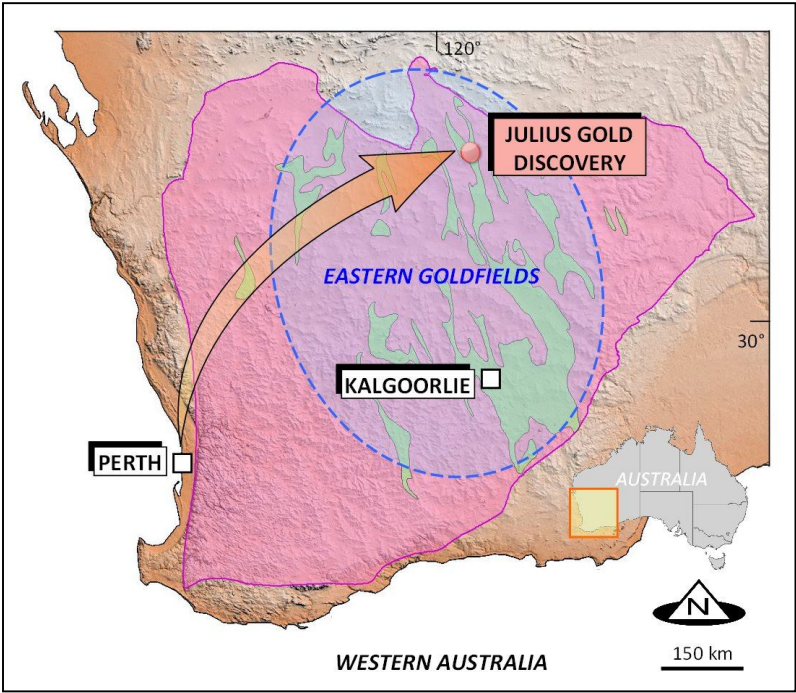


Fig. 1: Location of the Julius Gold Discovery.

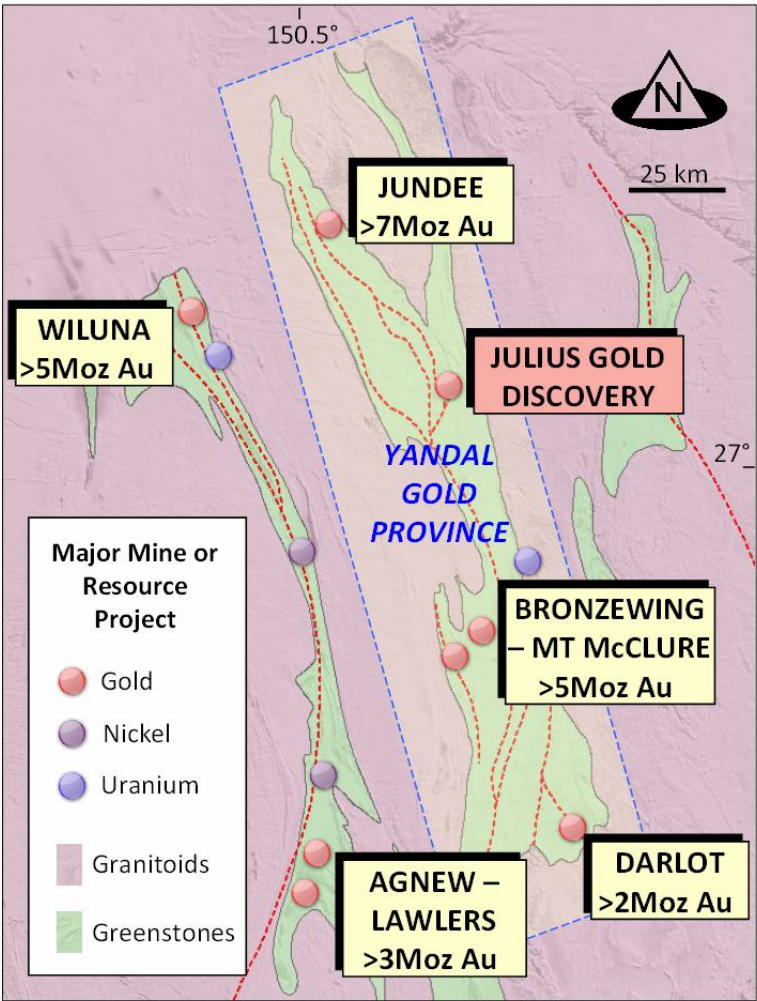


Fig. 2: Location of the large gold deposits in the Yandal Gold Province.

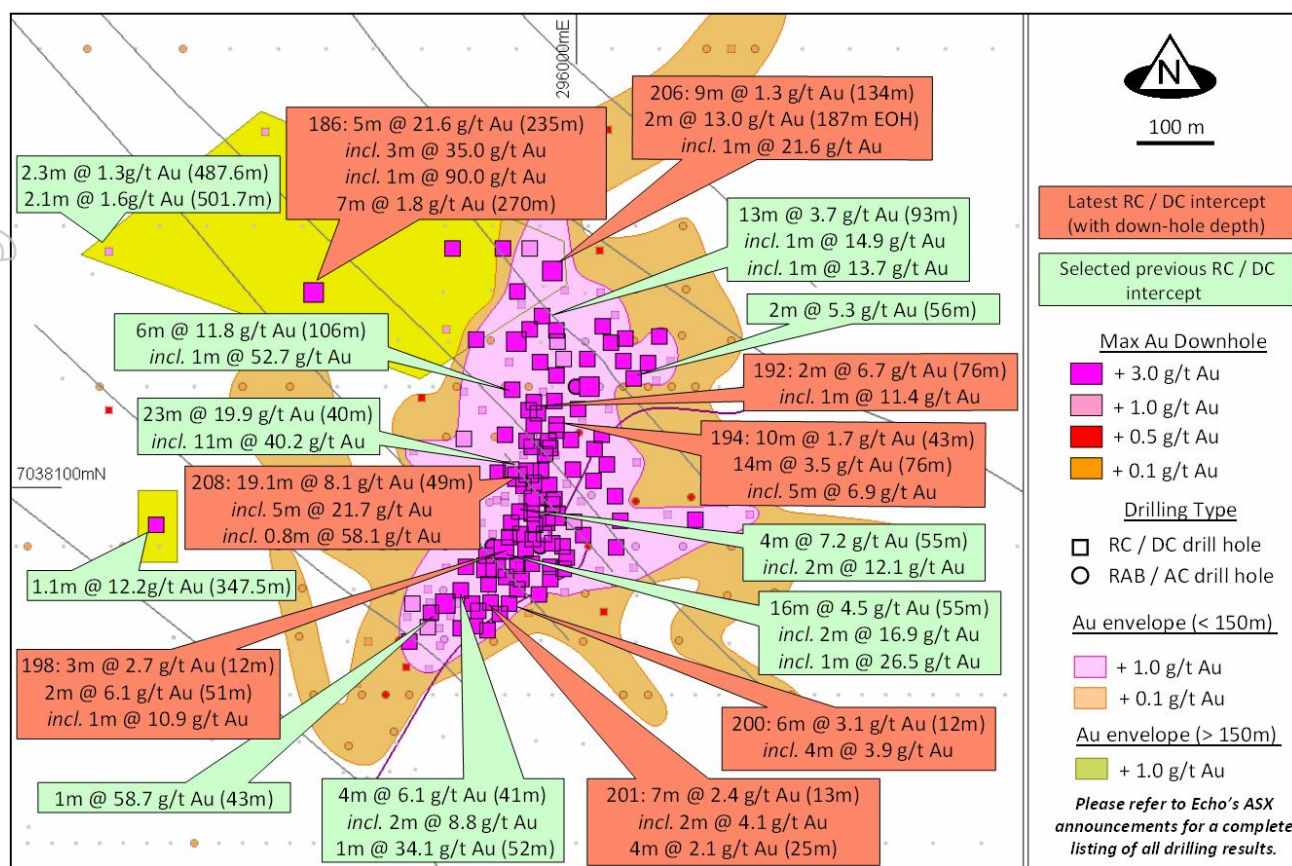


Fig. 3: Julius Gold Discovery.

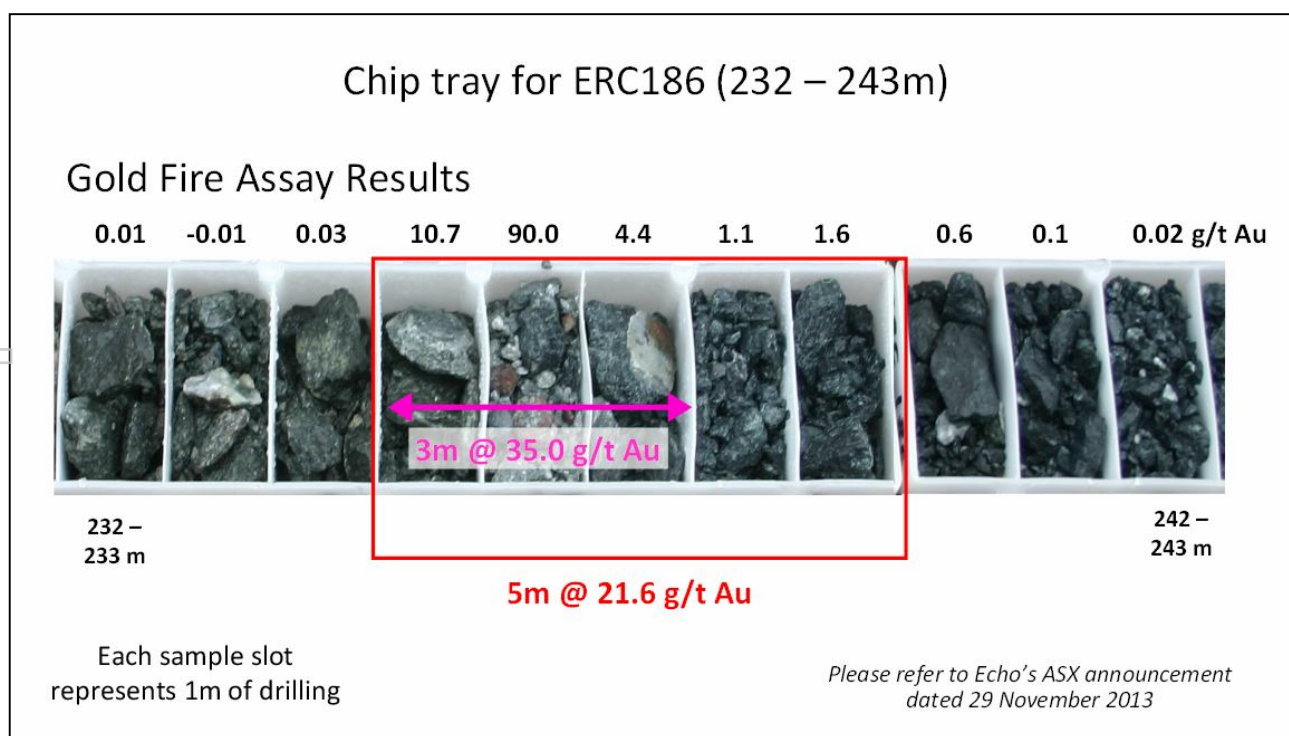


Fig. 4: Chip tray for ERC186 showing gold assay results.

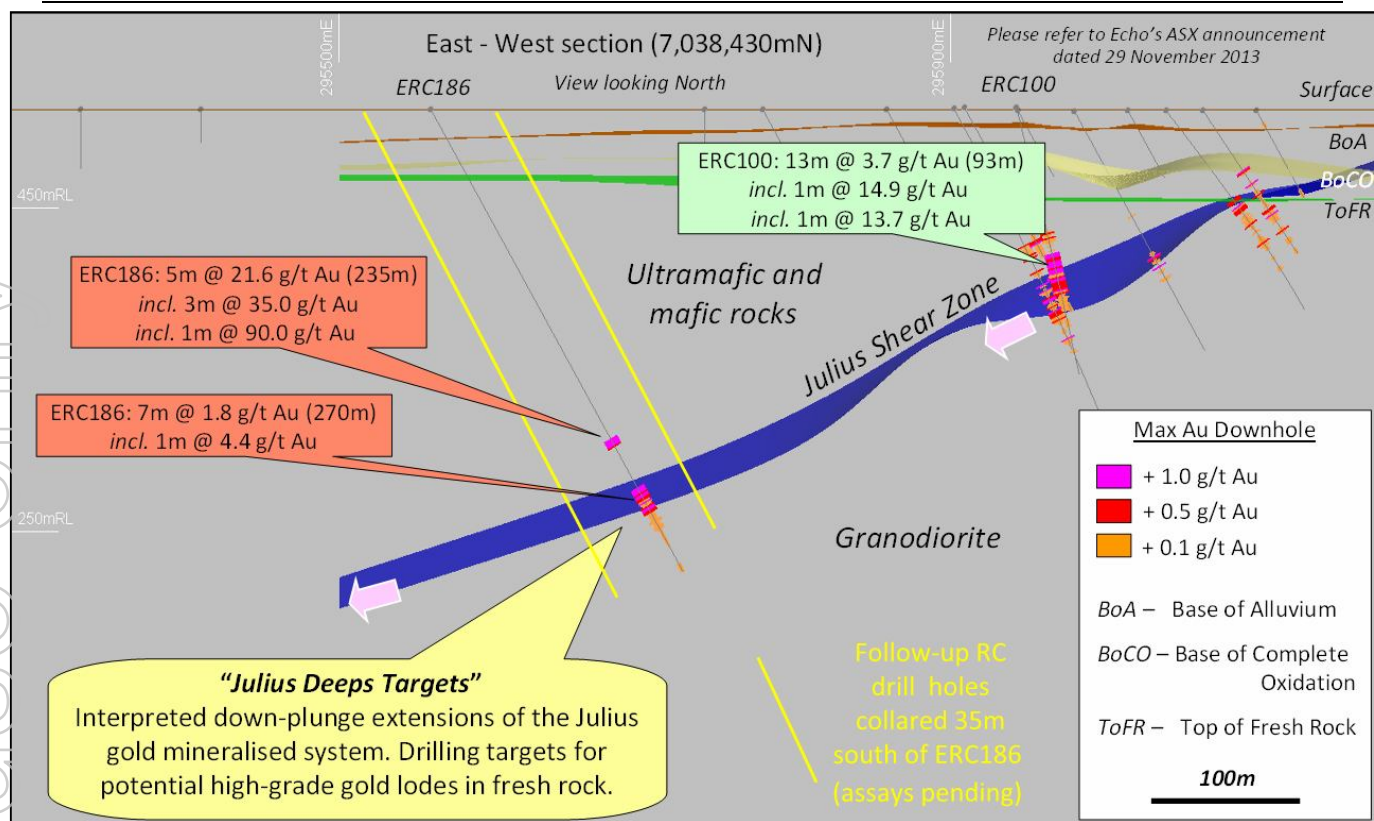


Fig. 5: Cross-section showing the location of step-out drill hole ERC186.

CORPORATE DIRECTORY

Board of Directors

Mathew Longworth
Non-Executive Chairman

Ernst Kohler
Managing Director

Anthony McIntosh
Non-Executive Director

Capital Structure

Total quoted shares: 94.98 million

ASX Code: EAR

Registered Office

14 Emerald Terrace
West Perth
WA 6005

Principal Place of Business

992 Albany Highway
East Victoria Park
WA 6101
Phone +61 8 9362 4806
Fax +61 8 9355 3264

Website: www.echoresources.com.au

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. Dr Kohler is Managing Director and a shareholder 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 2012 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.

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

This report may contain forward-looking statements concerning the potential of Echo's exploration projects and proposed exploration programs. No assurance can be given that Echo's proposed plans for the exploration of its project areas will proceed as planned, or that they will result in the discovery or delineation of additional or new mineral deposits, or that any mineralisation discovered will be amenable to economic extraction, or that the tenement applications will proceed to grant. Exploration programs may not proceed as planned due to delays beyond the control of the Company, including adverse weather and ground conditions, and contractor and government approval delays. Nothing in this announcement should be construed as either an offer to sell or a solicitation of an offer to buy or sell securities.

Table 1: Summary drill intersections (+1 g/t Au)

(Results greater than 10m x g/t Au shown in bold)

Hole No.	Northing (mN)	Easting (mE)	Hole Dip & Azi	Hole Depth (m)	From (m)	To (m)	Interval (m)	Grade (g/t Au)	Intercept width x grade (m x g/t Au)
ERC186	7,038,428	295,560	-60°	330	235	240	5	21.6	107.8
<i>including</i>			090°		235	238	3	35.0	105.1
<i>including</i>					236	237	1	90.0	90.0
					270	277	7	1.8	12.5
					280	281	1	1.0	1.0
					284	286	2	1.8	1.8
ERC192	7,038,243	295,929	-80°	138	70	71	1	1.3	1.3
			090°		76	78	2	6.7	13.4
<i>including</i>					76	77	1	11.4	11.4
					109	110	1	1.2	1.2
ERC194	7,038,206	295,967	-60°	168	43	53	10	1.7	17.3
			090°		69	70	1	1.6	1.6
					76	90	14	3.5	49.3
<i>including</i>					76	81	5	6.9	34.6
<i>including</i>					76	77	1	12.5	12.5
<i>including</i>					79	80	1	9.6	9.6
					98	99	1	1.5	1.5
ERC196	7,038,166	295,956	-65°	100	13	14	1	1.2	1.2
			090°		31	37	6	1.7	10.5
ERC197	7,038,167	295,926	-65°	110	41	53	12	1.7	20.2
<i>including</i>			090°		41	42	1	3.1	3.1
<i>including</i>					44	45	1	4.3	4.3
					95	96	1	1.2	1.2
ERC198	7,038,020	295,906	-55°	100	12	15	3	2.7	8.0
<i>including</i>			090°		14	15	1	3.6	3.6
					51	53	2	6.1	12.1
<i>including</i>					52	53	1	10.9	10.9
					75	79	4	2.3	9.3
ERC200	7,037,905	295,856	-60°	84	12	18	6	3.1	18.6
<i>including</i>			090°		12	16	4	3.9	15.5
					25	26	1	1.8	1.8
					46	47	1	1.5	1.5
ERC201	7,037,904	295,826	-55°	60	13	20	7	2.4	17.0
<i>including</i>			090°		15	17	2	4.1	8.3
					25	29	4	2.1	8.3
ERC206	7,038,465	295,960	-85°	189	120	123	3	1.1	3.4
			090°		128	131	3	1.5	4.4
					134	143	9	1.3	12.1
					151	152	1	1.2	1.2
					154	155	1	1.0	1.0
					187	189	2	13.0	26.1 EOH
					187	188	1	21.6	21.6
ERCD208	7,038,118	295,901	-43°	90.4	35.27	36.4	1.17	1.1	1.3
			090°		49	68.1	19.1	8.1	154.6
<i>including</i>					54	59	5	21.7	108.6
<i>including</i>					58.20	59	0.8	58.1	46.5

Please see the ASX announcement dated 29 November 2013 for a full listing of drilling results +1 g/t Au. Hole prefix ERC denotes RC drill hole (1m cone split samples typically weighing 1.5 to 4kg); ERCD denotes DC drill hole (cut HQ ½ to ⅓ core samples typically varying from 0.6 to 1.3m in length). The intervals are down-hole lengths. The samples were analysed by 25g and 30g fire assay with AAS finish (SGS and Quantum laboratories, Perth). The intercepts were calculated using a minimum edge cut-off of 1.0 g/t Au and up to 2m wide intervals of internal dilution. No assay top-cut was applied. The RC drilling locally encountered high water flows and further work is needed to confirm that these results are representative. The intercept lengths may not reflect true mineralisation widths. Assays rounded to nearest 0.1 g/t Au. Minor discrepancies in the calculated m x g/t Au values are due to rounding of the interval assays. EOH denotes intercept at end-of-hole.

Table 2: Tenements

Location	Tenements Held	Ownership
Leinster	E36/667, E36/708, E36/715, E36/810, E36/826*, E36/799*, E53/1042, E53/1322, E53/1324, E53/1327, E53/1405, E53/1430, E53/1472, E53/1546, E53/1586, L53/57, L53/59, E53/1736*, M53/160, M53/434, M53/555, M53/1080, M53/144, M53/145, M53/149, M53/170, M53/183, M53/186, M53/631, M53/721, M53/725*, M53/726*, M53/727*, M53/728*, M53/916*, P53/1411, P53/1515*	100%
Rockhampton	EPM14909, EPM16517*, EPM19518*, M5789, M6606, M5771, MDL147	100%
Clermont	EPM15188, EPM15600, EPM15603, EPM15568, EPM16518, EPM16520	100%
Einasleigh	EPM17077, EPM17757*	100%
Monto	EPM15002	100%
Chillagoe	EPM15003, EPM15546	100%
	Tenement Changes	
Leinster	P53/1413, E53/1044, E53/1326 (end of term – expired), M53/1084* (application withdrawn)	0%

Note: * denotes tenement application.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

ECHO RESOURCES LIMITED

ABN

34 108 513 113

Quarter ended ("current quarter")

31 December 2013

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (6 months) \$A'000
1.1	R&D refund received	-	179
1.2	Payments for (a) exploration and evaluation	(295)	(627)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(61)	(170)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	7	17
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (GST paid to be recouped)	6	9
Net operating cash flows		(343)	(592)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
Net investing cash flows		-	-
1.13	Total operating and investing cash flows (carried forward)	(343)	(592)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(343)	(592)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – capital raising costs	-	(2)
	Net financing cash flows	-	(2)
	Net increase (decrease) in cash held	(343)	(594)
1.20	Cash at beginning of quarter/year to date	1,330	1,581
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	987	987

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	19
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 **Explanation necessary for an understanding of the transactions**

All payments to Directors and associates are on normal commercial terms.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

NIL

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

NIL

+ See chapter 19 for defined terms.

Financing facilities available

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	N/A	N/A
3.2 Credit standby arrangements	N/A	N/A

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	200
4.2 Development	-
4.3 Production	-
4.4 Administration	30
Total	230

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	301	648
5.2 Deposits at call	686	682
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	987	1,330

Changes in interests in mining tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	P53/1413	Wholly owned (end of term - expired)	100%	0%
	E53/1044	Wholly owned (end of term - expired)	100%	0%
	E53/1326	Wholly owned (end of term - expired)	100%	0%
	MA53/1084	Application withdrawn	100%	0%
6.2 Interests in mining tenements acquired or increased	NIL			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference +securities (description)				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	+Ordinary securities	94,981,768	94,981,768		Fully Paid
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5	+Convertible debt securities (description)				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)				
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Relinquished during quarter				
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:
Company Secretary

Date: 31 January 2014

Print name: KRYSTEL KIROU

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities**
The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards**
ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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