



ECHELON

RESOURCES LIMITED

Announcement to the Australian Securities Exchange – 4 April 2007

HISTORICAL DRILLHOLE DATA REVEALS POTENTIAL FOR VALHALLA STYLE URANIUM MINERALISATION ON ECHELON TENEMENTS IN QUEENSLAND

Echelon Resources Limited ("Echelon" or "Company") is pleased to announce that it has identified the potential for Valhalla style uranium mineralisation on a number of its uranium tenements held in Queensland. This follows the discovery of historical drillhole data relating to the tenements which are located directly north of the Summit Resources tenements containing the Valhalla and Skal Uranium Projects. Paladin Resources also holds a 50% interest in these projects.

The results of a detailed report by external consultants into the Company's Queensland holdings indicate that the Company's "Greenstone" tenement (EPM 12572) has a number of highly prospective areas of uranium mineralisation. The Company has recently applied for two adjacent tenements (EPMA's 15677 and 16006) Figure 1.

In 1971 Queensland Mines Ltd carried out a percussion drilling program on the Batman prospect within the Greenstone tenement with the best assay results from the 5 hole program (Table 1) being:

- 17.8m @ 0.123% U₃O₈ - Hole PNB 5*
- 6.97m @ 0.091% U₃O₈ - Hole PNB 3*
- 2.7m @ 0.048% U₃O₈ - Hole PNB 2*

A number of small shafts have also been sunk, however production records are not available. Figures 2 and 3 indicate the radiometric signature over the project areas – Batman, Duke and Lily. In addition to these areas, a major 4.2 kilometre long structure has been identified using existing radiometric data. Follow up surface mapping and sampling of this anomaly will be carried out.

Greenstone is located 45 kilometres to the north of the Valhalla and Skal Uranium Projects operated by Summit Resources. Summit has recently reported a 57 million pound JORC compliant uranium resource for the Valhalla Project. In addition Summit have reported encouraging uranium intersections at their Watta and Warwai prospects which are located 20 km south east of the Greenstone tenement. Both of these projects were previously drilled by Queensland Mines Ltd in the late 1960's and Agip Australia Pty Ltd in the early 1970's.

The Company will also make a placement of 4.0 million shares at \$0.35 each to raise \$1.4 million to a number of Canadian and European investors. Funds raised from the placement will be used to fund an accelerated exploration programme on the tenements including a detailed aerial radiometric survey within the next three months to further delineate drill targets, as well as a surface sampling campaign.

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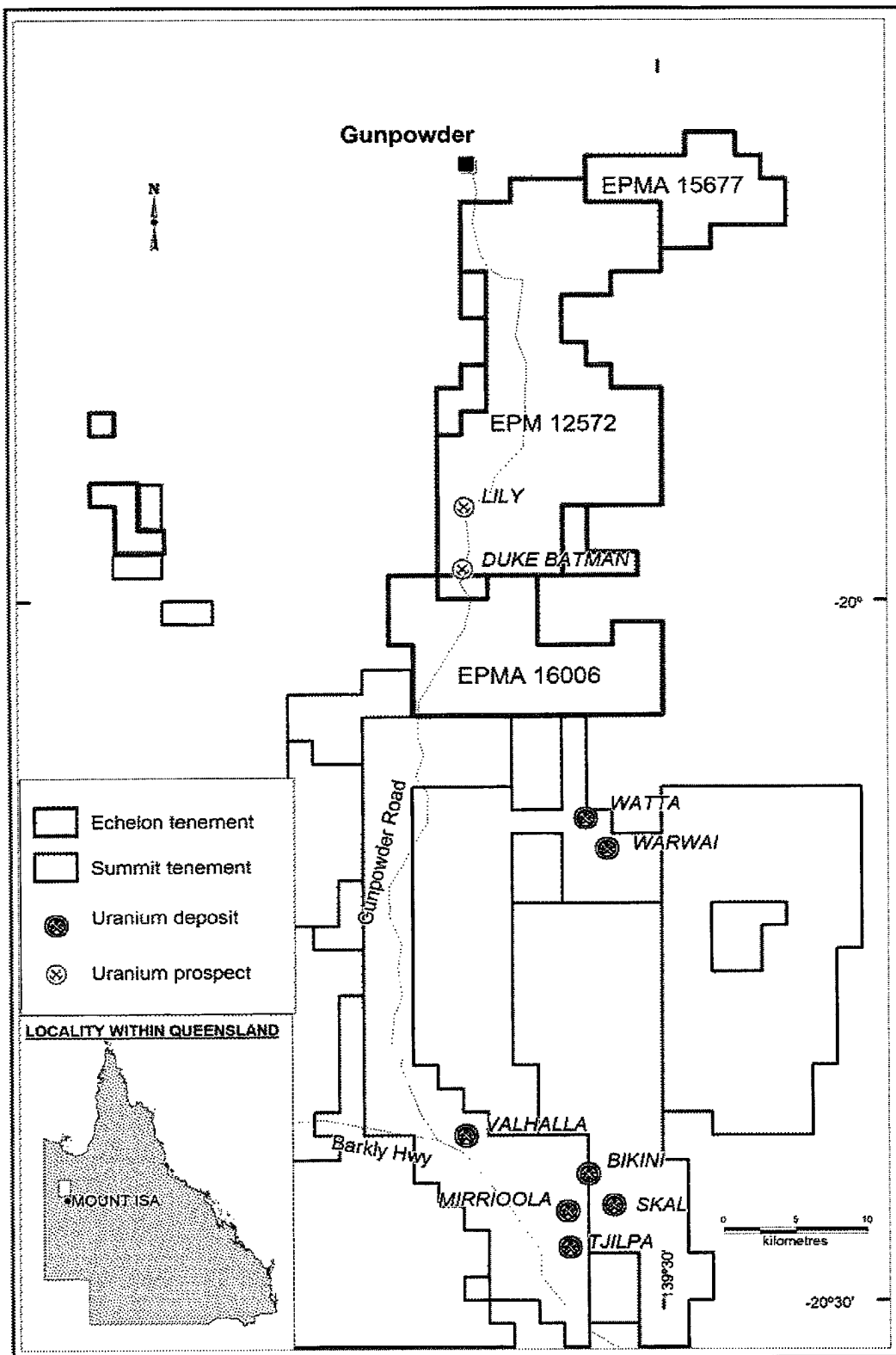


Figure 1- Location of Greenstone Tenements

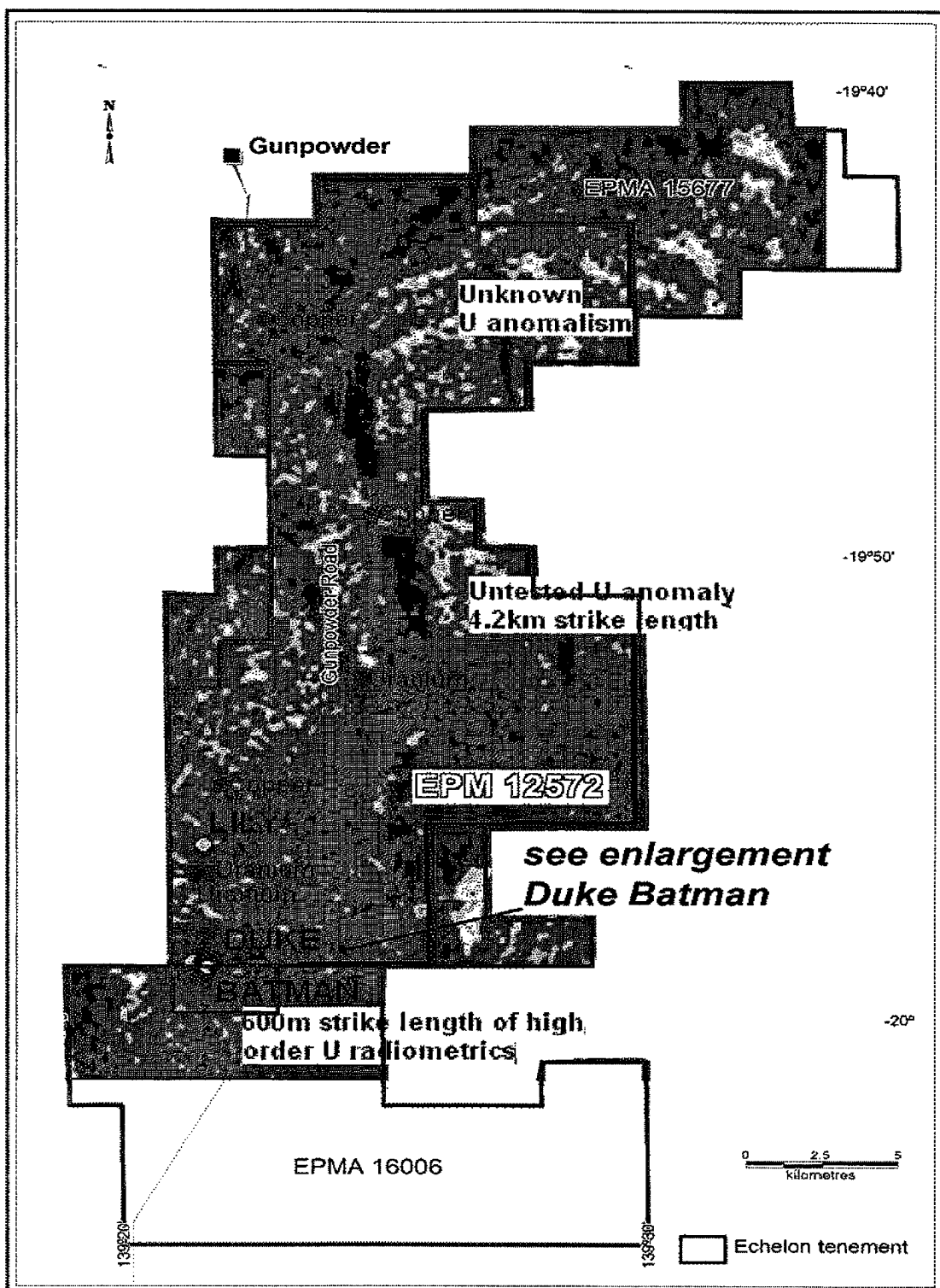


Figure 2 - Radiometric Signature over Greenstone Tenements

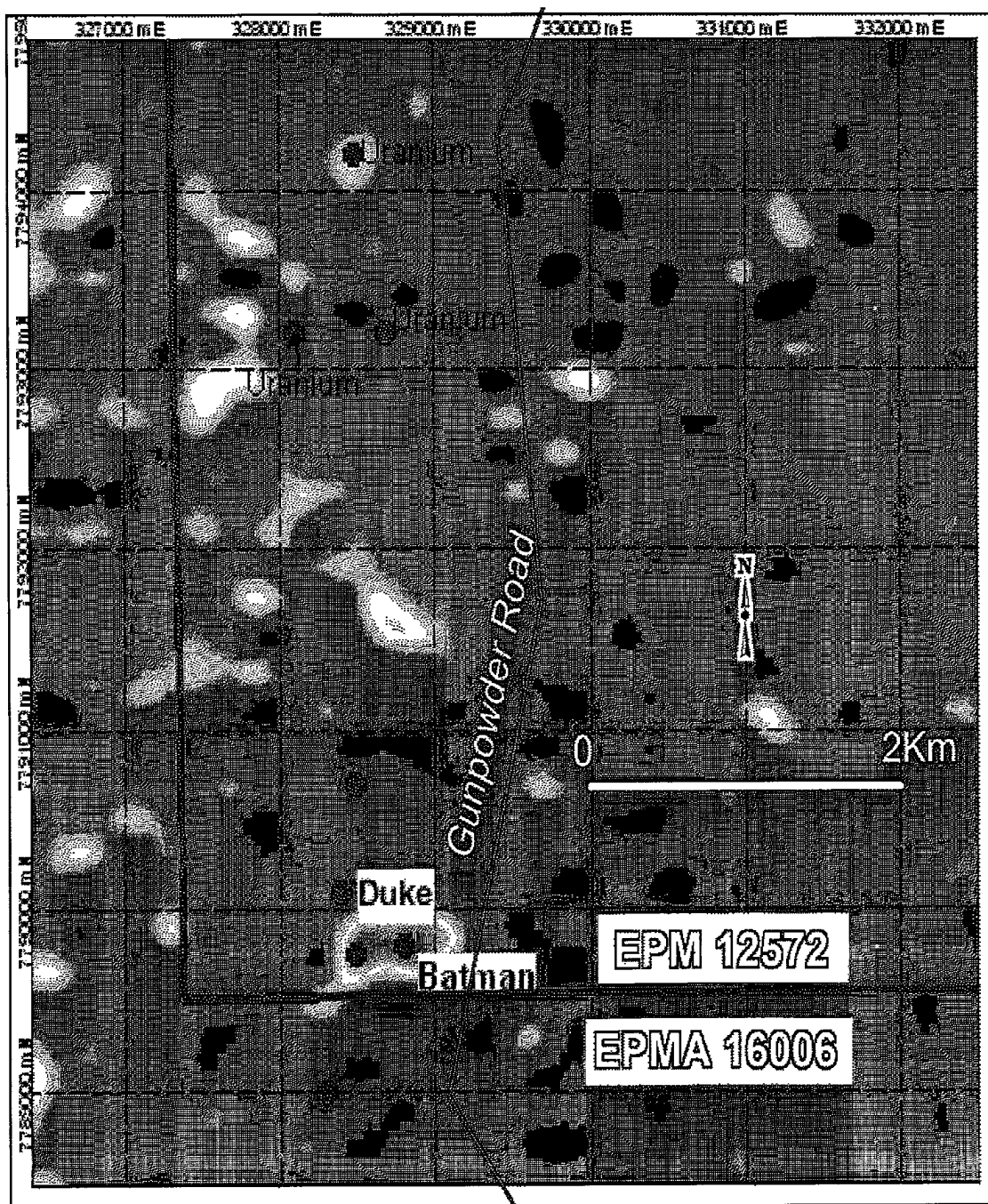
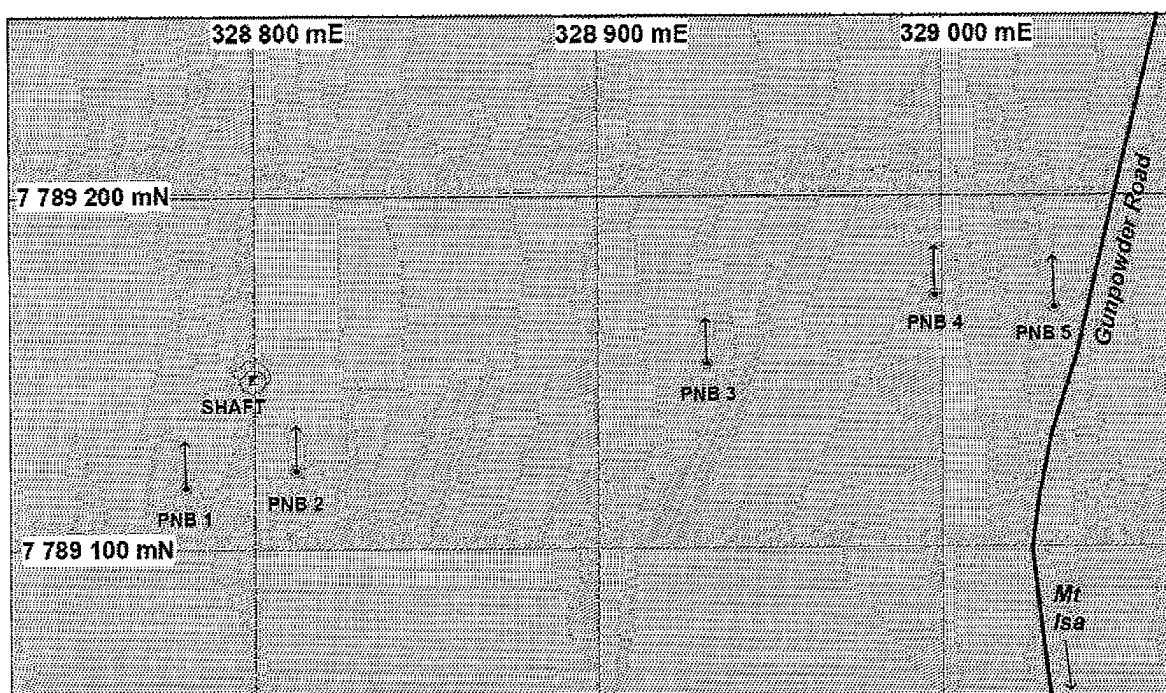


Figure 3 - Radiometric Signature over Duke and Batman

Table 1
Percussion Drill Assays – Queensland Mines Limited

Hole No	Easting	Northing	Azimuth	Dip	Total Depth	From	To	Downhole Intercept	U3O8 Grade
	Datum GDA 94		True	deg	(m)	(m)	(m)	(m)	(%)
PNB 001	328 779 mE	7 789 117 mN	360	-55	76.2	Low radioactivity; not sampled			
PNB 002	328 812 mE	7 789 122 mN	360	-55	68.6	30.2	32.9	2.7	0.048
PNB 003	328 931 mE	7 789 152 mN	360	-55	58.5	37.0	43.9	6.9	0.091
PNB 004	328 997 mE	7 789 172 mN	360	-60	61.0	Failed to reach target horizon; not sampled			
PNB 005	329 033 mE	7 789 169 mN	360	-55	61.0	32.9	50.7	17.8	0.123
					including	37.0	49.4	12.4	0.164



The information in this report that relates to Exploration Results is based on information compiled by Mr. David Jones and Mr Cameron Switzer. Mr Jones is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr. Jones is a full-time employee of Vidoro Pty Ltd, a consultant of Echelon Resources Limited. Mr. Jones 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'. Mr Switzer is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr. Switzer is a full-time employee of Switzer Geological Services, a consultant of Echelon Resources Limited. Mr. Switzer 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'.

Mr. Jones and Mr Switzer consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.