

ASX ANNOUNCEMENT

28 May 2014

Australian Securities Exchange
Companies Announcements Office
ASX Limited
Level 40, Central Park
152-158 St Georges Terrace
PERTH WA 6000

The Directors of Eclipse Metals Limited ("**Eclipse Metals**" or "**the Company**") (**ASX: EPM**) advises EPMO option holders that the attached letter, informing option holders of the expiry date of 31 May 2014, was required to be dispatched to option holders on 5 May 2014.

As this did not occur, the Company has breached Listing Rule 6.24, Appendix 6A of the ASX. This administrative oversight resulted due to the fact that the exercise price of the quoted options, being 20 cents is significantly 'out-of-the-money' and it is extremely unlikely that the option holders would take up their entitlement to convert either all or part of their holding into fully paid ordinary shares.

The Company further advises that the trading of EPMO options ceases on the ASX, effective immediately.



Keith Bowker
Company Secretary

For further information please contact:

Carl Popal
Executive Chairman
T: +61 8 9480 0420

Keith Bowker
Company Secretary
T: +61 8 9481 0544

BOARD

Carl Popal
Executive Chairman

Pedro Kastellorizos
Executive Director

Rodney Dale
Non-Executive Director

Justin Barton
Non-Executive Director

COMPANY SECRETARY

Keith Bowker

REGISTERED OFFICE

Suite 1/56 Kings Park Road
West Perth WA 6005
Phone: +61 8 9481 0544
Fax: +61 8 9481 0655

PRINCIPAL PLACE OF BUSINESS

Level 3, 1060 Hay Street
West Perth WA 6005
Phone: +61 8 9480 0420
Fax: +61 8 9321 0320

AUSTRALIAN BUSINESS NUMBER

85 142 366 541

SHARE REGISTRY

Security Transfer Registrars
770 Canning Highway
Applecross WA 6153

ASX CODE

EPM

WEBSITE

www.eclipsemetals.com.au

ECLIPSE METALS LIMITED

ACN 142 366 541

REGISTERED OFFICE
ECLIPSE METALS LIMITED
Suite 1, 56 Kings Park Road
WEST PERTH WA 6005

SHARE REGISTRY
Security Transfer Registrars Pty Ltd
All Correspondence to: PO BOX 535, APPLECROSS WA 6953
Tel (08) 9315 2333 Fax (08) 9315 2233
EMAIL: registrar@securitytransfer.com.au

5 May 2014

Dear Option Holder

YOUR OPTIONS TO ACQUIRE ECLIPSE METALS LIMITED SHARES AT \$0.20 PER SHARE EXPIRE ON 31 MAY 2014

We are writing to you as a registered holder of 31 MAY 2014 options in ECLIPSE METALS LIMITED to remind you that the options will expire at 5:00pm (WST) on 31 MAY 2014.

Your option holding may be exercised in whole or in part by payment of \$0.20 for each option by no later than 31 May 2014. If payment is not received by 5:00pm (WST) on 31 May 2014 the options will lapse and all rights under the options will cease at that time.

Some of the courses of action available to you as a holder of these soon to expire options are:

- a) Exercise the options on or before 31 May 2014.
- b) Sell your options. Quotation of the options will cease at the close of trading on 30 May 2014.
- c) Do nothing (ie, allow your options to expire). If you do not exercise or sell your options they will expire on 31 MAY 2014 and your right to subscribe for ordinary shares in ECLIPSE METALS LIMITED at \$0.20 per share will lapse.

There is no obligation on option holders to exercise their options. However, under paragraph 6.1 of Appendix 6A of the Australian Securities Exchange (**ASX**) Listing Rules, the Company is required to advise option holders of the information contained in this notice.

The market sale price of ordinary shares in ECLIPSE METALS LIMITED on ASX was \$0.005 on 2 May 2014, being the last trading day prior to the date of this notice.

During the three (3) months preceding the date of this notice:

- the highest market sale price of ordinary shares on ASX was \$0.11 on 28 April 2014; and
- the lowest market sale price of ordinary shares on ASX was \$0.003 on 16 April 2014.

If you wish to exercise your options then you must complete your "Notice of Exercise of Options" form on the reverse of this notice and forward it together with payment of \$0.20 per option exercised to be received no later than 5:00pm (WST) on **31 MAY 2014** to the Company's share registry, being:

Security Transfer Registrars Pty Ltd
PO Box 535 OR **770 Canning Highway**
APPLECROSS WA 6953 **APPLECROSS WA 6153**

Cheques should be made payable to "ECLIPSE METALS LIMITED" in Australian dollars only and should be crossed "Not negotiable". If you have any further questions please do not hesitate to contact our Registry on telephone (08) 9315 2333, facsimile (08) 9315 2233, or e-mail registrar@securitytransfer.com.au.

Yours faithfully



KEITH BOWKER
COMPANY SECRETARY

ECLIPSE METALS LIMITED

ABN 85 142 366 541

OPTIONS EXP 31/05/14 @ \$0.20 EPMO

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

- a) Each Option gives the Optionholder the right to subscribe for one (1) Share. To obtain the right given by each Option, the Optionholder must exercise the Options in accordance with the terms and conditions of the Options.
- b) The Options will expire at 5.00pm (WST) on 31 May 2014 (Expiry Date). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- c) The amount payable upon exercise of each Option will be \$0.20 (Exercise Price).
- d) The Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
- e) An Optionholder may exercise their Options by lodging with the Company, before the Expiry Date:
 - i. a written notice of exercise of Options specifying the number of Options being exercised; and
 - ii. a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised,
- f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- g) Within 10 business days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- h) The Company will apply for quotation of the Options on ASX.
- i) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares. The Company will apply for quotation of all Shares issued upon the exercise of the Option within 3 business days after the date of the allotment of these shares.
- j) The Options are transferable.
- k) If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- l) There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 business days after the issue is announced. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- m) An Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.

To
The Directors
ECLIPSE METALS LIMITED
SUITE 1
56 KINGS PARK ROAD
WEST PERTH WA 6005

Share Registry:
Security Transfer Registrars Pty Ltd
PO Box 535
APPLECROSS WA 6953
Email: registrar@securitytransfer.com.au
Website: www.securitytransfer.com.au
Ph: (618) 9315 2333 Fax: (618) 9315 2233

I/We

Shareholder Number:

Of

Being the registered holder of Options hereby exercise such Options to subscribe for Ordinary fully paid shares. I/We enclose application money of \$..... and authorise you to register me/us as the holder of the shares to be allotted to me/us and I/we agree to accept such shares subject to the Rules of the Constitution of the Company

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|--|--|---|---|
| Individual or Holder 1 <div style="border: 1px solid black; height: 20px; width: 100%;"></div> <p style="font-size: small; margin-top: 5px;">Director</p> | Securityholder 2 <div style="border: 1px solid black; height: 20px; width: 100%;"></div> <p style="font-size: small; margin-top: 5px;">Director/Secretary</p> | Securityholder 3 <div style="border: 1px solid black; height: 20px; width: 100%;"></div> <p style="font-size: small; margin-top: 5px;">Sole Director/Secretary</p> | Date: <div style="border: 1px solid black; height: 20px; width: 100%;"></div> <p style="font-size: small; margin-top: 5px; text-align: center;">Day / Month / Year</p> |
| <div style="border: 1px solid black; height: 20px; width: 100%;"></div> <p style="font-size: small; margin-top: 5px;">Contact Name</p> | <div style="border: 1px solid black; height: 20px; width: 100%;"></div> <p style="font-size: small; margin-top: 5px;">Contact Telephone Number</p> | | |

This application, with application money in Australian Currency, should be lodged at the Company's Share Registry on or before the Expiry Date.

NOTE: Cheque should be made payable to **ECLIPSE METALS LIMITED.**
and forwarded to Security Transfer Registrars Pty Ltd.