



(ABN 85 142 366 541)

ANNUAL REPORT
For the Year Ended
30 JUNE 2011

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CORPORATE DIRECTORY

DIRECTORS

Mark Fogarty, Managing Director
Brett Smith, Non Executive Chairman
Emilio Pietro Del Fante, Non Executive Director
Paul Kelly, Non Executive Director

COMPANY SECRETARY

Claire Tolcon

PRINCIPAL & REGISTERED OFFICE

18 Oxford Close
Leederville WA 6007
Telephone: (08) 6382 5577
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AUDITORS

RSM Bird Cameron Partners
8 St Georges Terrace
Perth WA 6000

SHARE REGISTRAR

Share Transfer Registrars Pty Ltd
770 Canning Highway
Applecross WA 6953
Telephone: (08) 9315 2333
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STOCK EXCHANGE LISTING

Australian Securities Exchange
(Home Exchange: Perth, Western Australia)
Code: EUL

BANKERS

National Australia Bank
50 St Georges Terrace
Perth WA 6000

DIRECTORS' REPORT

The directors of Eclipse Uranium Limited submit their report, together with the financial statements of the "consolidated entity" for the year ended 30 June 2011.

1. DIRECTORS

The names and particulars of the directors of the consolidated entity during or since the end of the financial year are as follows. Directors were in office for this entire period unless otherwise stated.

Mark Fogarty	Managing Director	
Qualifications	BSc, MAusIMM	
Experience	<p>Mr Fogarty has nearly twenty years of experience in the mining and exploration industry. He graduated as a geologist in 2001 and has worked extensively on uranium, precious and base metal mining and exploration projects throughout Australia.</p> <p>Recently Mr Fogarty was Senior Geologist at Cauldron Energy, where he was involved in the definition of uranium resources at the Yanrey Project in Western Australia. With Cauldron Energy he was also active in the exploration of the company's assets in the Northern Territory and South Australia. Mr Fogarty also served on the board of United Uranium in 2007 and 2008.</p>	
Directorships of listed companies held within the last 3 years	United Uranium Limited	June 2007 to June 2008
Interest in Shares & Options	Fully Paid Ordinary Shares 20,000 20 cent Unlisted Options expiring 30 November 2015 250,000 20 cent Listed Options expiring 31 May 2014 10,000	
Date appointed	3 rd March 2010	
Brett Smith	Non-Executive Chairman	
Qualifications	B.Sc(Geol), M.AusIMM MAIG.	
Experience	<p>Mr Smith had acquired over 25 years of experience in the mining and exploration industry as a geologist, manager, consultant and director. His industry experience is broad, dominated by exploration and resource definition for mining operations. He is currently Chairman of Australian junior energy companies, Blackham Resources Ltd and Jacka Resources Ltd, Director of Cauldron Energy Ltd and Managing Director of Corazon Mining Ltd.</p>	
Directorships of listed companies held within the last 3 years	Corazon Mining Ltd July 2010 to present Blackham Resources Limited July 2007 to present Jacka Resources Limited October 2009 to present Cauldron Energy Limited June 2009 to present Jackson Minerals Limited May 2006 to November 2009	
Interest in Shares & Options	20 cent Options expiring 30 November 2015	150,000
Date appointed	3 rd March 2010	

DIRECTORS' REPORT (cont)

Emilio Pietro Del Fante

Non Executive Director

Experience

Mr Del Fante has more than 20 years experience in the mineral and resources sector where he is principal of Corporate Tenement Services, a company specialising in mining title management and native title issues. Mr Del Fante is the Managing Director of Dourado Resources Limited and has been a director of three other public listed mining exploration companies one of which was Revere Mining Ltd now Enterprise Metals Ltd which Peter was instrumental in guiding to an ASX listing.

Over the years as a consultant in the resource industry, Peter has also gained exposure and experience in many facets of the mining industry inclusive of indigenous negotiations, environmental issues, the establishment of relationships with the corporate sector and liaison with governing bodies such as the Department of Mines and Petroleum and the ASX.

Directorships of listed companies held within the last 3 years

Dourado Resources Limited	May 2008 to present
Prime Minerals Limited	August 2006 to October 2009
Enterprise Metals Limited	January 2007 to January 2009

Interest in Shares & Options

20 cent Options expiring 30 November 2015	150,000
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Date appointed

3rd March 2010

Paul Kelly

Non-Executive Director

Qualifications

BSc Hons, MAusIMM

Experience

Mr Kelly has more than 20 years of experience in the fields of finance, investment and banking. Mr Kelly was previously National Manager of Advertising and Sponsorship for Members Equity Bank and has held a number of senior roles with the bank over a 15 year period. Mr Kelly has also been a director of a number of listed entities.

Directorships of listed companies held within the last 3 years

International Goldfields Limited	November 2009 to February 2010
Chameleon Mining NL	May 2010 to present
Fe Limited	April 2010 to present
Monitor Energy Limited	February 2011 to August 2011

Interest in Shares & Options

Fully Paid Ordinary Shares	10,000
20 cent Listed Options expiring 31 May 2014	5,000

Date appointed

3rd March 2011

DIRECTORS' REPORT (cont)

2. COMPANY SECRETARY

Ms Claire Tolcon (Appointed 2nd August 2011)

Ms Tolcon has over 13 years' experience in the legal profession, primarily in the areas of equity capital markets, mergers and acquisitions, corporate restructuring, corporate governance and mining and resources. She was a partner of a corporate law firm for a number of years before joining the Company and has a Bachelor of Laws and Bachelor of Commerce (Accounting) degree and has completed a Graduate Diploma of Applied Corporate Governance with Chartered Secretaries Australia Ltd and a Graduate Diploma in Applied Finance with FINSIA.

Ms Melissa Chapman (Appointed 3rd March 2011) (Resigned 2nd August 2011)

B. Com, CPA

Mr Robert Marusco (B. Com) (Resigned 3rd March 2011)

B. Com, CPA

DIRECTORS' REPORT (cont)

3. PRINCIPAL ACTIVITIES AND SIGNIFICANT CHANGES IN NATURE OF ACTIVITIES

The principal activity of the consolidated entity during the financial year was mineral exploration.

There were no significant changes in the nature of the consolidated entity's principal activities during the financial year.

4. OPERATING RESULTS

The loss of the consolidated entity after providing for income tax amounted to \$532,043 (2010: \$368,761).

5. REVIEW OF OPERATIONS

CORPORATE

Eclipse Uranium Limited was incorporated in Western Australia on 3 March 2010 as a wholly owned subsidiary of Dourado Resources Limited.

Since incorporation, the consolidated entity obtained an option to acquire a number of exploration license applications located in the Northern Territory from Cauldron Energy Limited. Exercise of this option and the sale and purchase of the tenements was subject to the successful listing of Eclipse Uranium Limited on the Australian Stock Exchange ("ASX").

Eclipse Uranium Limited ("Eclipse" or the "consolidated entity") was officially admitted to the Official List of the ASX Limited on 15 February 2011. Official quotation commenced on 17 February 2011.

The consolidated entity issued 20,347,002 fully paid ordinary shares as part of the initial public offering for \$3,921,817 net of share issue costs. In addition, 25,000,000 fully paid ordinary shares were issued to Cauldron Energy Limited as consideration for the acquisition of exploration assets upon exercise of the option exercised by Eclipse to acquire these assets and 24,999,998 ordinary shares were issued to Dourado Resources Limited for exploration assets acquired.

PROJECT INFORMATION

The key activities of the consolidated entity are listed below:

Eclipse Project

The Eclipse Project includes three granted exploration licences (EL 24625, 24637 & 24808) and three exploration licence applications (ELA 24623, 24624 & 24627). Eclipse is 200km northwest of Alice Springs. The project covers 5,438km² considered prospective for surface calcrete and sandstone hosted uranium. The Eclipse Project is situated in the Ngalia Basin and the Arunta Block granites, both of which have established uranium prospectivity.

Numerous uranium occurrences fall within the project region - including the Currinya and Mount Wedge prospects. Currinya is a north-east trending radioactive anomaly of carnotite bearing calcrete. The uranium mineralisation was outlined by shallow auger drilling and has returned a number of significant results.

Significant exploration has been carried out, in recent years, over the area of the project by previous explorers. In early 2006, an aircore drilling program was conducted by Scimitar Resources Ltd (now Cauldron Energy Limited) within EL24625 and EL24637.

DIRECTORS' REPORT (cont)

Results from the drilling programs returned some encouraging values upstream of the New Well Deposit. During 2008 an airborne Radiometric/Magnetic survey was completed over EL24808 in the northwest of the project area. This was followed up with further aircore drilling which returned a number of anomalous results.

In 2009, Cauldron Energy became involved in the Joint Systems Uranium (JSU) Ngalia Basin Project conducted by CSIRO. The project is a collaboration between CSIRO, the Northern Territory and South Australian governments, Cauldron Energy, Thundelarra Exploration Ltd (ASX: THX) and Energy Metals Ltd (ASX: EME). It aimed to identify the geological, structural, mineralogical, alteration and fluid flow characteristics of uranium mineralisation within the Ngalia Basin. The project was funded by all parties and was expected to provide a robust understanding and framework that will drive future uranium exploration and mineralisation discoveries in the area. The 18 month project formally commenced during December 2009.

Eclipse Project – Drilling

Since its acquisition of these tenements from Cauldron Energy Limited, Eclipse has commenced exploration on its uranium assets in the Northern Territory. An initial Aircore drilling program, totalling 35 holes for 1397m, was completed on EL24625. The drilling targeted two previously identified radiometric anomalies, one of which is located on the margin of the Ngalia Basin adjacent to the Stuart Bluff Range, and the other within the Napperby Creek Drainage Channel.

Anomalous results were encountered adjacent to the Stuart Bluff Range including 1m at 62 ppm U₃O₈, 1m at 64 ppm U₃O₈, 4m at 38 ppm U₃O₈. All holes were drilled to granitic basement and varied in depth from 6m to 68m in this area. No significant intersections were encountered in the Napperby Creek anomaly.

The anomalous results from the Stuart Bluff Area show that uranium is in the system and gives the consolidated entity encouragement for future exploration in the region.

The Ngalia Basin hosts Energy Metals Ltd's (ASX: EME) Bigrlyi resource (9,600 t of U₃O₈ at 1,283ppm and 8,900 t of V₂O₅ at 1,197 ppm at a cut of grade of 500ppm U₃O₈ inferred and indicated resources) and Deep Yellow Ltd's (ASX: DYL) Napperby Project (3,351 t of U₃O₈ at 359ppm at a cut of grade of 200ppm U₃O₈ inferred resources). Thundelarra Exploration (ASX: THX) have recently returned results of 7.1m at 1,408ppm eU₃O₈ and 1.6m at 1,174ppm e U₃O₈. THX have identified mineralisation over 15kms which correlate well with palaeovalleys interpreted from Tempest EM programs.

Historical Tempest work completed on EL 24625 appears to show variation within, what is interpreted to be, Tertiary sediments in a similar style to the Thundelarra tenements. The consolidated entity proposes to extend this geophysics to cover the project area, so that favourable drill targets are defined.

Eclipse Project – Heritage Survey

During the period, field work was conducted by the Central Land Council over EL24808. Eclipse is planning a drilling program at this prospect, which lies equidistant between Energy Metals Ltd's (ASX: EME) Bigrlyi Uranium Deposit (9,600 t of U₃O₈ at 1,283ppm) and the Camel Flat Uranium Prospect. A Mining Management Plan has been approved for EL24808 for 40 holes which are targeting a similar style of mineralisation to Bigrlyi and the Yuendumu Thrust Fault. The consolidated entity has had a clearance survey completed by the Central Land Council and are currently awaiting the final report.

The ground covered by EL24808 is a structurally complex area dominated by the east-west trending Yuendumu Thrust fault. The proposed drilling program will target the Mount Eclipse Sandstone adjacent to the Yuendumu Thrust and additional faults interpreted from magnetic and gravity surveys.

The program is due to start once the Sacred Site Clearance Certificate has been received.

DIRECTORS' REPORT (cont)

The consolidated entity has been successful applicants for the Northern Territory Department of Resources *Bringing Forward Discovery Initiative*, part of the geophysics and drilling collaboration program with the industry. Eclipse has received a grant of approximately \$53,000 from the program which will be used to fly an airborne Tempest EM survey over EL24625. Further Tempest work will also be completed on EL24808 and EL24637.

Pine Creek Project

The Pine Creek Project consists of various tenures that cover the Pine Creek Orogen. These tenements provide exploration ground that is fertile for uranium mineralisation.

Eclipse's Pine Creek Project comprises six granted exploration licences in the top end of the Northern Territory (EL 24880, 27701, 27702, 27851, 27853 & 27930). The project covers a total area of 1,114km² including several historic prospects namely; Adelaide River; Point Stuart; Woolner, Litchfield South & Litchfield North; and Mount Douglas.

An initial reconnaissance field trip to Pine Creek tenements occurred during the period.

Adelaide River

Adelaide River covers an area of 184km² and is considered prospective for vein hosted uranium mineralisation. This is associated with a large north east trending regional fault structure. The prospect contains a number of high order radiometric uranium anomalies identified from recently flown airborne surveys. The tenement covers the Pine Creek Orogen and a small area of the Daly basin sediments approximately 100km south of Darwin.

The Pine Creek Orogen hosts more than 1,300 recognised mineral occurrences. The region contains about 20% of the world's low-cost uranium resources (including the unconformity style Ranger and Jabiluka uranium mines). A major north east trending fault considered prospective for vein hosted uranium mineralisation roughly bisects the project area. This fault occurs in the siltstones, greywackes and conglomerates of the Burrell Formation that hosts a number of uranium occurrences in the region.

Past exploration in the region of EL 24880 was mainly directed toward the identification of vein type uranium and associated base metal mineralisation. A few uranium occurrences were discovered in the region.

Previous exploration has included airborne radiometric and magnetic surveys over the entire licence area. Analysis of this data has identified a number of discrete bulls-eye radiometric uranium anomalies and areas of broadly elevated anomalism. The identified anomalies are similar to previously recognised uranium deposits in the vicinity of the project area. These include the Adelaide River and George Creek mines where Royal Resources has recently completed some uranium targeted drill programs. Initial interpretation of these anomalies indicated the presence of elevated uranium readings from handheld XRF sampling.

During the field trip the southern portion of the tenement, which had historically not been accessed, was visited with minor mapping completed to ground proof the known geology. After the visit to the tenement it is considered that a follow up mapping and rock chip sampling program would be beneficial to ground truth and further refine targets.

Point Stuart

The Point Stuart tenement application is 81kms south east of Darwin and is 262km². The licence application is situated on the Pine Creek Geosyncline, which is recognized as a major uranium and gold province. While this tenure has never been explored for uranium, it is identified as suitable to host unconformity and vein-style uranium deposits. This mineralisation is similar to the type found 100km east in the Alligator Rivers Uranium Field.

DIRECTORS' REPORT (cont)

Mary River region results from fieldwork by Yellow Rock Resources Ltd showed five noteworthy uranium anomalies near Jimmy Creek along a strike-length of 10 km in a north-east trend. Groundwork identified a separate large uranium anomaly 5 km north east of the Jimmy Creek anomalies.

Woolner

The Woolner tenement application is located 59kms east of Darwin and covers an area of 151km². The Woolner Dome remains relatively unexplored compared to the Rum Jungle complex and the Nanambu-Ranger complex. Due to broad similarities shared with the Rum Jungle and Alligator River fields, an unconformity related exploration model was used in the past to explore for uranium mineralization.

In late 2009 two mud rotary-diamond drill holes were drilled to 300m depth through the magnetic BIF unit into the Woolner Granite. Coring commenced immediately beneath the 50m of cover rocks, intersecting highly altered, high-grade metamorphic sediment containing sulphides, garnet and abundant chlorite.

The consolidated entity considers this area highly prospective for uranium mineralisation and a Falcon airborne gravity program has been devised over the prospect targeting the Woolner Granite and any associated structures.

Litchfield North & South

The Litchfield tenement applications are approximately 80kms south west of Darwin and include two exploration license applications covering 307km² (South) and 187km² (North).

The district is located in a zone of high uranium background, with the source of these being the Achaean granite basement. Geologically, the area is identified as suited to host unconformity and vein-style uranium deposits. The prospects are situated on the western tip section of the Pine Creek Geosyncline and intersect parts of the Daly and Birrinbindu Basins. Pine Creek is recognised as a major gold and uranium province associated with minor base mineral occurrences.

Geological research on these areas as well as minor mapping and sampling during the field trip indicate that the areas may also be prospective for gold. A historic radiometric anomaly was recorded on the tenement and this was located during the field program. It is considered that these tenements would be suited to a more intensive geological mapping program as well as geochemical sampling to aid with target generation.

Mount Douglas

The tenement application is located approximately 120 kms south east of Darwin and near Rum Jungle along the Arnhem Highway. The area lies between the upper reaches of the McKinley and Mary rivers and has an area of 23km². The tenement is situated on the eastern side of the Pine Creek Geosyncline Block and proximal to the Archaean inliers of the Kakadu area.

Sediments, volcanics and associated rocks associated with the tenement are known to host uranium mineralization. Yellow Rock Resources Ltd have conducted Radiometric Airborne surveys over most of the application areas. Total magnetic intensity images indicate several structures of interest on the Mount Douglas tenement. Soil sampling data and recorded geochemical results indicate positive assays for thorium, uranium and vanadium. Generally this area has been poorly explored for uranium.

In the southern part of the tenement, the rocks of the Pine Creek Orogen display significant radiometric counts that suggest uranium prospectivity. Consequently, there is strong probability that exploration for uranium could be successful.

DIRECTORS' REPORT (cont)

The consolidated entity believes that the geology of both areas is highly prospective for uranium and gold mineralisation. Further mapping, sampling and refining of targets is required for both of these tenements.

West Arnhem Project

The West Arnhem Project comprises of two exploration licence applications (ELA 27584 & 27703). The project covers a total area of 110km² and consists of the Devil's Elbow and Gumadeer tenements.

Devil's Elbow

The tenement application is located 285kms east of Darwin and is 100km².

It is located in West Arnhem within the McArthur Basin in the Alligator Rivers Uranium Field. Large portions of West Arnhem still remain untested for uranium by modern exploration techniques. Devil's Elbow is south east of the worked-out Nabarlek mine, which produced 12,000 tonnes of uranium oxide. It is also south east of the currently worked Ranger and Jabiluka mines.

Uranerz explored the area in the late 1980s and discovered several uranium anomalies including the one located at Devil's Elbow (30 km south east of Nabarlek).

Gumadeer

The Gumadeer tenement application is located 287kms east of Darwin and is 9.53 km² in area. The tenement is within close proximity of the Nabarlek uranium mine.

The Nabarlek deposit was a small, very high-grade ore body. It measured 200m long, 15m thick and 70m deep and produced more than 24 million pounds of uranium. The mineralisation is steeply dipping and contained within the Nabarlek Shear Zone.

Uranerz explored in the Gumadeer River area between 1987 and 1990. This led to the discovery of several prospects containing uranium mineralization. A review of existing exploration data has identified over 3km of largely untested strike of the Nabarlek Shear Zone within the immediate area.

North Arunta Project

The North Arunta Project includes two prospects north west of Alice Springs. It includes ELA 26283 covering 833km² and ELA 26284 covering 748km².

The project covers the Lander Rock Beds and contains evidence of uranium anomalism in the form of total count radiometrics.

Evidence exists of potential uranium prospectivity in the Lander Rock Beds that underlie most of the tenement area.

Lake MacKay Project

This project includes one tenement application (ELA 24861) covering 159 km². It's located along the WA - NT border, 500 km west north west of Alice Springs. This project area contains a 10 km by 1 km airborne radiometric uranium anomaly with the potential to host calcrete uranium mineralisation. The prospect covers the eastern edge of Lake MacKay.

DIRECTORS' REPORT (cont)

Canning Basin Project

The Canning Basin project includes one exploration licence application (ELA2 4862) and covers 516 km². It's located 560 km north west of Alice Springs on the WA-NT border. This project contains a 10 km by 1 km airborne radiometric uranium anomaly associated with lake edge sediments. A review of historical exploration shows that no exploration for calcrete hosted uranium mineralisation has been undertaken in this area.

Qualified Person

The information in this report to which this statement is attached that relates to Eclipse Uranium Limited's Exploration targets and results is based on information compiled by Mr Mark Fogarty who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Fogarty is a fulltime employee of Eclipse Uranium Limited. Mr Fogarty has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration. Mr Fogarty is undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Fogarty consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

6. BUSINESS STRATEGIES AND PROSPECTS FOR THE FORTHCOMING YEAR

The consolidated entity intends to continue its focus on the uranium sector, and to provide shareholders exposure to the sector through exploration, and project generation.

As exploration progresses the consolidated entity may decide to add projects to or divest projects from its current portfolio.

7. SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There have been no changes in the state of affairs of the consolidated entity other than those disclosed in the review of operations.

8. SUBSEQUENT EVENTS

On 26 July 2011, the consolidated entity announced that the pro rata non-renounceable entitlement issue of options offered ("Offer") pursuant to the prospectus lodged by the consolidated entity on 22 June 2011 had closed and the options subscribed for under the prospectus were issued. In total, 8,873,500 listed options were issued under the Offer (including 5,268,751 shortfall options) raising \$88,735. These listed options are exercisable at \$0.20 on or before 31 May 2014.

On 2 August 2011, the consolidated entity announced the appointment of Ms Claire Tolcon as Company Secretary, following the resignation of Melissa Chapman from this role.

There are no other events subsequent to 30 June 2011 and up to the date of this report that would materially affect the operations of the consolidated entity or its state of affairs which have not otherwise been disclosed in this financial report.

9. FUTURE DEVELOPMENTS

The Consolidated Entity will continue its mineral exploration activity at and around its exploration projects.

10. ENVIRONMENTAL ISSUES

The consolidated entity is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all regulations when carrying out any exploration work.

DIRECTORS' REPORT (cont)

11. DIVIDENDS PAID OR RECOMMENDED

The directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

12. SHARES UNDER OPTION

Details of unissued shares or interest under option as at the date of this report are:

- 550,000 Unlisted Options exercisable at \$0.20 each and expiring on 30 November 2015
- 8,873,500 Listed Options exercisable at \$0.20 each and expiring on 31 May 2014

Option holders do not have any right, by virtue of the Option, to participate in new issues of Shares offered to Shareholders.

During the year ended 30 June 2011 there were no issues of ordinary shares as a result of the exercise of options.

13. INDEMNITY AND INSURANCE PREMIUMS FOR DIRECTORS AND OFFICERS

The consolidated entity has entered into a Deed of Access, Insurance and Indemnity with each of the Directors. Under the terms of these Deeds, the consolidated entity has undertaken, subject to restrictions in the Corporations Act, to:

- Indemnify each Director in certain circumstances;
- Advance money to a Director for the payment of any legal costs incurred by a Director in defending legal proceedings before the outcome of those proceedings is known; and
- Maintain Directors' and Officers' insurance cover in favour of each Director whilst they remain a director of Eclipse Uranium Limited.

During the year the consolidated entity in place and paid premiums for insurance policies indemnifying Directors and Officers of the consolidated entity against certain liabilities incurred in the conduct of business or in the discharge of their duties as Directors or officers. The contracts of insurance contain confidentiality provisions that preclude disclosure of the premium paid, the nature of the liability covered by the policies, the limit of liability and the name of the insurer.

14. MEETINGS OF DIRECTORS

The number of directors' meetings held during the financial year and the number of meetings attended by each director were as follows:

Director	Directors Meetings	
	Number Eligible to Attend	Meetings Attended
Mark Fogarty	2	2
Brett Smith	2	2
Emilio Pietro Del Fante	2	1
Paul Kelly	2	2

The consolidated entity does not have formally constituted audit or remuneration committees as the board considers that the consolidated entity's size and type of operation do not warrant such committees.

DIRECTORS' REPORT (cont)

15. AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires the Company's auditors, RSM Bird Cameron Corporate Pty Ltd, to provide the Directors of the Company with an Independence Declaration in relation to the audit of the financial report. This Independence Declaration for the year is set out on page 16 and forms part of this Directors' Report. The Directors are satisfied with the independence of the auditors.

16. NON AUDIT SERVICES

No non-audit services were provided by the entity's auditor, RSM Bird Cameron Partners, as shown at Note 22, during the year.

17. REMUNERATION REPORT (AUDITED)

This remuneration report, which forms part of the Directors' Report, outlines the remuneration arrangements in place for key management personnel (KMP) who are defined as those persons having authority and responsibility for planning and directing the major activities of the Company and the consolidated entity, directly and indirectly, including any director (whether executive or otherwise) of the parent Company.

Details of Key Management Personnel

Directors:

- | | |
|---------------------------|---|
| - Mark Fogarty | Managing Director (Executive) |
| - Brett Smith | Chairman (Non-executive) |
| - Paul Kelly | Director (Non-executive) (appointed 3 March 2011) |
| - Emilio Pietro Del Fante | Director (Non-executive) |

Remuneration Philosophy

The performance of the consolidated entity and its subsidiaries depend on the quality of the consolidated entity's Directors, executives and employees and therefore the Company must attract, motivate and retain appropriately qualified industry personnel.

Remuneration Policy

Remuneration levels for executives are competitively set to attract the most qualified and experienced candidates, taking into account prevailing market conditions and the individual's experience and qualifications.

During the year, the Company did not have a separately established remuneration committee. The Board is responsible for determining and reviewing remuneration arrangements for the executive and non-executive Directors.

The remuneration of executive and non-executive Directors is not dependent on the satisfaction of performance conditions. Remuneration and share based payments are issued to align Directors' interest with that of shareholders.

Consolidated Entity Performance and Shareholder Wealth

Below is a table summarising key performance and shareholder wealth statistics for the consolidated entity for 2011. Prior to this the Company was not listed.

Financial year	Loss after tax	Loss per share	Share price
	\$	\$	\$
30 June 2011	(532,043)	(0.012)	0.10

DIRECTORS' REPORT (cont)

Executive Director Remuneration

The Company has entered into a three year Executive Service Agreement with Mr Fogarty. Under the agreement Mr Fogarty is entitled to receive \$160,000 per annum (exclusive of statutory superannuation). In addition, Mr Fogarty received 250,000 Unlisted Options during the year which are exercisable at \$0.20 each expiring 30 November 2015.

Summary details of remuneration of the Executive Director is provided in the table below. The remuneration is not dependent on the satisfaction of a performance condition. Further details of the Executive Director's remuneration and Option holdings for the year are detailed in Note 17.

Non-Executive Directors Remuneration

Mr Brett Smith is entitled to receive \$48,000 per annum (commencing 17 February 2011). There is currently no employment contract between the Company and Mr Smith. Mr Smith received 150,000 Unlisted Options during the year which are exercisable at \$0.20 each expiring 30 November 2015.

Mr Del Fante is entitled to receive \$48,000 per annum (commencing 17 February 2011). There is currently no employment contract between the Company and Mr Del Fante. Mr Del Fante received 150,000 Unlisted Options during the year which are exercisable at \$0.20 each expiring 30 November 2015.

Mr Kelly is entitled to receive \$48,000 per annum (commencing 1 March 2011). There is currently no employment contract between the Company and Mr Kelly.

The Company's Constitution provides that the remuneration of non-executive Directors will not be more than the aggregate fixed sum determined by a general meeting, which has been set at an amount not to exceed \$250,000 per annum.

Summary details of remuneration of the Non-Executive Directors is provided in the table below. The remuneration is not dependent on the satisfaction of a performance condition. Further details of the Non-Executive Directors remuneration and Option holdings for the year are detailed in Note 17.

Directors are entitled to be paid reasonable travelling, accommodation and other expenses incurred in consequence of their attendance at meetings of Directors and otherwise in the execution of their duties as Directors. A Director may also be paid additional amounts as fees or as the Directors determine where a Director performs extra services or makes any special exertions, which in the option of the Directors are outside the scope of the ordinary duties of a Director.

DIRECTORS' REPORT (cont)

Remuneration of Directors

Details of the nature and amount of emoluments of each director are as follows:

30 June 2011	Short-term	Post-employment	Share-based payments	Total	Performance Based	Comprising Options
	\$	\$	\$	\$	%	%
Directors:						
Mr Fogarty	145,312	13,078	19,084	177,474	-	10.8
Mr Smith (i)	16,000	-	11,450	27,450	-	41.7
Mr Del Fante (ii)	18,000	-	11,450	29,450	-	38.9
Mr Kelly (iii)	16,000	-	-	16,000	-	-
	195,312	13,078	41,984	250,374	-	16.8

- (i) During the year ended 30 June 2011, an amount of \$16,000 was paid or payable to Topaz Corporate Pty Ltd a company that Mr Smith is a director of. The Options issued to Mr Smith are held indirectly by Feliz (WA) Pty Ltd a company that Mr Smith is a director of.
- (ii) During the year ended 30 June 2011, an amount of \$18,000 was paid or payable to Corporate Tenement Services Pty Ltd a company that Mr Del Fante is a director of.
- (iii) During the year ended 30 June 2011, an amount of \$16,000 was paid or payable to PAFK Enterprises Pty Ltd a company that Mr Kelly is a director of.

30 June 2010	Short-term	Post-employment	Share-based payments	Total	Performance Based	Comprising Options
	\$	\$	\$	\$	%	%
Directors:						
Mr Fogarty	22,750	2,048	-	24,798	-	-
Mr Smith	-	-	-	-	-	-
Mr Del Fante	-	-	-	-	-	-
	22,750	2,048	-	24,798	-	-

DIRECTORS' REPORT (cont)

Options Granted as Part of Remuneration

The following table provides a summary of the options granted to Directors in the form of share-based payments. The options issued to the Directors were issued upon successful listing of the Company on ASX during the year.

Options awarded and vested during the year

30 June 2011	Number	Grant date	Fair value per Option at grant date	Exercise Price	Expiry date	First exercise date	Last exercise date	Vested
			\$	\$				No.
Directors:								
Mr Fogarty	250,000	19 Apr 2010	0.18	0.20	30 Nov 2015	17 Feb 2013	30 Nov 2015	-
Mr Smith	150,000	19 April 2010	0.18	0.20	30 Nov 2015	17 Feb 2013	30 Nov 2015	-
Mr Del Fante	150,000	19 April 2010	0.18	0.20	30 Nov 2015	17 Feb 2013	30 Nov 2015	-
	550,000							-

Value of options awarded

30 June 2011	Value of options granted during the year	Value of options exercised during the year	Value of options lapsed during the year
	\$	\$	\$
Directors:			
Mr Fogarty	19,084	-	-
Mr Smith	11,450	-	-
Mr Del Fante	11,450	-	-
	41,984	-	-

This report of the Directors, incorporating the Remuneration Report is signed in accordance with a resolution of the Board of Directors.



Mark Fogarty
Managing Director

PERTH
12 September 2011

RSM Bird Cameron Partners

Chartered Accountants

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Eclipse Uranium Limited for the year ended 30 June 2011, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Rsm Bird Cameron Partners

RSM BIRD CAMERON PARTNERS
Chartered Accountants



TUTU PHONG
Partner

Perth, WA
Dated: 12 September 2011

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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
ECLIPSE URANIUM LIMITED**

Report on the Financial Report

We have audited the accompanying financial report of Eclipse Uranium Limited, which comprises the consolidated statement of financial position as at 30 June 2011, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the 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 financial report that is free from material misstatement, whether due to fraud or error. In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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RSM Bird Cameron Partners

Chartered Accountants

Independence

In conducting our audit, 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 Eclipse Uranium Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

- (a) the financial report of Eclipse Uranium Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2011 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- (b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 2.

Report on the Remuneration Report

We have audited the Remuneration Report contained within the directors' report for the year ended 30 June 2011. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion the Remuneration Report of Eclipse Uranium Limited for the year ended 30 June 2011 complies with section 300A of the *Corporations Act 2001*.

Rsm Bird Cameron Partners

RSM BIRD CAMERON PARTNERS
Chartered Accountants



TUTU PHONG
Partner

Perth, WA

Dated: 12 September 2011

CORPORATE GOVERNANCE

The Board of Directors of Eclipse Uranium Ltd ("**Eclipse**" or "**the Company**") is responsible for Corporate Governance. The Board guides and monitors the business and affairs of Eclipse on behalf of the shareholders by whom they are elected and to whom they are accountable.

To ensure that the Board is well equipped to discharge its responsibilities, it has established guidelines and accountability as the basis for the administration of corporate governance.

CORPORATE GOVERNANCE DISCLOSURES

The Board and management are committed to corporate governance and to the extent that they are applicable to the Company have followed the "Principles of Good Corporate Governance and Best Practice Recommendations" issued by the Australian Securities Exchange ("ASX") Corporate Governance Council.

In summary, Eclipse departs from the Guidelines in four (4) key areas:

- The role of Chairperson and Chief Executive Officer are exercised by the same person; this is a departure from Recommendation 2.3. As a newly established mining company, Eclipse does not have the scale of activity at the moment to support these roles individually; but with anticipated growth in the Company's business, there may be the opportunity of employing a full time Chief Executive Officer;
- The Company does not have a separate Nomination Committee; this is a departure from Recommendation 2.4. The full Board has the skills and experience to attend to the matters normally attended to by a Nomination Committee;
- The Company currently does not have a separate Audit Committee; this is a departure from Recommendation 4.1. The Company is of a size and a level of current activity that enables the full Board to be able to attend to the matters normally attended to by the Audit Committee; and
- The Company does not have a separate Remuneration Committee; this is a departure from Recommendation 8.1. The full Board attends to the matters normally attended to by a Remuneration Committee. Remuneration levels are set by the Company in accordance with industry standards to attract suitable qualified and experienced Directors and senior executives.

ROLE OF THE BOARD

The key responsibilities of the Board include:

- Development of corporate objectives and strategy with management and approving plans, new investments, major capital and operating expenditures and major funding activities proposed by management;
- Monitoring actual performance against defined performance expectations and reviewing operating information to understand at all times the state of the health of the company;
- Overseeing the management of business risks, safety and occupational health, environmental issues and community development;
- Satisfying itself that the financial statements of the Company fairly and accurately set out the financial position and financial performance of the Company for the period under review;
- Satisfying itself that there are appropriate reporting systems and controls in place to assure the Board that proper operational, financial, compliance, risk management and internal control process are in place and functioning appropriately. Further, approving and monitoring financial and other reporting;
- Assuring itself that appropriate audit arrangements are in place;

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- Ensuring that the Company acts legally and responsibly on all matters and assuring itself that the company has adopted, and that the Company's practice is consistent with, a number of guidelines, being:
 - Directors and Executive Officers Code of Conduct;
 - Dealings in Securities; and
 - Reporting and Dealing with Unethical Practices.
- Reporting to and advising shareholders.

STRUCTURE OF THE BOARD

Directors of Eclipse are considered to be independent when they are independent of management and free from any business or other relationship that could materially interfere with or could reasonably be perceived to materially interfere with the exercise of their unfettered and independent judgment.

An independent director is a non-executive director (i.e. is not a member of management) and:

- is not a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
- within the last three years has not been employed in an executive capacity by the Company or its subsidiaries, or been a director after ceasing to hold any such employment;
- is not a principal or employee of a professional adviser to the Company or its subsidiaries whose billings exceed a material amount of the adviser's total revenue;
- is not a significant supplier or customer of the Company or its subsidiaries, or an officer of or otherwise associated directly or indirectly with a significant supplier or customer. A significant supplier is defined as one whose revenues from the Company are a material amount of the supplier's total revenue. A significant customer is one whose amounts payable to the Company are a material amount of the customer's total operating costs;
- has no material contractual relationship with the Company or its subsidiaries other than as a director of the Company;
- has not served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the Company;
- is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the Company.

In accordance with the definition of independence above, the following directors of Eclipse are considered to be independent:

Name	Position
B Smith	Non-Executive Director
E Del Fante	Non-Executive Director
P Kelly	Non-Executive Director

There are procedures in place, agreed by the Board, to enable the Directors in furtherance of their duties to seek independent professional advice at the Company's expense.

The term in office held by each director is as follows:

Name	Term
B Smith	No contract
E Del Fante	No contract
P Kelly	No contract
M Fogarty	3 years

When a Board vacancy exists, through whatever cause, or where it is considered that the Board would benefit from the service of a new director with particular skills, the Board will document the process behind a recommendation for a candidate or panel of candidates with the appropriate expertise. Normally this would be completed by the Remuneration and Nomination Committee but in the absence of this Committee; the recommendation will be made by the Board.

The Board then appoints the most suitable candidate who must stand for election at the next general meeting of shareholders.

Remuneration and Nomination Committee

The Board has not established a formal Remuneration and Nomination Committee. The full Board attends to the matters normally attended to by a Remuneration and Nomination Committee. Remuneration levels are set by the Company in accordance with industry standards to attract suitable qualified and experienced Directors and senior executives.

For full discussion of the Company's remuneration philosophy and framework and the remuneration received by Directors and executives in the current period please refer to the Remuneration Report, which is contained within the Directors' Report.

There is no scheme to provide retirement benefits to Non-Executive Directors.

The Board is responsible for determining and reviewing compensation arrangements for the Directors themselves.

Audit and Risk Management Committee

The Board has not established an Audit and Risk Management Committee. The full Board attends to the matters normally attended to by such a Committee.

The Board acknowledges that when the size and nature of the Company warrants an Audit and Risk Management Committee that the Committee will operate under a Charter approved by the Board. It is the Board's responsibility to ensure that an effective internal control framework exists within the Company. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial information as well as non-financial considerations such as the benchmarking of key performance indicators.

The Board will delegate responsibility for establishing and maintaining a framework of internal control and ethical standards to the Audit and Risk Management Committee.

The Company's Policy is to appoint external auditors who clearly demonstrate independence. The performance of the external auditor is reviewed annually by the Audit and Risk Management Committee. The auditors have a policy of rotating the audit partner at least every 5 years.

RISK MANAGEMENT

The Board recognises that the identification and management of risk, including calculated risk taking, is an essential part of creating long term shareholder value.

The identification and management of risk by the Board will continue to be monitored.

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The Board must satisfy itself, on a regular basis, that risk management and internal control systems for the Company have been fully developed and implemented.

The Company has identified specific risk management areas being strategic, operational and compliance. The Board reviews these specific risk management areas and other risks faced by the Company on a regular basis due to the potential impact of the global financial crisis.

A detailed risk identification matrix has been prepared by the Company Secretary with input from the Board. High and very high risk issues are reported to the Board. The Company Secretary and the CFO equivalent have been delegated the responsibility for ensuring the Company complies with its regulatory obligations until such time as the Company appoints a Chief Executive Officer.

The CEO and CFO (or equivalent) also provide written assurance to the Board on an annual basis that to the best of their knowledge and belief, the declaration provided by them in accordance with Section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in relation to financial reporting risks.

The assurances from the CEO and CFO (or equivalent) can only be reasonable rather than absolute due to factors such as the need for judgement and possible weaknesses in control procedures.

Any material changes in the Company's circumstances are released to the ASX and included on the Company's website.

BEST PRACTICE RECOMMENDATION

Outlined below are the 8 Essential Corporate Governance Principles as outlined by the ASX and the Corporate Governance Council. The Company has complied with the Corporate Governance Best Practice Recommendations except as identified below.

<i>Corporate Governance Policy</i>	<i>Action taken and reasons if not adopted</i>
Lay solid foundation for management and oversight <i>Principle 1: Recognise and publish the respective roles and responsibilities of the board and management</i> 1.1 Formalise and disclose the functions reserved to the Board and those delegated to management. 1.2 Disclose the process for evaluating the performance of senior executives. 1.3 Provide the information indicated in 'Guide to reporting on Principle 1'.	Adopted The Company's Corporate Governance Policies includes a Board Charter, which discloses the specific responsibilities of the Board. The Board monitors the performance of the CFO equivalent and other Board members including measuring actual performance against planned performance. The Company has no senior management presently. The Company will provide details of any departures from Principle 1 in its Annual Report.
Structure the board to add value <i>Principle 2: Have a board of an effective composition, size and commitment to adequately discharge its responsibilities and duties</i> 2.1 A majority of the Board should be independent.	Adopted except as follows: Three (3) of the four (4) current Directors are independent. One of the Directors has a significant interest in a Company which is a

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Corporate Governance Policy	Action taken and reasons if not adopted
<p>2.2 The chairperson should be an independent director.</p> <p>2.3 The roles of chairperson and chief executive officer should not be exercised by the same individual.</p> <p>2.4 The Board should establish a Nomination Committee.</p> <p>2.5 Disclose the process for evaluating the performance of the board, its committees and the individual directors.</p> <p>2.6 Provide the information indicated in 'Guide to reporting on Principle 2'.</p>	<p>Shareholder of the Parent Company</p> <p>The current Chairman is an independent Director of the Company.</p> <p>The roles of the Chairperson and the CEO are exercised by the same individual. As a newly established mining company, Eclipse does not have the scale of activity to support both roles individually but with anticipated growth in the Company's business, it may eventually warrant the employment of a full time Chief Executive Officer.</p> <p>The Company is not of a size to justify having a Nomination Committee. The full Board have the skills and experience to deal with matters typically dealt with by such a Committee.</p> <p>The Board has adopted a policy to assist of evaluating Board performance.</p> <p>The Company will provide details of any departures from Principle 2 in its Annual Report.</p>
<p>Actively promote ethical and responsible decision-making</p> <p><i>Principle 3: Promote ethical and responsible decision-making</i></p>	<p>Adopted</p>
<p>3.1 Establish a code of conduct and disclose the code or a summary of the code as to:</p> <p>3.1.1 the practices necessary to maintain confidence in the Company's integrity</p> <p>3.1.2 the practices necessary to take into account their legal obligations and reasonable expectations of their stakeholders</p> <p>3.1.3 the responsibility and accountability of individuals for reporting or investigating reports of unethical practices.</p> <p>3.2 Establish a policy concerning trading in Company securities by directors, senior executives and employees and disclose the policy or a summary of that policy.</p> <p>3.3 Provide the information indicated in 'Guide to Reporting on Principle 3'.</p>	<p>The Company's Corporate Governance Policies include a Code of Conduct Policy, which provides a framework for decisions and actions in relation to ethical conduct in employment.</p> <p>The Company's Corporate Governance Policies includes Dealing in Securities Policy which provides comprehensive guidelines on trading in the Company's securities.</p>

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Corporate Governance Policy	Action taken and reasons if not adopted
<p>Safeguard integrity in financial reporting</p> <p>Principle 4: Establish a structure to independently verify and safeguard integrity in financial reporting</p> <p>4.1 The Board should establish an Audit Committee.</p>	<p>Adopted except as follows:</p> <p>The Company is not of a size or scale of activity to justify having a separate Audit Committee. Matters typically dealt with by such a Committee are dealt with by the full Board.</p>
<p>4.2 Structure the Audit Committee so that it consists of:</p> <ul style="list-style-type: none"> ▪ Only non-executive directors ▪ A majority of independent directors ▪ An independent chairperson who is not the chairperson of the Board ▪ At least three members. <p>4.3 The Audit Committee should have a formal operating Charter.</p> <p>4.4 Provide the information indicated in the 'Guide to reporting on Principle 4'.</p>	<p>Not Applicable as an Audit Committee has not been established</p> <p>When established, the Audit and Risk Committee will operate under a formal Charter.</p>
<p>Promote timely and balanced disclosure</p> <p>Principle 5: Make timely and balanced disclosure of all material matters concerning the company</p> <p>5.1 Establish written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior management level for that compliance.</p> <p>5.2 Provide the information indicated in the 'Guide to reporting on Principle 5'.</p>	<p>Adopted</p> <p>The Company has a Continuous Disclosure Policy which is designed to ensure compliance with the ASX Listing Rules requirements on disclosure and to ensure accountability at a board level for compliance and factual presentation of the Company's financial position.</p>
<p>Respect the rights of shareholders</p> <p>Principle 6: Respect the rights of shareholders and facilitate the effective exercise of those rights</p> <p>6.1 Design and disclose a communications policy to promote effective communication with shareholders and encourage effective participation at general meetings and disclose the policy or a summary of the policy</p> <p>6.2 Provide the information indicated in the 'Guide to reporting on Principle 6'.</p>	<p>Adopted</p> <p>The Company's Corporate Governance Policies includes a Shareholder Communications Policy which aims to ensure that the shareholders are informed of all material developments affecting the Company's state of affairs.</p>

Corporate Governance Policy	Action taken and reasons if not adopted
Recognise and manage risk	Adopted
<i>Principle 7: Establish a sound system of risk oversight and management and internal control</i>	
7.1 The Board or appropriate Board committee should establish policies on risk oversight and management.	The Company's Corporate Governance Policies includes a Risk Management Policy which aims to ensure that all material business risks are identified and mitigated. The Board identifies the Company's "risk profile" and is responsible for overseeing and approving risk management strategies and policies, internal compliance and internal controls.
7.2 The Board should require management to design and implement the risk management and internal control system to manage the Company's material business risks and report to it on whether those risks are being managed effectively. The Board should disclose that management has reported to it as to the effectiveness of the Company's management of its material business risks.	The Board has delegated the responsibility of designing and implementing the continuous risk management and internal control systems to the Company Secretary in the absence of a CEO. The relevant reports are also prepared and tabled for Board consideration.
7.3 The Board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound risk management and internal control and that the system is operating effectively in all material respects in relation to the financial reporting risks.	The Board seeks, at the appropriate times, the relevant assurances from the individuals appointed to perform the role of Chief Executive Officer (Chairperson) and the Chief Financial Officer (externally sourced).
7.3 Provide the information indicated in the 'Guide to reporting on Principle 7'.	
Remunerate fairly and responsibly	Adopted except as follows:
<i>Principle 8: Ensure that the level and composition of remuneration is sufficient and reasonable and that its relationship to corporate and individual performance is defined</i>	
8.1 The Board should establish a remuneration committee	The Company is not of a size to justify having a separate Remuneration Committee. Matters typically dealt with by this Committee are dealt with by the full Board as they have the skills and experience to make such decisions.

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Corporate Governance Policy	Action taken and reasons if not adopted
<p>8.2 Clearly distinguish the structure of non-executive directors' remuneration from that of executives</p>	<p>The Board distinguishes the structure of non-executive Director's remuneration from that of executive Directors.</p> <p>The Board currently comprises of three (3) Non-Executive Directors and one (1) Executive Director.</p> <p>The Company's Constitution provides that the remuneration of non-executive Directors will be not more than the aggregate fixed sum by a general meeting of Shareholders.</p>
<p>8.3 Provide the information indicated in the 'Guide to reporting on Principle 8'.</p>	<p>The Board is responsible for determining the remuneration of any non-executive Director from that of executive Directors.</p>

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
Revenue	3	33,354	-
Employee benefits expense and directors fees	4(a)	(71,801)	(24,798)
Consultancy expenses	4(b)	(185,251)	(5,322)
Professional services expenses	4(c)	(238,709)	(323,519)
Listing costs		(49,394)	-
Travel expenses		(5,016)	(4,804)
Administration expenses		(8,992)	(10,031)
Depreciation expenses		(6,234)	(287)
Loss before income tax expense		(532,043)	(368,761)
Income tax expense	5	-	-
Loss for the year		(532,043)	(368,761)
Other comprehensive income		-	-
Total comprehensive income attributable to members of the parent entity		(532,043)	(368,761)
Earnings Per Share			
Basic loss per share (cents per share)	16	(1.24)	(2.81)
Diluted loss per share (cents per share)	16	(1.24)	(2.81)

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011**

	Note	2011 \$	2010 \$
CURRENT ASSETS			
Cash and cash equivalents	7(a)	2,659,179	15,964
Trade and other receivables	8	120,846	18,150
TOTAL CURRENT ASSETS		2,780,025	34,114
NON CURRENT ASSETS			
Trade and other receivables	8	97,758	-
Exploration and evaluation expenditure	9	10,546,419	5,004,865
Property, plant and equipment	10	52,424	14,398
TOTAL NON CURRENT ASSETS		10,696,601	5,019,263
TOTAL ASSETS		13,476,626	5,053,377
CURRENT LIABILITIES			
Trade and other payables	11	333,627	16,000
TOTAL CURRENT LIABILITIES		333,627	16,000
NON CURRENT LIABILITIES			
Trade and other payables	12	-	406,136
TOTAL NON CURRENT LIABILITIES		-	406,136
TOTAL LIABILITIES		333,627	422,136
NET ASSETS		13,142,999	4,631,241
EQUITY			
Issued capital	13	14,001,819	5,000,002
Reserves	14	41,984	-
Accumulated losses	15	(900,804)	(368,761)
TOTAL EQUITY		13,142,999	4,631,241

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
Cash Flows from Operating Activities			
Payments to suppliers and employees		(206,248)	(386,622)
Interest received		33,354	-
<i>Net cash used in operating activities</i>	7(b)	<u>(172,894)</u>	<u>(386,622)</u>
Cash Flows from Investing Activities			
Payment of environmental bonds		(60,048)	-
Payment of deposit for leased premises		(37,710)	-
Payments for plant and equipment		(44,260)	(14,685)
Payments for exploration evaluation		(541,554)	(4,865)
<i>Net cash used in investing activities</i>	7(c)	<u>(683,572)</u>	<u>(19,550)</u>
Cash Flows from Financing Activities			
Proceeds from issue of shares		4,053,400	-
Application funds received in advance		-	16,000
Transaction costs relating to the issue of shares		(147,583)	-
Proceeds / (repayment) of advances from Dourado Resources Limited		(406,136)	406,136
<i>Net cash provided by financing activities</i>		<u>3,499,681</u>	<u>422,136</u>
Net increase in cash held		2,643,215	15,964
Cash and cash equivalents at beginning of financial year		<u>15,964</u>	-
Cash and cash equivalents at end of financial year	7(a)	<u>2,659,179</u>	<u>15,964</u>

The accompanying notes form part of these financial statements

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR YEAR ENDED 30 JUNE 2011**

	Issued Capital	Accumulated Losses	Reserves	Total
	\$	\$	\$	\$
Balance at 3 March 2010	-	-	-	-
Loss for the period since incorporation	-	(368,761)	-	(368,761)
Other comprehensive income	-	-	-	-
Total other comprehensive income for the year	-	(368,761)	-	(368,761)
Transaction with owners, directly in equity				
Shares issued during the year, net of costs	5,000,002	-	-	5,000,002
Balance at 30 June 2010	5,000,002	(368,761)	-	4,631,241
 Balance at 1 July 2010	 5,000,002	 (368,761)	 -	 4,631,241
Loss for the year	-	(532,043)	-	(532,043)
Other comprehensive income	-	-	-	-
Total other comprehensive income for the year	-	(532,043)	-	(532,043)
Transaction with owners, directly in equity				
Shares issued during the year, net of costs	9,001,817	-	-	9,001,817
Options issued during the year	-	-	41,984	41,984
Balance at 30 June 2011	14,001,819	(900,804)	41,984	13,142,999

The accompanying notes form part of these financial statements.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

1. CORPORATE INFORMATION

This financial report includes the consolidated financial statements and notes of Eclipse Uranium Limited and controlled entities ("consolidated entity" or "Eclipse"). The separate financial statements of the parent entity, Eclipse Uranium Limited have not been presented within this financial report as permitted by the Corporations Act 2001.

The financial report was authorised for issue in accordance with a resolution of the directors on 12 September 2011.

Eclipse Uranium Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Stock Exchange. Eclipse was officially admitted to the Official List of the ASX Limited on 15 February 2011. Official quotation commenced on 17 February 2011.

The nature of the operations and principal activities of the consolidated entity are described in the Directors Report.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

a. Principles of Consolidation

The consolidated financial information incorporates the assets, liabilities and results of entities controlled by Eclipse Uranium Limited at the end of the reporting period. A controlled entity is any entity over which Eclipse Uranium Limited has the power to govern the financial and operating policies so as to obtain benefits from the entity's activities. Control will generally exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are also considered.

Where controlled entities have entered or left the consolidated entity during the year, the financial performance of those entities are included only for the period of the year that they were controlled.

In preparing the consolidated financial information, all inter-group balances and transactions between entities in the consolidated entity have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure

consistency with those adopted by the parent entity.

b. Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

c. Income Tax

The income tax expense (revenue) for the period comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

d. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of 3 months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

e. Plant and Equipment

Each class of plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the consolidated entity includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the consolidated entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets are depreciated on a diminishing value basis over the asset's useful life to the consolidated entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	40% - 50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

f. Exploration and Evaluation Expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

g. Impairment of assets

At each the end of each reporting period, the consolidated entity assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the consolidated entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

h. Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the consolidated entity during the reporting period which remains unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

i. Revenue and Other Income

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

All revenue is stated net of the amount of goods and services tax (GST).

j. Employee Benefits

Provision is made for the consolidated entity's liability for employee benefits arising from services rendered by employees to reporting date. Employee benefits that are expected to be settled within 1 year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than 1 year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wages increases and the probability that the employee may satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Equity-settled compensation

The consolidated entity operates equity-settled share-based payment employee share and option schemes. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using a Black-Scholes option valuation model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting date such that the amount recognised for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

k. Provisions

Provisions are recognised when the consolidated entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

l. Critical accounting judgements, estimates and assumptions

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the consolidated entity.

Key judgments**(ii) *Exploration and Evaluation Expenditure***

The consolidated entity capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded.

(ii) *Share based payment transactions*

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes option valuation model.

m. Adoption of new and revised accounting standards

In the current year, the consolidated entity has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period. The adoption of these new and revised Standards and Interpretations has not resulted in a significant or material change to the consolidated entity's accounting policies.

n. New standards issued but not yet effective

At the date of this financial report the following standards, which may impact the entity in the period of initial application, have been issued but are not yet effective:

Reference	Title	Summary	Application date (financial years beginning)	Expected Impact
AASB 9	Financial instruments	Replaces the requirements of AASB 139 for the classification and measurement of financial assets. This is the result of the first part of Phase 1 of the IASB's project to replace IAS 39.	1 January 2013	No expected impact on the entity
AASB 124	Related Party Disclosures	Revised standard. The definition of a related party is simplified to clarify its intended meaning and eliminate inconsistencies from the application of the definition.	1 January 2011	Disclosure only

The consolidated entity has decided not to early adopt these standards.

3. REVENUE

	2011 \$	2010 \$
Revenue		
Interest	33,354	-

4. EXPENSES

	2011 \$	2010 \$
(a) Employee benefits expense and directors fees		
Wages and salaries	145,312	24,798
Directors fees	50,000	-
Share based payments expense	41,984	-
Other employee benefits expenses	17,693	-
Capitalised to exploration and evaluation expenditure	(183,188)	-
	71,801	24,798
(b) Consultancy expenses		
Consulting fees	45,000	-
Corporate advisory	27,655	-
Project evaluation	24,473	-
Other	88,123	5,322
	185,251	5,322
(c) Professional services expenses		
Secretarial fees	145,062	26,716
Legal fees	77,007	-
Marketing and public relations fees	35,628	8,250
Prospectus	-	287,053
Other services	34,824	1,500
GST recovered from prior year transaction	(53,812)	-
	238,709	323,519

5. INCOME TAX

	2011 \$	2010 \$
(a) The components of income tax expense comprise:		
Current tax	-	-
Deferred tax	-	-
	-	-
(b) The prima facie tax on loss before income tax is reconciled to the income tax as follows:		
Loss before tax	(532,043)	(368,761)
Tax at the statutory income tax rate of 30%	159,613	110,628
Adjusted for tax effect of:		
- Non-deductible differences	(3,905)	(68,893)
- Unrecognised deferred tax asset attributable to tax losses and temporary differences	(155,708)	(41,735)
Income tax expense	-	-
(c) The applicable weighted average effective tax rate is as follows:	n/a	n/a

The consolidated entity has \$1,321,403 (2010: \$347,531) tax losses arising in Australia that are available indefinitely for offset against future profit of the companies in which the losses arose.

6. OPERATING SEGMENTS

The consolidated entity has identified its operating segments based on the internal reports that are reviewed and used by the board of directors in assessing performance and in determining the allocation of resources. The consolidated entity has only one operating segment, being mineral exploration. All of these activities are conducted in Australia.

7. CASH AND CASH EQUIVALENTS

	2011 \$	2010 \$
7(a) Reconciliation of Statement of Cash Flows:		
For the purposes of the statement of cash flows, cash and cash equivalents comprise the following at year end:		
Cash at bank	2,659,177	15,962
Cash on hand	2	2
	2,659,179	15,964

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7(b) Reconciliation of net loss after tax to net cash flows from operations:

Net loss	(532,043)	(368,761)
<i>Adjustments for</i>		
Depreciation	6,234	287
Share based payments	121,984	-
<i>Changes in assets and liabilities</i>		
(Increase)/decrease in trade and other receivables	(102,696)	(18,148)
(Decrease)/increase in trade and other payables	333,627	-
	<u>(172,894)</u>	<u>(386,622)</u>

7(c) Non-cash investing activities

During the year, 25,000,000 ordinary shares valued at \$5,000,000 were issued to Cauldron Energy Limited as consideration for exploration assets acquired, which were not reflected in the statement of cash flows.

8. TRADE AND OTHER RECEIVABLES

	2011 \$	2010 \$
Current		
Trade debtors	39,320	-
Other debtors	45,563	-
Prepayments	35,963	18,150
	<u>120,846</u>	<u>18,150</u>
Non-current		
Deposit (leased premises)	37,710	-
Rehabilitation bonds	60,048	-
	<u>97,758</u>	<u>-</u>

9. EXPLORATION AND EVALUATION EXPENDITURE

	2011 \$	2010 \$
Exploration and evaluation expenditure	<u>10,546,419</u>	<u>5,004,865</u>
<i>Movements:</i>		
Balance at beginning of the year	5,004,865	-
Additions	541,554	4,865
Acquisition from Dourado Resources Ltd	-	5,000,000
Acquisition from Cauldron Energy Limited (a)	5,000,000	-
Carrying amount at end of year	<u>10,546,419</u>	<u>5,004,865</u>

(a) During the year Eclipse acquired certain uranium assets from Cauldron Energy Limited by exercising their option pursuant to the Option Deed (details of which are set out in Eclipse's 2010 Prospectus). Eclipse issued 25,000,000 ordinary fully paid shares at 20 cents each as consideration for the assets acquired.

10. PLANT AND EQUIPMENT

	2011 \$	2010 \$
Cost	58,945	14,685
Accumulated depreciation	(6,521)	(287)
	<u>52,424</u>	<u>14,398</u>
<i>Movements:</i>		
Balance at beginning of year	14,398	-
Additions	44,260	14,685
Depreciation expense	(6,234)	(287)
Carrying amount at end of year	<u>52,424</u>	<u>14,398</u>

11. TRADE AND OTHER PAYABLES (CURRENT)

	2011 \$	2010 \$
Trade creditors	311,785	-
Accruals and other payables	21,842	-
Application funds received in advance	-	16,000
	<u>333,627</u>	<u>16,000</u>

12. TRADE AND OTHER PAYABLES (NON-CURRENT)

	2011 \$	2010 \$
Trade payable (refer note 17(c))	-	406,136

13. ISSUED CAPITAL

	2011 \$	2010 \$
Fully paid ordinary shares	<u>14,001,819</u>	<u>5,000,002</u>

Fully paid ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of shares held. Ordinary shares carry one vote per share, either in person or by proxy, at a meeting of the Company.

	No. of shares	\$
<i>Movements:</i>		
Balance at 3 March 2010	2	2
Fully paid ordinary shares issued as consideration for the acquisition of North Minerals Pty Ltd and tenements from Dourado Resources Limited (\$0.20/share)	24,999,998	5,000,000
Balance at 30 June 2010	<u>25,000,000</u>	<u>5,000,002</u>
Balance at 1 July 2010	25,000,000	5,000,002
Fully paid ordinary shares issued pursuant to Initial Public Offering (\$0.20/share)	20,347,002	4,069,400
Fully paid ordinary shares issued as consideration for services rendered (\$0.20/share)	400,000	80,000
Fully paid ordinary shares issued as consideration for tenements acquired from Cauldron Energy Limited (\$0.20/share)	25,000,000	5,000,000
Costs associated with share issue		(147,583)
Balance at 30 June 2011	<u>70,747,002</u>	<u>14,001,819</u>

14. RESERVES

	2011 \$	2010 \$
Share based payments reserve	41,984	-

Nature and purpose of reserve:

This reserve is used to record the value of the equity benefits provided to directors as part of their remuneration.

	No. of options	\$
<i>Movements:</i>		
Balance at beginning of year	-	-
Options issued to Directors (a)	550,000	41,984
Balance at end of year	550,000	41,984

At the reporting date the following Options were outstanding:

- (a) 550,000 unlisted Directors' Options with an exercise price of \$0.20 per Option exercisable on or before 30 November 2015 were issued upon successful listing of Eclipse on the Australian Stock Exchange.

15. ACCUMULATED LOSSES

	2011 \$	2010 \$
Accumulated losses	(900,804)	(368,761)
<i>Movements:</i>		
Balance at beginning of year	(368,761)	-
Net loss for the year	(532,043)	(368,761)
Balance at end of year	(900,804)	(368,761)

16. EARNINGS PER SHARE

	2011 \$	2010 \$
Basic loss per share (cents)	(1.24)	(2.81)
Diluted loss per share (cents)	(1.24)	(2.81)
Loss attributable to ordinary equity holders used in calculating:		
Basic loss per share	(532,043)	(368,761)
Diluted loss per share	(532,043)	(368,761)
	2011 No.	2010 No.
Weighted average number of ordinary shares for basic earnings per share	42,867,052	13,125,001
Effect of dilution:		
- Share options	-	-
Adjusted weighted average number of ordinary shares for diluted earnings per share	42,867,052	13,125,001

There are 550,000 share options excluded from the calculation of diluted earnings per share (that could potentially dilute basic earnings per share in the future) because they are anti-dilutive.

17. RELATED PARTY INFORMATION

(a) Subsidiaries

Eclipse Uranium is the ultimate parent entity of the consolidated entity. The subsidiaries of the consolidated entity are as follows:

	Company of Incorporation	Equity Interest	
		2011 %	2010 %
North Minerals Pty Ltd	Australia	100%	100%

(b) Key Management Personnel

Details relating to Key Management Personnel, including remuneration paid, are included in the Remuneration Report within the Directors' Report.

Details of Key Management Personnel

Directors:

- Mark Fogarty	Managing Director (Executive)
- Brett Smith	Director (Non-executive)
- Paul Kelly	Director (Non-executive) (appointed 3 March 2011)
- Emilio Pietro Del Fante	Director (Non-executive)

Compensation for Key Management Personnel

	2011 \$	2010 \$
Short-term employee benefits	195,312	22,750
Share based payments	41,984	-
Post-employment benefits	13,078	2,048
	<u>250,374</u>	<u>24,798</u>

Other transactions and balances with Key Management Personnel

There were no other transactions and balances with Key Management Personnel in each of the two reporting periods.

Shareholdings of Key Management Personnel

	Balance at 1 July 2010	Granted as remuneration	Net change other	Balance at 30 June 2011
30 June 2011				
<i>Directors</i>				
Mark Fogarty (i)	-	-	20,000	20,000
Brett Smith	-	-	-	-
Paul Kelly (i)	-	-	10,000	10,000
Emilio Pietro Del Fante	-	-	-	-

(i) 10,000 shares via indirect interest held by Director prior to appointment

Option holdings of Key Management Personnel

	Balance at 1 July 2010	Granted as remuneration	Net change other	Balance at 30 June 2011
30 June 2011				
<i>Directors</i>				
Mark Fogarty	-	250,000	-	250,000
Brett Smith	-	150,000	-	150,000
Paul Kelly	-	-	-	-
Emilio Pietro Del Fante	-	150,000	-	150,000

(c) Transactions with Director Related Entities
Payments to Director Related Entities:

In 2011 an amount of \$16,000 was paid, or was due and payable to Topaz Corporate Pty Ltd, a company controlled by Mr Brett Smith, for the provision of directorship services to the Company.

In 2011 an amount of \$18,000 was paid, or was due and payable to Corporate Tenement Services Pty Ltd, a company controlled by Mr Del Fante, for the provision of directorship services to the Company.

In 2011 an amount of \$16,000 was paid, or was due and payable to PAFK Enterprises Pty Ltd, a company controlled by Mr Paul Kelly, for the provision of directorship services to the Company.

In 2011 the consolidated entity issued ordinary shares to Cauldron Energy Limited ("Cauldron") as consideration for exploration assets acquired (refer note 9(a)). In addition, an amount of \$232,465 was paid to Cauldron for reimbursement of exploration expenditure incurred, employee and occupancy costs. At 30 June 2011 \$205,339 was payable to Cauldron (this payable is included in trade creditors). Mr Smith is a director of Cauldron.

In 2011 an amount of \$551,556 was paid to Dourado Resources Limited ("Dourado") for reimbursement of exploration expenditure incurred. At 30 June 2011 nil (2010: \$406,136) was payable to Dourado (refer note 12). Mr Del Fante is a director of Dourado.

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's objectives with regard to financial risk management is to ensure the effective management of business risks crucial to the financial integrity of the business without affecting the ability of the consolidated entity to operate efficiently or execute its business plans and strategies.

The Board has overall responsibility for the determination of the consolidated entity's risk management objectives and policies and has the responsibility for designing and operating processes that ensure the effective management of all significant financial risks to the business. The Board may delegate specific responsibilities as appropriate.

Capital risk management

The consolidated entity's capital base comprises of its ordinary share capital net of accumulated retained losses. The Consolidated Entity manages its capital to ensure that the entities in the consolidated entity will be able to continue to meet its working capital requirements and operating as a going concern while seeking to maximise the return of stakeholders. The consolidated entity currently does not employ any debt in its capital structure.

In making its decisions to adjust its capital structure, either through new share issues or consideration of debt, the consolidated entity considers not only its short-term working capital needs but also its long-term operational and strategic objectives. The Board continually monitors its the capital requirements of the consolidated entity.

Financial instrument risk exposure and management

The consolidated entity's principal financial instruments comprise cash, receivables and payables. The main risks arising from the consolidated entity's financial instruments are interest rate, credit and liquidity risk.

(a) Interest rate risk

The consolidated entity is exposed to interest rate risk (primarily on its cash and cash equivalents), which is the risk that a financial instrument's value will fluctuate as a result of changes in the market interest rates on interest bearing financial instruments.

At the reporting date the interest rate profile of the consolidated entity's interest bearing financial instruments was:

	2011 \$	2010 \$
<i>Financial assets</i>		
Cash and cash equivalents	2,657,177	15,962

The following sensitivity analysis is based on the interest rate risk exposures in existence at the reporting date and based on judgments of reasonable possibly movements:

	Post tax profit Higher/(lower)		Equity Higher/(lower)	
	2011 \$	2010 \$	2011 \$	2010 \$
<i>Consolidated</i>				
+1% (100 basis points)	26,572	160	-	-
-1% (100 basis points)	(26,572)	(160)	-	-

A sensitivity analysis is derived from a review of historical movements and management's judgment of future trends.

(b) Credit risk

Credit risk arises from the financial assets of the consolidated entity, which comprise cash and cash equivalents and trade and other receivables. The consolidated entity's exposure to credit risk arises from potential default of the counterparty, with a maximum exposure equal to the carrying amount of the financial assets (as outlined in each applicable note).

Cash and cash equivalents

The consolidated entity limits its exposure to credit risk by only dealing with creditworthy counterparties.

Trade and other receivables

Trade and other receivables as at balance sheet date mainly comprise GST and trade debtors. The Directors consider that the carrying amount of trade and other receivables approximates their fair values.

Management does not expect any counterparty to fail to meet their obligations.

(c) Liquidity risk

Liquidity risk arises from the consolidated entity's management of working capital. It is the risk that the consolidated entity will encounter difficulty in meeting its financial obligations as they fall due. The consolidated entity's objective is to ensure that it will always have sufficient liquidity to meet its liabilities through ensuring it has sufficient cash reserves to meet its ongoing working capital and long-term operational and strategic objectives. The consolidated entity does not require use of debt or other funding alternatives.

The following table summarises the maturity profile of the consolidated entity's liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

	Less than 6 months \$	6 months to 1 year \$	1 – 5 years \$	Total \$
<i>Consolidated</i>				
2011				
Trade and other payables	333,627	-	-	-
2010				
Trade and other payables	-	422,126	-	-

The consolidated entity has determined that the carrying value of financial liabilities is approximately equal to its fair value.

19. SHARE BASED PAYMENTS

Total costs arising from share based payment transactions recognised during the year were as follows:

	2011 \$	2010 \$
Options issued to Directors (a)	41,984	-
Shares issued for services rendered (b)	80,000	-
Shares issued for acquire exploration assets (c)	5,000,000	5,000,000
	<u>5,121,984</u>	<u>5,000,000</u>

(a) Options issued to Directors

Upon successful listing on the Australian Stock Exchange, the Directors of Eclipse were issued options in the company (refer to note 14(a)).

(b) Shares issued for services rendered

Upon successful listing on the Australian Stock Exchange, Nissen Kestel Harford Pty Ltd were issued 400,000 ordinary fully paid shares at \$0.20 each as payment for Company Secretary services rendered by Mr Robert Marusco.

(c) Shares issued for exploration assets

During the current year, Eclipse issued 25,000,000 fully paid ordinary shares to Cauldron Energy Limited at \$0.20 each for total consideration \$5,000,000 for uranium exploration assets acquired (refer note 9).

In the prior period, Eclipse acquired 100% of North Minerals Pty Ltd ("North Minerals") from its ultimate holding company, Dourado Resources Limited ("Dourado") and other exploration assets. The total cost of the acquisition was \$5,000,000 and comprised an issue of 24,999,998 ordinary shares with a fair value of \$0.20 each to Dourado to acquire all the shares and options owned by North Minerals and all rights in relation to the two Exploration Licenses in the Northern Territory held by Dourado (refer note 9).

(d) Summary of options granted

The following table details the number (No.) and weighted average exercise price (WAEP) of, and movements in, options issued during the year:

	2011 No.	2011 WAEP \$
Outstanding at the beginning of the year	-	-
Granted during the year to Directors	550,000	0.20
Outstanding at the end of the year	550,000	0.20
Exercisable at the end of the year	-	-

The outstanding balance at 30 June 2011 is represented by:

- 550,000 unlisted Directors' Options with an exercise price of \$0.20 per Option exercisable on or before 30 November 2015 (the options vest 2 years after the date of issue)

(e) Remaining contractual life

The remaining contractual life for Options outstanding at 30 June 2011 is 4.4 years.

(f) Fair value

The fair value of Options granted during the year was \$0.18.

(g) Option pricing model

The fair value of the equity-settled Options granted is estimated as at the date of grant using the Black-Scholes option pricing model taking into account the terms and conditions upon which the Options were granted.

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The following table lists the inputs to the model:

	2011
Dividend yield (%)	Nil
Expected volatility (%)	134.52
Risk free interest rate (%)	5.01
Exercise price (\$)	0.20
Marketability discount (%)	Nil
Expected life of options (years)	5.6
Share price at grant date (\$)	0.20
Value per Option (\$)	0.18

20. PARENT ENTITY FINANCIAL INFORMATION

	2011 \$	2010 \$
Current assets	2,785,014	34,114
Non-current assets	10,696,601	5,000,000
Total assets	13,476,625	5,048,512
Current liabilities	333,626	16,000
Non-current liabilities	-	401,271
Total liabilities	333,626	417,271
Net assets	13,142,999	4,631,241
Issued capital	14,001,819	5,000,002
Reserves	41,984	-
Accumulated losses	(900,804)	(368,761)
Total Shareholder's Equity	13,146,890	4,631,241
Loss after tax of the parent entity	(532,043)	(368,761)
Total comprehensive income of the parent entity	(532,043)	(368,761)

There are no guarantees entered into by the parent entity in relation to the debts of its subsidiary.

There are no contingent liabilities of the parent entity as at the reporting date.

There are no contractual commitments by the parent entity for the acquisition of property, plant and equipment as at the reporting date. Expenditure commitments for granted tenement licenses of the parent entity total \$364,000 per annum.

21. COMMITMENTS AND CONTINGENCIES

(a) Exploration expenditure commitments

Expenditure commitments for granted tenement licenses of the consolidated entity total \$611,000 per annum.

(b) Operating lease commitments

The consolidated entity has entered into a two year commercial property rental lease agreement. Future minimum rental payable under this non-cancellable operating lease at 30 June 2011 is:

	\$
Within one year	81,990
After one year but not more than five year	44,065
More than five years	-
	<u>126,055</u>

(c) Contingent liabilities

The consolidated entity has no known contingent liabilities.

22. AUDITORS' REMUNERATION

	2011 \$	2010 \$
Remuneration of the auditor RSM Bird Cameron Partners for:		
Audit of the financial report	15,000	9,900
Investigating Accountant's Report (2010 Prospectus)	-	21,560
	<u>15,000</u>	<u>31,460</u>

23. EVENTS AFTER REPORTING DATE

On 26 July 2011, the consolidated entity announced that the pro rata non-renounceable entitlement issue of options offered ("Offer") pursuant to the prospectus lodged by the consolidated entity on 22 June 2011 had closed and the options subscribed for under the prospectus were issued. In total, 8,873,500 listed options were issued under the Offer (including 5,268,751 shortfall options) raising \$88,735. These listed options are exercisable at \$0.20 on or before 31 May 2014.

On 2 August 2011, the consolidated entity announced the appointment of Ms Claire Tolcon as Company Secretary, following the resignation of Melissa Chapman from this role.

There are no other events subsequent to 30 June 2011 and up to the date of this report that would materially affect the operations of the consolidated entity or its state of affairs which have not otherwise been disclosed in this financial report.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Eclipse Uranium Limited, I state that:

1. In the opinion of the directors:
 - (a) the financial statements and notes are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2011 and its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001;
 - (b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2; and
 - (c) there are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable;
2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2011.

On behalf of the board



Mark Fogarty
Managing Director

PERTH
12 September 2011

ADDITIONAL SHAREHOLDER INFORMATION

Shareholding

The distribution of members and their holdings of equity securities in the holding Parent Entity as at 3 September 2011 were as follows:

Class of Equity Securities	
Number Held	Fully Paid Ordinary Shares
1-1,000	31
1,001 - 5,000	7
5,001 -10,000	200
10,001 -100,000	109
100,001 and over	36
TOTAL	383

Holders of less than a marketable parcel - nil

Substantial Shareholders

The names of the substantial shareholders listed in the consolidated entity's register as at 3 September 2011:

Shareholder	Number
Dourado Resources Limited	27,000,000
Cauldron Energy Limited	26,000,000

Voting Rights

Ordinary Shares

In accordance with the holding consolidated entity's Constitution, on a show of hands every member present in person or by proxy or attorney or duly authorised representative has one vote. On a poll every member present in person or by proxy or attorney or duly authorised representative has one vote for every fully paid ordinary share held.

ASX Listing Rule 4.10.19

In accordance with Listing Rule 4.10.19, the consolidated entity states that it has used the cash and assets in a form readily convertible to cash that it had at the time of admission in a way consistent with its business objectives. The business objective is primarily mineral exploration.

Restricted Securities

Details of the consolidated entity's restricted securities are as follows:

Security	Restriction details	Number
Ordinary fully paid shares	Escrowed 12 months from issue date being 7 February 2011	400,000
Ordinary fully paid shares	Escrowed 24 months from quotation	49,999,998
Unlisted options	Escrowed 24 months from quotation	550,000

ADDITIONAL SHAREHOLDER INFORMATION (cont)

Twenty Largest Shareholders

The names of the twenty largest ordinary fully paid shareholders as at 3 September 2011 are as follows:

Shareholder	Number	% Held of Issued Ordinary Capital
Dourado Resources Limited	27,000,000	37.33
Cauldron Energy Limited	26,000,000	35.95
Ganbaru Pty Ltd	2,030,000	2.81
Tulasi Gold Pty Ltd	1,250,000	1.73
Dempsey Resources Pty Ltd	1,250,000	1.73
McNeil Nominees Pty Limited	1,000,000	1.38
Mr Danny Meneghello	500,000	0.69
HSBC Custody Nominees	500,000	0.69
NKH Pty Ltd	400,000	0.55
Cape Lambert Resources Limited	400,000	0.55
Kingsreef Pty Ltd	375,000	0.52
Twofivetwo Pty Ltd	350,000	0.48
Worldwide Business Limited	300,000	0.41
International Goldfields	300,000	0.41
Matthew Parrish Pty Ltd	300,000	0.41
Mrs Sally-Ann Wardle	250,000	0.35
Riverflow Nominees Pty Ltd	250,000	0.35
Goldshore Investments Pty Ltd	250,000	0.35
Popal Enterprise Pty Ltd	250,000	0.35
Mr Christopher Eric Barnes	250,000	0.35
Katsu Capital Pty Ltd	250,000	0.35
Fe Limited	250,000	0.35
	63,705,000	88.08%

SCHEDULE OF MINERAL TENEMENTS AS AT 3 SEPTEMBER 2011

AUSTRALIA

Tenement	Status	Equity	Comment
EL 24625	Granted	100%	Eclipse
EL 24637	Granted	100%	Eclipse
EL 24808	Granted	100%	Eclipse
ELA 24623	Application	100%	Eclipse
ELA 24624	Application	100%	Eclipse
ELA 24627	Application	100%	Eclipse
ELA 24861	Application	100%	Lake Mackay
ELA 26283	Application	100%	North Arunta
ELA 26284	Application	100%	North Arunta
EL 24880	Granted	100%	Pine Creek
EL 27701	Granted	100%	Pine Creek
EL 27702	Granted	100%	Pine Creek
EL 27851	Granted	100%	Pine Creek
EL 27853	Granted	100%	Pine Creek
EL 27930	Granted	100%	Pine Creek
ELA 27584	Application	100%	West Arnhem
ELA 27703	Application	100%	West Arnhem
ELA 24862	Application	100%	Canning Basin

Notes:

EL: Granted Exploration Licence

ELA: Exploration Licence Application