



ECLIPSE URANIUM MOVING QUICKLY TO DEFINE POTENTIAL OF SIZEABLE NT ASSETS

Newly-listed Eclipse Uranium Ltd (**ASX: EUL**) is moving quickly to do its bit to meet an Australian Government forecast that the country's uranium production is expected to grow significantly in coming years to meet global energy requirements.

Australian Resources Minister, Martin Ferguson, told an industry gathering in mid May 2011 that the tonnage of uranium produced in this country is predicted to double within four years and quadruple within 20 to meet export demand.

It is these types of growth figures that have helped maintain strong investor interest in Australia's developing uranium exploration sector, and that was reflected by the support Eclipse Uranium received for its recent Initial Public Offering (IPO) which raised \$4 million towards the Company's proposed exploration budget for its sizeable tenement holdings in the Northern Territory.

Eclipse, which listed on the ASX in mid-February 2011 with a market capitalisation of over \$14 million, has already hit the ground running with its maiden drilling program.

The tightly held junior explorer, which has ASX-listed Cauldron Energy Limited 36.75% and Dourado Resources Limited 38.16% as its major shareholders, has more than 8,910 square kilometres of exploration tenure on its books, located in geologically favourable areas in the NT. The Company's exploration assets are comprised of six separate project areas which were carefully selected with reference to sound geological models developed specifically for uranium mineralisation.

The largest of these areas, the Eclipse Project, covers approximately 5,438 sq. km located in the southern and north eastern parts of the Ngalia basin.

The other project areas are: the Pine

Creek Project (1,114km²); the West Arnhem Project (110km²); the North Arunta Project (1,580km²); the Lake MacKay Project (159km²); and the Canning Basin Project (516km²).

Eclipse Uranium's projects are located close to established infrastructure including railways, shipping ports, highways, power stations and populated areas.

EARLY EXPLORATION

The Company has turned its initial exploration attention to the Eclipse and Pine Creek Projects which have been identified as having significant uranium potential.

The Eclipse Uranium Project located 200 km north west of Alice Springs; comprises three granted exploration licences, EL24625, EL24637 and EL24808 and three exploration licence applications.

Eclipse is situated in the Ngalia Basin and the Arunta Block granites, which have established uranium prospectivity.

Numerous uranium occurrences fall within the project region - including the Currinya and Mount Wedge prospects.

Significant recent exploration has been carried out 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 Ltd) within EL24625 and EL24637.

Results from 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 north west of the project area. This was followed up with further aircore drilling which returned a number of anomalous results.

The area is also receiving plenty of attention under a Joint Systems Uranium (JSU) Ngalia Basin Project conducted by CSIRO. The project, a collaboration between CSIRO, the NT and South Australian governments, Cauldron Energy, Thundelarra Exploration Ltd and Energy Metals Ltd, formally commenced in December 2009 with a scheduled length of approximately 18 months. It is aiming to identify the geological, structural, mineralogical, alteration and fluid flow characteristics of uranium mineralisation within the Ngalia Basin.

The region already hosts the Bigrlyi Deposit (Energy Metals Ltd) with an indicated and inferred resource of 13,107t U₃O₈ (average grade 0.08%) and the New Well Deposit (Deep Yellow Ltd) 3,350t U₃O₈ (average grade 0.036%). Recent drilling in the region includes results of 27m at 2,708 ppm U₃O₈ at Energy Metals' Camel Flat prospect. Thundelarra has also been active in the area recording recent results of 7.08m at 1,405 ppm eU₃O₈ at their Afghan Swan prospect.

ECLIPSE URANIUM DRILLING

Eclipse Uranium began its own exploration of the area recently when it completed an aircore drilling program on the EL24625 licence. 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.

Anomalous results were encountered adjacent to the Stuart Bluff Range including 1m at 62 ppm U_3O_8 , 1m at 64 ppm U_3O_8 , 4m at 38 ppm U_3O_8 . 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 has given the company encouragement for future exploration in the region.

HERITAGE SURVEY

The Company is planning a further drilling campaign in the EL24808 area of the Eclipse Project following the receipt of a Sacred Site Clearance Certificate from the Central Land Council, which is expected to be awarded imminently. Eclipse is targeting a prospect which lies equidistant between Energy Metals Ltd's Biglyi Uranium Deposit (13,107t U_3O_8 at an average grade of 0.08%) and the Camel Flat Uranium Prospect.

The proposed drilling program will target the Mount Eclipse Sandstone adjacent to the Yuendumu Thrust and additional faults interpreted from magnetic and gravity surveys.

PINE CREEK PROJECT

The Pine Creek Project comprises of six granted exploration licences (EL 24880, 27701, 27702, 27851, 27853 & 27930). The project area includes the historic Adelaide River, Point Stuart, Woolner, Litchfield South, Litchfield North, and Mount Douglas prospects.

ADELAIDE RIVER

The Adelaide River Prospect covers an area of 184 sq. km and 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 100 km south of Darwin. The Pine Creek Orogen hosts more than 1,300 m of 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).

Territory Uranium has recently reported promising drill results of 33 m at 1.76% REE including 12 m at 3.76% REE and 6 m at 6.55% REE at one of its projects, which lies approximately 40 km south-south east of the Adelaide River prospect.

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CODE:

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Previous exploration in the area 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..

POINT STUART

The Point Stuart tenement application is 81 km south east of Darwin and covers 262 sq. km. The licence application is situated on the Pine Creek Geosyncline, which is recognised as a major uranium and gold province.

WOOLNER

The Woolner tenement application is located 59 km east of Darwin and covers an area of 151 sq. km. The Woolner Dome remains relatively unexplored, however, it shares broad similarities with the Rum Jungle and Alligator River fields.

LITCHFIELD NORTH AND SOUTH

The Litchfield tenement applications are approximately 80 km south west of Darwin and include two exploration license applications covering 307 sq. km (South) and 187 sq. km (North). The district is located in a zone of high uranium background.

MOUNT DOUGLAS

The tenement application is located approximately 120 km south east of Darwin, 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 23 sq. km.

Yellow Rock Resources has conducted Radiometric Airborne surveys over most of the application areas. Total magnetic intensity images indicate several structures of interest. Soil sampling data and recorded geochemical results indicate positive assays for thorium, uranium and vanadium.

In the southern part of the tenement, the rocks of the Pine Creek Orogen display significant radiometric counts that suggest uranium prospectivity.

RECONNAISSANCE PROGRAM

Eclipse is awaiting environmental and heritage approvals to allow it to undertake ground exploration programs which include

ground based scintillometer and soil/rock geochemistry surveys in the Pine Creek Project area.

It expects to be able to begin that work in the third quarter.

EXPERIENCED BOARD

The Eclipse Uranium Board is headed up by the highly regarded Brett Smith as Non-Executive Chairman. Mr Smith has more than 20 years of experience in the mining and exploration industry as a geologist, manager, consultant and director. He is currently Chairman of Australian junior energy company, Blackham Resources Ltd and Executive Director of uranium explorer Cauldron Energy Limited.

The Company's Managing Director, Mark Fogarty, has nearly 20 years experience in the mining and exploration industry. He has worked extensively on uranium, precious and base metal mining and exploration projects throughout Australia. Recently Mr Fogarty was Senior Geologist at Cauldron Energy, where he was involved in the definition of uranium resources at the Yanrey Project in WA. With Cauldron Energy he was also active in the exploration of the company's assets in the NT and South Australia. Mr Fogarty also served on the board of United Uranium in 2007 and 2008.

Non-Executive Director, Emilio Pietro Del Fante, brings 20 years of experience in the mineral and resources sector. 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.

Eclipse Uranium has recently further strengthened its Board with the appointment of Paul Kelly as a Non-Executive Director. Mr Kelly has more than 20 years experience in the fields of finance, investment and banking and was previously National Manager of Advertising and Sponsorship for Members Equity Bank and held a number of senior roles with the bank over a 15 year period. Mr Kelly is also a director of Chameleon Mining NL and Monitor Energy Limited.