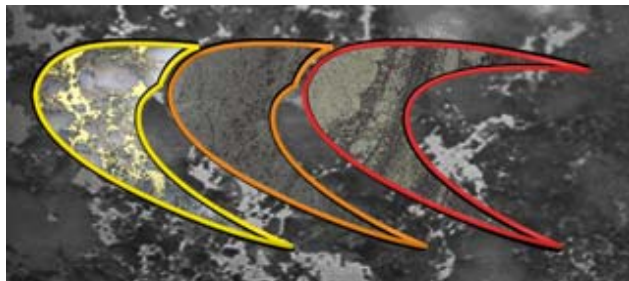


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Echo Resources Limited

Interim Financial Report

For the half-year ended 31 December 2013

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These interim financial statements do not include all the notes of the type normally included in the annual financial statements. Accordingly, these financial statements are to be read in conjunction with the Annual Report for the year ended 30 June 2013 and any public announcements made by Echo Resources Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

DIRECTORS' REPORT

Your Directors are pleased to present their report on the consolidated entity consisting of Echo Resources Limited and the entity it controlled at the end of, or during, the half-year ended 31 December 2013.

DIRECTORS

The names of the Directors who held office during or since the end of the half-year, to the date of this report, are:

Mathew Longworth (Non-executive Chairman)
 Anthony McIntosh (Non-executive Director)
 Ernst Kohler (Managing Director)

REVIEW OF OPERATIONS

During the reporting period, Echo conducted Reverse Circulation (RC) and Diamond Core (DC) drilling programs at the Julius Gold Discovery.

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 transported cover with no historical gold workings. The gold lodes at Julius are hosted by weathered and fresh, mafic and ultramafic rocks adjacent to a mineralised granodiorite body (Fig. 3). The granodiorite-ultramafic contact is marked by the west-northwest-dipping Julius Shear Zone (JSZ) which is interpreted to be cross-cut by southeast-striking faults.

The drilling showed significant gold grades in step-out drill holes ERC186 and ERC222, which were collared approximately 300m west of the main drilling area at Julius (Fig. 4; ASX releases 29 November 2013 and 17 February 2014).

ERC186 intersected two zones of gold mineralisation. An upper, high-grade gold zone, hosted by altered mafic rocks above the JSZ, returned an intercept of 5m @ 21.6 g/t Au from 235m, including 1m @ 90.0 g/t Au from 236m (Table 1). A lower zone of mineralisation returned 7m @ 1.8 g/t Au from 270m hosted by sheared mafic-ultramafic and granodioritic rocks within the JSZ.

Follow-up drill hole ERC222 was collared 52m southwest of ERC186. Preliminary composite sample assays for ERC222 showed an intercept of 16m @ 19.8 g/t Au from 276m, including 4m @ 75.6 g/t Au from 276m, hosted by sheared mafic and granodioritic rocks within the JSZ (Table 2). Drill hole ERC209, which was collared 70m east of ERC222, returned 20m @ 0.6 g/t Au from 252m.

ERC186 and ERC222 are interpreted to have located potential down-plunge extensions of the Julius gold system. The high-grade intercepts in these drill holes are considered to be the most significant results from drilling at Julius to date.

Other notable +1 g/t Au gold intercepts from drilling within the main drilling area included (Tables 1 and 2; * denotes preliminary composite sample results):

ERC217*:	44m @ 3.8 g/t Au from 24m
<i>including</i>	4m @ 29.0 g/t Au from 44m
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

REVIEW OF OPERATIONS (continued)

ERC212*:	24m @ 5.3 g/t Au from 44m
<i>including</i>	4m @ 22.6 g/t Au from 52m
<i>including</i>	4m @ 6.1 g/t Au from 64m
ERC219*:	16m @ 2.1 g/t Au from 44m
<i>including</i>	4m @ 4.1 g/t Au from 44m
	20m @ 1.2 g/t Au from 76m
	4m @ 1.9 g/t Au from 108m
ERC220*:	36m @ 1.5 g/t Au from 96m
<i>including</i>	4m @ 3.1 g/t Au from 128m
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

The Julius gold mineralised system remains open to the north, west, east and south.

Planning for follow-up drilling programs, designed to test for potential extensions to the high-grade gold mineralisation located in step-out holes ERC186 and ERC222, and to locate and define near-surface gold lodes, is at an advanced stage.

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 mineralization 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 mineralization 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.

REVIEW OF OPERATIONS (continued)

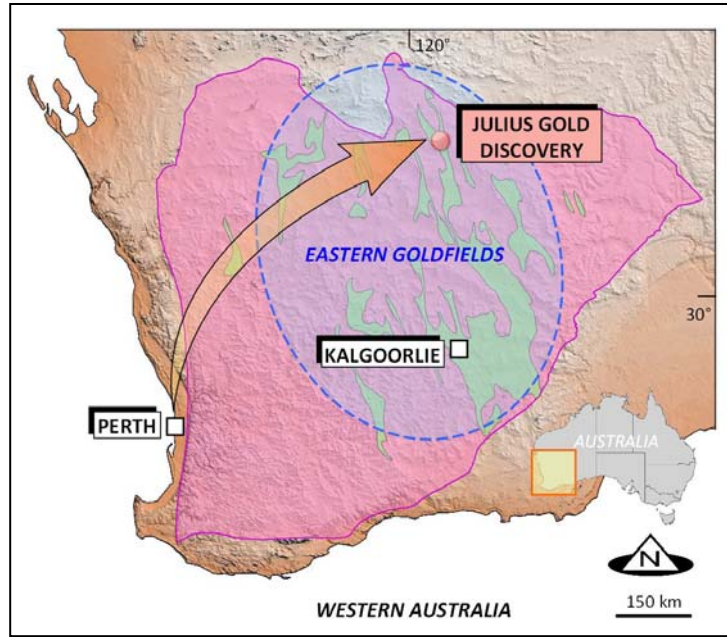


Fig. 1: Location of the Julius Gold Discovery

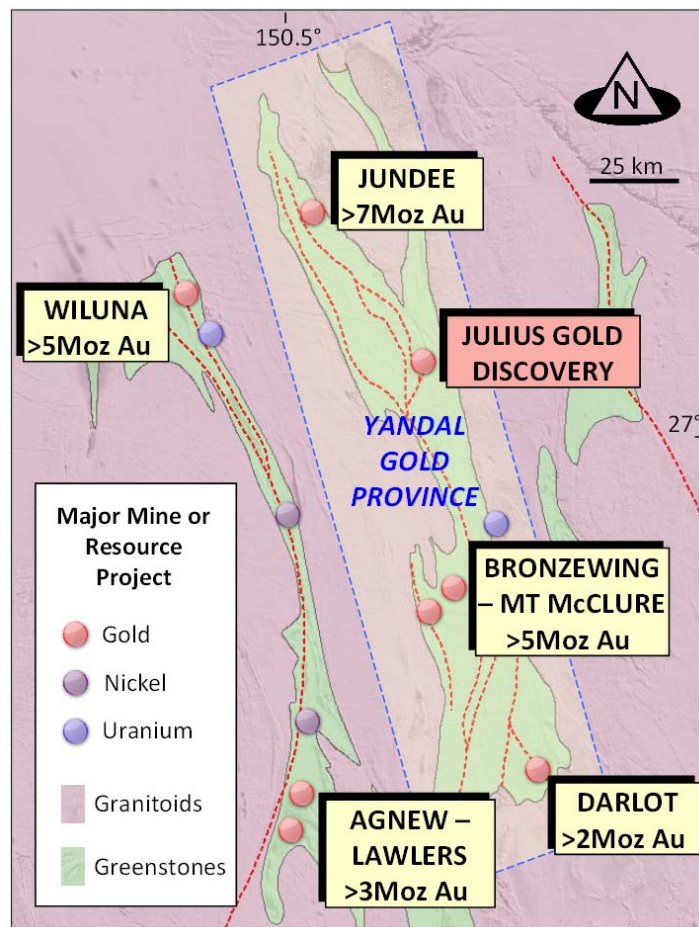


Fig. 2: Location of the large gold deposits in the Yandal Gold Province

REVIEW OF OPERATIONS (continued)

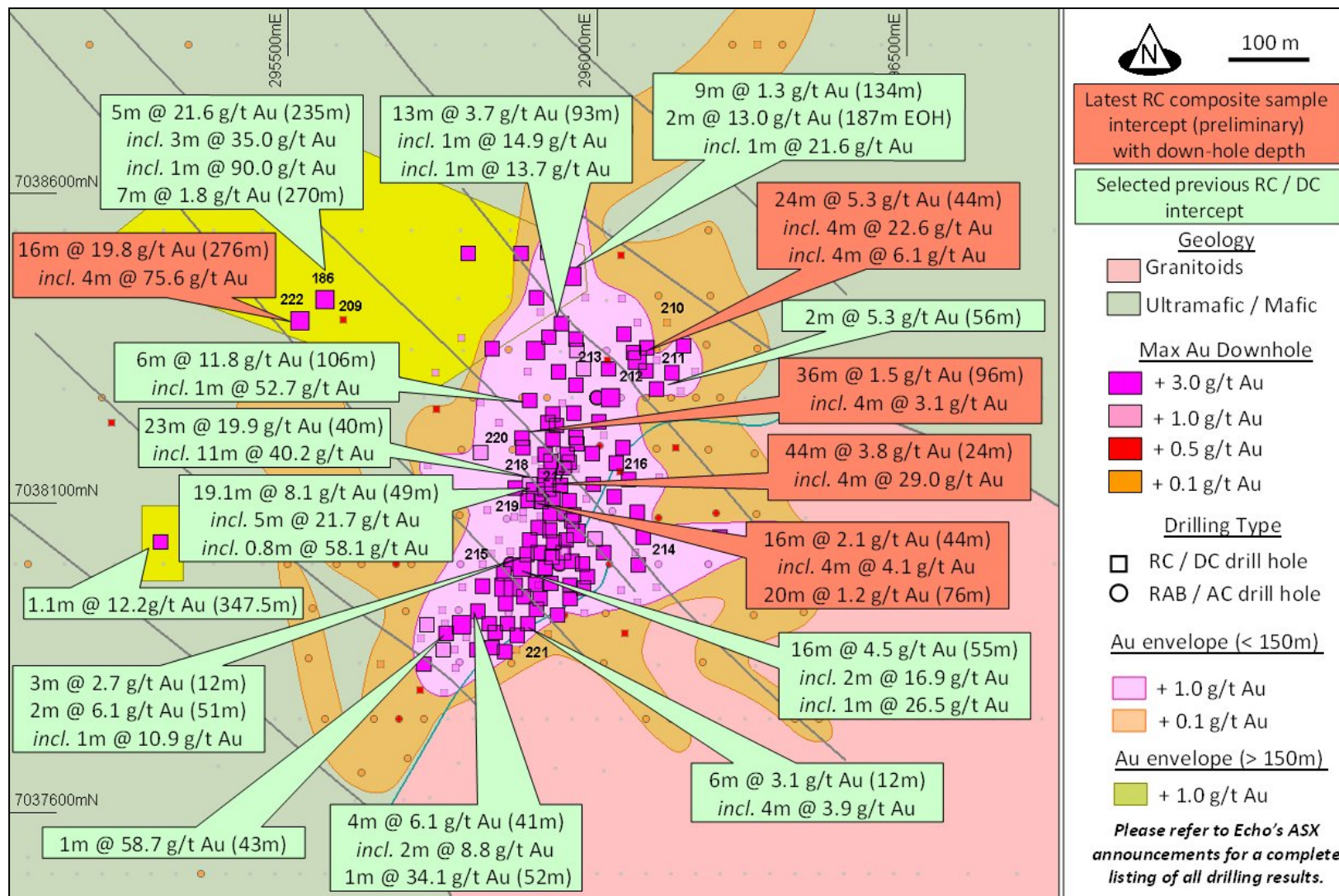


Fig. 3: Summary of drill intersections

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REVIEW OF OPERATIONS (continued)

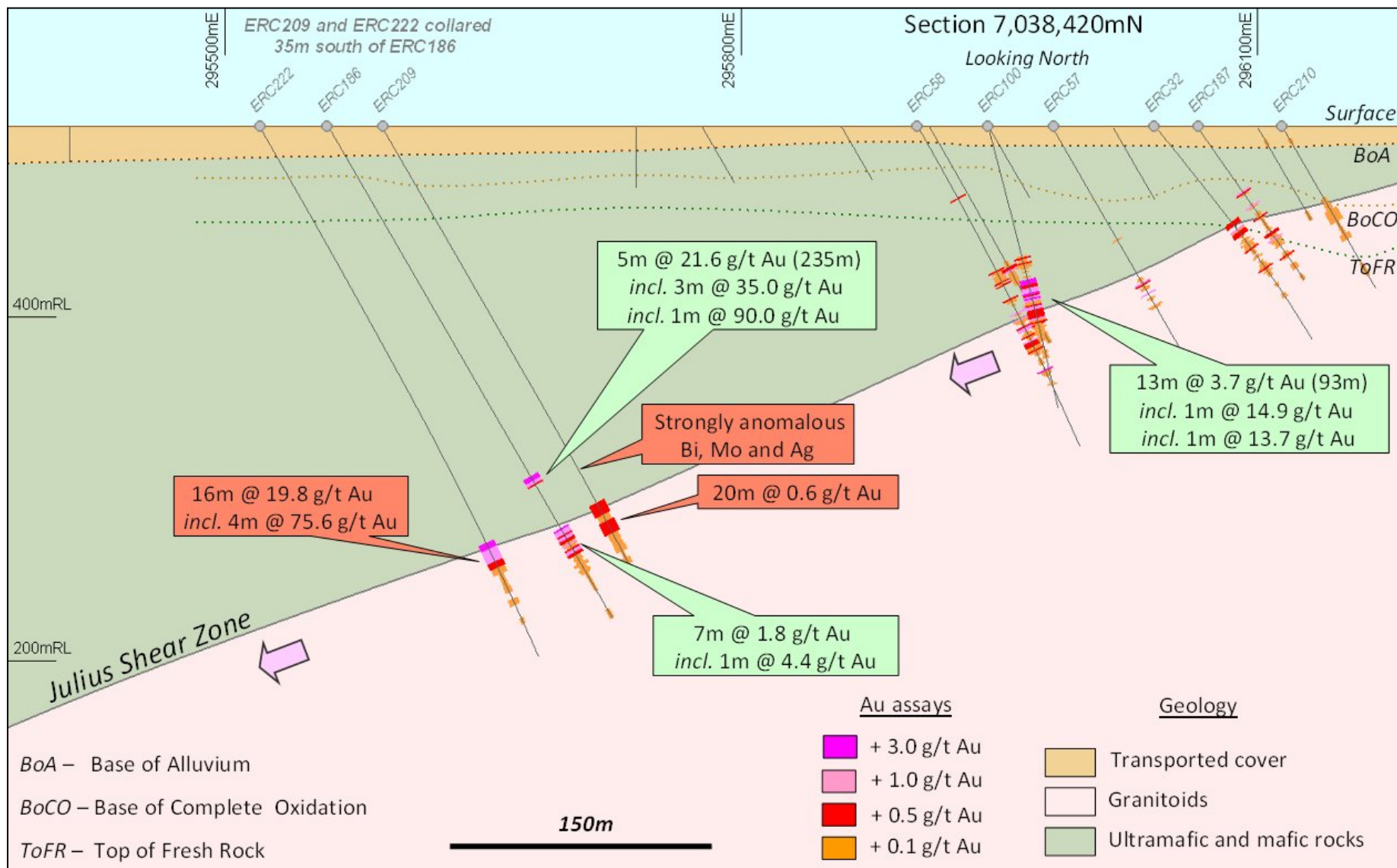


Fig. 4: Drilling results for step-out drill holes ERC186, ERC209 and ERC222

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REVIEW OF OPERATIONS (continued)

Table 1: Selected re-split sample 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	EOH 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>includina</i>			090°		235	238	3	35.0	105.1
<i>includina</i>					236	237	1	90.0	90.0
					270	277	7	1.8	12.5
<i>includina</i>					270	271	1	4.4	4.4
					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>includina</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
<i>includina</i>			090°		43	44	1	4.2	4.2
					69	70	1	1.6	1.6
					76	90	14	3.5	49.3
<i>includina</i>					76	81	5	6.9	34.6
<i>includina</i>					76	77	1	12.5	12.5
<i>includina</i>					79	80	1	9.6	9.6
					98	99	1	1.5	1.5
ERC198	7,038.020	295.906	-55°	100	12	15	3	2.7	8.0
<i>includina</i>			090°		14	15	1	3.6	3.6
					51	53	2	6.1	12.1
<i>includina</i>					52	53	1	10.9	10.9
					75	79	4	2.3	9.3
<i>includina</i>					75	76	1	5.1	5.1
<i>includina</i>					78	79	1	3.4	3.4
ERC200	7,037.905	295.856	-60°	84	12	18	6	3.1	18.6
<i>includina</i>			090°		12	16	4	3.9	15.5
<i>includina</i>					12	13	1	4.1	4.1
<i>includina</i>					14	15	1	4.4	4.4
					25	26	1	1.8	1.8
					46	47	1	1.5	1.5
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	36.44	1.17	1.1	1.3
			090°		49	68.10	19.1	8.1	154.6
<i>includina</i>					54	59	5	21.7	108.6
<i>includina</i>					58.20	59	0.8	58.1	46.5

ASX release 29 November 2013. Hole prefix ERC denotes RC drill hole (1m cone split samples); ERCD denotes DC drill hole (cut NQ or HQ ½ to ¾ core samples typically varying from 0.6 to 1.3m in length). The intervals and depths are down-hole lengths. The samples were analysed by fire assay (SGS and Quantum Analytical Services 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. Drill hole collar elevations are between 511m – 514mRL. EOH denotes intercept at end-of-hole.

REVIEW OF OPERATIONS (continued)

Table 2: Selected composite sample drill intersections (+0.5g/t Au)*(Results greater than 10m x g/t Au shown in bold)*

Hole No.	Northing (mN)	Easting (mE)	Hole Dip & Azi	EOH Depth (m)	From (m)	To (m)	Interval (m)	Grade (g/t Au)	Intercept width x grade (m x g/t Au)
ERC209	7,038,395	295.59	-60° 090°	300	252	272	20	0.6	11.8
ERC212	7,038,330	296.06	-75° 090°	95	44	68	24	5.3	127.0
<i>including</i>					52	56	4	22.6	90.2
<i>including</i>					64	68	4	6.1	24.5
ERC217	7,038,140	295.92	-55° 090°	105	24	68	44	3.8	168.3
<i>including</i>					48	52	4	29.0	116.0
					76	80	4	0.6	2.2
					96	105	9	0.8	6.8 EOH
ERC219	7,038,104	295.88	-55° 090°	127	12	20	8	0.6	4.8
<i>including</i>					44	60	16	2.1	34.0
					44	48	4	4.1	16.2
					76	96	20	1.2	24.4
					108	112	4	1.9	7.4
ERC220	7,038,204	295.88	-70° 090°	145	20	24	4	0.6	2.3
<i>including</i>					96	132	36	1.5	53.9
					128	132	4	3.1	12.5
ERC222	7,038,394	295.52	-60° 090°	349	276	292	16	19.8	317.1
					276	280	4	75.6	302.6

ASX release 17 February 2014. The RC drill hole composite samples reported in this table varied from 4m – 5m in length. The intervals and depths are down-hole lengths. The samples were analysed by Aqua Regia with ICPMS finish (Quantum Analytical Services, Perth). The intercepts were calculated using a minimum edge cut-off of 0.5g/t Au and up to 4m wide intervals of internal dilution. No assay top-cut was applied. The 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. Drill hole collar elevations are between 511m – 514mRL. EOH denotes intercept at end-of-hole.

RESULTS OF OPERATIONS

The Company incurred an after tax operating loss for the half-year ended 31 December 2013 of \$784,498 (2012: \$644,280).

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 10.

EVENTS SUBSEQUENT TO REPORTING DATE

No matters or circumstances have arisen since 31 December 2013, which has significantly affected, or may significantly affect the operations of the group, the result of those operations, or the state of affairs of the group in subsequent financial years.

CHANGES IN STATE OF AFFAIRS

During the half-year ended 31 December 2013 there was no significant change in the entity's state of affairs other than that referred to in the half-year financial statements or notes thereto.

This report is made in accordance with a resolution of Directors and signed for and on behalf of the Directors by:



Ernst Kohler
Director

Perth, Western Australia
14 March 2014

DECLARATION OF INDEPENDENCE BY PHILLIP MURDOCH TO THE DIRECTORS OF ECHO
RESOURCES LIMITED

As lead auditor for the review of Echo Resources Limited for the half-year ended 31 December 2013, I declare that to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Echo Resources Limited and the entity it controlled during the period.



Phillip Murdoch
Director

BDO Audit (WA) Pty Ltd
Perth, 14 March 2014

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2013**

		Half-year	
	Note	2013 \$	2012 \$
REVENUE FROM CONTINUING OPERATIONS	2	21,355	16,527
EXPENDITURE			
Exploration and evaluation expenses		(406,910)	(269,759)
Other expenses	2	(376,597)	(374,407)
Occupancy expenses		(22,346)	(16,641)
LOSS BEFORE INCOME TAX		(784,498)	(644,280)
Income tax benefit expense		-	-
LOSS FOR HALF-YEAR		(784,498)	(644,280)
Other comprehensive income for the half-year, net of tax		-	-
TOTAL COMPREHENSIVE INCOME FOR THE HALF-YEAR ATTRIBUTABLE TO THE MEMBERS OF ECHO RESOURCES LIMITED		(784,498)	(644,280)
Loss per share attributable to the ordinary equity holders of the Company			
Basic loss per share (cents)		(0.83)	(0.73)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013**

	31 December 2013 \$	30 June 2013 \$
CURRENT ASSETS		
Cash and cash equivalents	986,563	1,580,822
Trade and other receivables	27,270	227,749
TOTAL CURRENT ASSETS	1,013,833	1,808,571
NON-CURRENT ASSETS		
Property, plant and equipment	63,735	64,297
Other financial assets	25,000	25,000
TOTAL NON-CURRENT ASSETS	88,735	89,297
TOTAL ASSETS	1,102,568	1,897,868
CURRENT LIABILITIES		
Trade and other payables	654,163	664,965
TOTAL CURRENT LIABILITIES	654,163	664,965
TOTAL LIABILITIES	654,163	664,965
NET ASSETS	448,405	1,232,903
EQUITY		
Contributed equity	4 10,377,346	10,377,346
Options reserves	266,442	266,442
Accumulated losses	(10,195,383)	(9,410,885)
TOTAL EQUITY	448,405	1,232,903

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2013**

	Contributed Equity	Accumulated Losses	Options Reserve	Total Equity
CONSOLIDATED				
Balance 1 July 2013	10,377,346	(9,410,885)	266,442	1,232,903
Loss for the year	-	(784,498)	-	(784,498)
Total comprehensive income for the half year	-	(784,498)	-	(784,498)
Transactions with owners in their capacity as owners				
Contributions to equity net of transactions costs	-	-	-	-
Balance 31 December 2013	10,377,346	(10,195,383)	266,442	448,405

	Contributed Equity	Accumulated Losses	Options Reserve	Total Equity
CONSOLIDATED				
Balance 1 July 2013	9,104,732	(8,201,528)	266,442	1,169,646
Loss for the year	-	(644,280)	-	(644,280)
Total comprehensive income for the half year	-	(644,280)	-	(644,280)
Transactions with owners in their capacity as owners				
Contributions to equity net of transactions costs	265,548	-	-	265,548
Balance 31 December 2013	9,370,280	(8,845,808)	266,442	790,914

The above consolidated statement of changes in equity should be read in
conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2013**

	Half-year	
	2013 \$	2012 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Research and development tax refund	179,305	-
Payments to suppliers and employees	(166,390)	(210,607)
Payments for exploration	(621,876)	(368,629)
Interest received	16,954	16,285
Net cash outflow from operating activities	<u>(592,007)</u>	<u>(562,951)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	-	292,500
Payments for share issue costs	(2,252)	(26,952)
Net cash inflow from financing activities	<u>(2,252)</u>	<u>265,548</u>
Net decrease in cash and cash equivalents	(594,259)	(297,404)
Cash and cash equivalents at the beginning of the half-year	1,580,822	1,247,217
CASH AND CASH EQUIVALENTS AT THE END OF THE HALF-YEAR	<u>986,563</u>	<u>949,813</u>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1: BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the annual financial statements for the year ended 30 June 2013 and any public announcements made by Echo Resources Limited during the interim period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Basis of preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's 2013 annual financial report for the financial year ended 30 June 2013, except for the impact of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and International Financial Reporting Standards.

Significant accounting judgments and key estimates

The preparation of the interim financial reports requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2013.

Changes in accounting policy

The accounting policies have been consistently applied by the Consolidated Group and are consistent with those applied in the previous financial year and those of the corresponding interim reporting period, except the following:

- AASB 10 Consolidated Financial Statements
- AASB 11 Joint Arrangements
- AASB 13 Fair Value Measurement
- AASB 119 Employee benefits
- AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle

Adoption of new and revised accounting standards

In the half year ended 31 December 2013, the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2013. It has been determined by the Group that, there is no impact, material or otherwise, of the new and revised standards and interpretations on its business and therefore no change is necessary to the Group's accounting policies.

Going concern

The Directors have prepared the financial statements on the basis of going concern, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business. The Group recognises it incurred a net loss of \$784,498 and a net cash outflow from operating activities of \$592,007 in the period ending 31 December 2013. Given the Group's history of successful capital raising to date, the Directors are confident of the Group's ability to raise additional funds as and when they are required. Mr Kohler has also confirmed that he will not call upon his outstanding salary balance totaling \$338,871 until the Group is in the position to repay the amount. Based on the factors referred to above, the Directors are satisfied that the going concern basis of preparation is appropriate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

	Half-year	
	2013	2012
	\$	\$
NOTE 2: REVENUE AND EXPENSES		
(a) Revenue		
Interest received	21,355	16,527
	21,355	16,527
(b) Other expenses		
Employee benefits expenses	(203,909)	(157,307)
External professional fees	(61,041)	(64,515)
Non-executive Director fees	(38,708)	(60,936)
ASX fees	(24,130)	(18,277)
Other administrative expenses	(48,808)	(73,372)
	(376,597)	(374,407)

NOTE 3: SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The entity does not have any operating segments with discrete financial information. The Group does not have any customers, and all the Group's assets and liabilities are located within Australia.

The Board of Directors review internal management reports on a monthly basis that is consistent with the information provided in the statement of profit and loss and other comprehensive income, statement of financial position and statement of cash flows. As a result no reconciliation is required because the information as presented is what is used by the Board to make strategic decisions.

NOTE 4: CONTRIBUTED EQUITY

	2013	
	Number	\$
Issued Capital		
Fully paid ordinary shares	94,981,768	10,377,346
Capital raising costs	-	-
	94,981,768	10,377,346
Movements in share capital		
	Number	\$
Balance 1 July 2013	94,981,768	10,377,346
Balance 31 December 2013	94,981,768	10,377,346
Balance 1 July 2012	83,030,654	9,104,732
Issue of 6,500,000 ordinary fully paid shares at 4.5 cents each	6,500,000	292,500
Issue of 5,451,114 ordinary fully paid shares at 19.5 cents each	5,451,114	1,062,967
Less capital raising costs	-	(82,853)
Balance 30 June 2013	94,981,768	10,377,346

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

NOTE 5: CONTINGENCIES

There has been no change in contingent liabilities or contingent assets since the last annual reporting date.

NOTE 6: DIVIDENDS

There were no dividends paid during the half-year ended 31 December 2013.

NOTE 7: EVENTS AFTER BALANCE DATE

No matters or circumstances have arisen since 31 December 2013, which has significantly affected, or may significantly affect the operations of the group, the result of those operations, or the state of affairs of the group in subsequent financial years.

NOTE 8: FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company does not have any financial instruments that are subject to recurring fair value measurements. Due to their short-term nature, the carrying amounts of the current receivables and current trade and other payables is assumed to approximate their fair value.

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DIRECTORS' DECLARATION

In the Directors' opinion:

1. the financial statements and notes set out on pages 11 to 17 are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with the *Corporations Regulations 2001* and Australian Accounting Standard AASB 134 *Interim Financial Reporting* and other mandatory professional requirements; and
 - (b) giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and
2. there are reasonable grounds to believe that Echo Resources Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors and is signed for and on behalf of the Directors by:



Ernst Kohler
Director

Perth, Western Australia
14 March 2014

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Echo Resources Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Echo Resources Limited, which comprises the consolidated statement of financial position as at 31 December 2013, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entity it controlled at the half-year's end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Echo Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Echo Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

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Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Echo Resources Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*

BDO Audit (WA) Pty Ltd

BDO

A handwritten signature in black ink, appearing to read 'P. Murdoch', is written over a horizontal line.

Phillip Murdoch

Director

Perth, 14 March 2014

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