



## News Release

Listing and Symbol: TSX Venture – “EEI.V”  
Issued Common Shares: 52,779,515

### **Echo Energy Releases Comprehensive Update on Natural Gas and Oil Projects**

**London, ON – February 5, 2007** - Echo Energy Canada Inc. (EEI: TSXV-Tier 1), active in natural gas and oil exploration, has drilled 71 wells since 2001 in Bayham Township, Elgin County and Houghton Township, Norfolk County, south of the town of Tillsonburg, Ontario. All currently drilled wells have tested gas from the Silurian-aged Thorold sandstone, at depths varying from 1350 to 1460 feet. One well, Echo 57, was drilled into the Cambrian sandstone to a depth of 3616 feet. Most of the Thorold wells either have been sand fraced or are awaiting fracs. As of Jan 1, 2007, 54 Thorold wells are onstream and producing, with total company production of approximately 1,000,000 cubic feet per day.

The first of the announced Trenton/Black River and Cambrian deeper exploratory wells discussed in the last investor update has been drilled. The well, Echo 57, encountered a thin natural gas zone over water at the top of the Cambrian sandstone with a measured gas flow rate of over 100,000 cubic feet per day. With the anticipated water handling problems trying to complete this zone, the well was plugged back to the Thorold sandstone and will be completed as a Thorold gas well. The Cambrian gas flow encountered with this well is very encouraging and proves the potential for deeper gas and oil targets under the acreage held by Echo.

During 2006, Echo acquired and interpreted extensive magnetic and proprietary gravity data in Bayham, Houghton, and Malahide Townships. This exploration data clearly outlines trend areas for deeper targets as well as expected areas for enhanced Thorold sandstone development. This exploration data, in combination with additional seismic as required, will be used during 2007 to both drill additional Thorold sandstone wells, as well as to drill deeper wells, targeting Trenton/Black River and Cambrian zones.

In addition to the deep test, Echo drilled 2 additional Thorold gas wells during 2006. Both wells encountered gas in the Thorold. One well will be completed and tied into the company’s gathering system, while the other well was plugged for logistical reasons and will be redrilled.

Echo Energy Canada has an extensive gathering, compression, and sales line system to allow production from wells within the company's land position. This system was expanded during 2006 to tie-in 2 additional Thorold gas wells, and has ample additional capacity to handle all gas expected from ongoing Thorold and deeper drilling. The system can process up to 6,000,000 cubic feet per day and has three sales points where gas can be delivered to the Union Gas system for sales, so no take away capacity or market restrictions exist. The company can quickly and economically add spurs off of the gathering system to tie-in any additional gas wells to the system. If oil production is encountered in any of the deeper exploratory wells, individual well or small field batteries will be built at the location, with solution gas delivered into the company's gathering system.

Echo Energy has approximately 60,000 acres of Petroleum and Natural Gas Leases (P&NG leases) in the Houghton, Bayham, and Malahide Township areas. This is one of the largest undeveloped land positions in the province and will allow Echo flexibility in choosing prime exploration targets.

With the soft gas prices available during much of 2006, Echo elected to only sell a portion of the company production, and purposely restricted the production rates from some of the better wells. The natural gas produced but not sold is parked in a gas storage account with Union Gas and can be sold at any time. This stored gas as well as increased flow potential available from many of the producing wells allows Echo unique flexibility to sell incremental gas volumes when gas prices increase. The company expects increased gas prices in 2007 compared to 2006, so sales rates and revenue will increase.

As well as having oil and gas assets, Echo Energy has interests in wind generating companies in Ontario. Echo Energy owns a 37.8% equity interest in Echo Power Generation, which is developing wind properties in the Port Burwell area of Lake Erie. As well as the Port Burwell interests, Echo Power has a 20.6% equity interest in Twenty Two Degree Energy Corp, which is actively developing wind assets in the Goderich area of Lake Huron. According to the London Free Press (Jan 28, 2007), the Goderich area is "on the top 10 wind potential areas in Ontario, maybe Canada."

The company is pleased to announce the appointment of Salvatore Pacifico to the Board of Directors. Mr. Pacifico is a P.Eng., with a Bachelor of Engineering Science in Electrical Engineering. He is an independent businessman in London, Ontario and previously spent 10 years as a Project Engineer with 3M Canada.

On Tuesday, February 6, 2007 Mr. Gary Conn, President & CEO of Echo Energy will record a "Beyond The Press Release" on the Company's official Investor Relations Site. The recording will discuss in "layman's" terms the results mentioned above. Please visit the hub at [www.agoracom.com/IR/EchoEnergy](http://www.agoracom.com/IR/EchoEnergy).

Investors are also asked to visit the Echo Energy IR Hub at [www.agoracom.com/IR/EchoEnergy](http://www.agoracom.com/IR/EchoEnergy) where they can post questions and receive answers or review questions and answers already posted by other investors. Alternatively, investors are able to e-mail all questions and correspondence to [EEI@agoracom.com](mailto:EEI@agoracom.com) where they can also request addition to the investor e-mail list to receive all future press releases and updates in real time.

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