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18 October 2019

The Manager
Market Announcements Office
ASX Limited
Central Park
Level 152-158 St Georges Terrace
Perth WA 6000

Dear Sir/Madam

Takeover bid by Northern Star for Echo Resources — Second Supplementary Bidder's Statement

We act for Northern Star Resources Limited ACN 092 832 892 (**Northern Star**).

We refer to the bidder's statement dated 5 September 2019 in relation to Northern Star's off-market takeover bid for all the shares in Echo Resources Limited ACN 108 513 113 (**Echo**) (**Original Bidder's Statement**), as supplemented by Northern Star's first supplementary bidder's statement dated 23 September 2019.

We attach, by way of service pursuant to section 647(3)(b) of the *Corporations Act 2001* (Cth), a copy of Northern Star's second supplementary bidder's statement (**Second Supplementary Bidder's Statement**).

The Second Supplementary Bidder's Statement has been lodged today with the Australian Securities and Investments Commission and served on Echo.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Justin Mannolini', with a long horizontal flourish extending to the right.

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18 October 2019

SECOND SUPPLEMENTARY BIDDER'S STATEMENT

1 Important notice

This document is a supplementary bidder's statement under section 643(1) of the *Corporations Act 2001* (Cth). It is the second supplementary bidder's statement (**Second Supplementary Bidder's Statement**) issued by Northern Star Resources Limited ACN 092 832 892 (**Northern Star**) in relation to its recommended cash takeover bid for all the shares in Echo Resources Limited ACN 108 513 113 (**Echo**).

This Second Supplementary Bidder's Statement supplements, and should be read together with, Northern Star's bidder's statement dated 5 September 2019 (**Original Bidder's Statement**) and first supplementary bidder's statement dated 23 September 2019.

Capitalised terms in this Second Supplementary Bidder's Statement have the same meaning given in the Original Bidder's Statement, unless the context otherwise requires.

A copy of this Second Supplementary Bidder's Statement was lodged with ASIC on 18 October 2019. Neither ASIC nor any of its officers take any responsibility for its contents.

2 Offer is unconditional

Northern Star has today announced that the **Offer Price of A\$0.33 per Echo share is final and will not be increased**.

Northern Star also announced that, if certain conditions are satisfied, and subject to the statutory and common law duties of the Echo directors, Northern Star intends to cause Echo to apply to be removed from the official list of the ASX.

Attached at Appendix A is the ASX announcement released by Northern Star today in relation to these matters.

Northern Star's **unconditional** Offer is scheduled to close at **7.00pm (Sydney time) on Monday 28 October 2019**.¹

3 Further information

Echo shareholders who have any questions in relation to the Offer or who would like another acceptance form should call the Northern Star Offer Information Line on 1300 657 159 (for callers within Australia) or +61 1300 657 159 (for callers outside Australia) between 8.30am and 7.00pm (Sydney time) on Business Days.

date 18 October 2019

Signed for and on behalf of **Northern Star Resources Limited** pursuant to a resolution of the directors of Northern Star Resources Limited.

By

sign here ► 
 Director

Print name Bill Beament

¹ Subject to any further extension in accordance with the Corporations Act.

APPENDIX A: NORTHERN STAR DECLARES ECHO OFFER LAST AND FINAL

This means the current offer of A33¢ a share will not be increased

HIGHLIGHTS

- Northern Star has declared its unconditional A33¢ cash offer for Echo last and final
- Northern Star may seek to delist Echo if certain conditions are satisfied
- Shareholders who do not accept the Offer could be exposed to potential dilution associated with future equity funding requirements of Echo
- Echo shareholders are urged to accept the Offer without delay
- Offer due to close at 7.00pm (Sydney time) on 28 October 2019

Northern Star Resources Limited (“Northern Star”) (ASX: NST) refers to its recommended cash takeover offer of A33¢ per share for all the issued shares of Echo Resources Limited (“Echo”) (the “Offer”), as set out in Northern Star’s Bidder’s Statement dated 5 September 2019, as supplemented by a First Supplementary Bidder’s Statement dated 23 September 2019 (“Bidder’s Statement”).

Northern Star currently has a relevant interest in 59.66% of Echo shares.

Northern Star’s offer is now last and final

Northern Star has determined that the Offer price of A33¢ per Echo share is its **last and final offer**, meaning that there will be **no increase** in the Offer price.

As previously announced, Northern Star will pay the cash consideration due to accepting shareholders within seven business days of valid acceptance of the Offer.

Northern Star wishes to reiterate that the Offer represents a significant premium to Echo’s share trading prior to the announcement of Northern Star’s intention to make the Offer:

- 39.4% to Echo’s Volume Weighted Average Price (“VWAP”) of A\$0.237 on 19 August 2019 (Echo’s last trading day on ASX before Echo was placed in trading halt);
- 42.1% to Echo’s 10-day VWAP of A\$0.232 up to and including 19 August 2019;
- 49.7% to Echo’s 20-day VWAP of A\$0.220 up to and including 19 August 2019;
- 80.3% to Echo’s 60-day VWAP of A\$0.183 up to and including 19 August 2019; and
- 154% to the A\$0.130 per share issue price of Echo’s most recent capital raising.

Echo shareholders should be aware that if they do not accept the Offer they will be exposed to a variety of risks including a risk that the Echo share price may fall after the Offer closes. Any shareholders who do not accept the Offer could also be exposed to potential dilution associated with future equity funding requirements of Echo.

Northern Star may seek to de-list Echo

Northern Star refers to sections 10.2 and 10.3 of the Bidder’s Statement and confirms that if:

- (i) Northern Star acquires more than 75%, but less than 90%, of the ordinary shares in Echo (whether under the Offer or otherwise); and

APPENDIX A: NORTHERN STAR DECLARES ECHO OFFER LAST AND FINAL

- (ii) other than Northern Star, there are no more than 150 remaining holders of Echo shares with a marketable parcel of shares (being \$500 worth or more of Echo shares),

Northern Star intends to cause Echo to request that it be removed from the official list of the ASX.

Northern Star's intentions in respect of this request are subject to:

- (b) the proper discharge of Echo directors' statutory and common law duties to act in the best interests of all Echo shareholders;
- (c) the Offer remaining open for at least two weeks after the date Northern Star acquires 75% of Echo (see further below); and
- (d) the application for removal being made no more than one month after the Offer closes.

The Offer is due to close at 7:00pm (Sydney time) on 28 October 2019². Should Northern Star acquire a relevant interest in 75% or more of the Echo Shares, it will extend the offer for a sufficient period to enable the condition in (b) above to be satisfied³.

Echo shareholders should note that ASX policy⁴ provides that, if these conditions are satisfied, ASX will usually **not** require the entity concerned (in this case Echo) to obtain security holder approval to its removal from the official list.

Echo shareholders are encouraged to **ACCEPT the Offer without further delay**.

Further Information

For further information regarding the Offer, please refer to the Bidder's Statement and Echo's Target's Statement dated 17 September 2019 which were sent to Echo shareholders and are available on the ASX.

Full details on how to accept the Offer are set out in section 13.3 of the Bidder's Statement. If there are any further question on how to accept the Offer, please call the Northern Star Offer Information Line on 1300 657 159 (within Australia) or +61 1300 657 159 (international) between 8.30am and 7.00pm (Sydney time) on Business Days.

Yours faithfully



BILL BEAMENT
Executive Chairman
Northern Star Resources Limited

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² Subject to any further extension in accordance with the Corporations Act.

³ For avoidance of doubt, Northern Star reserves the right to extend the offer even if it has a relevant interest in less than 75% of the Echo shares.

⁴ See ASX Guidance Note 33.