

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

ECLIPSE METALS LIMITED

ABN

85 142 366 541

Quarter ended ("current quarter")

31 December 2012

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors	25	25
1.2 Payments for (a) exploration & evaluation	(28)	(147)
(b) development	-	-
(c) production	-	-
(d) administration	(38)	(162)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income Taxes refunded (paid)	-	-
1.7 Other –	-	-
Net Operating Cash Flows	(41)	(284)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of: (a) prospects	8	8
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	(650)
1.11 Loans repaid by other entities	-	58
1.12 Other (provide details if material)	-	-
Net investing cash flows	8	(584)
Total operating and investing cash flows (carried forward)	(33)	(868)

+ See chapter 19 for defined terms.

For personal use only

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(33)	(868)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	41	41
1.17	Repayment of borrowings	(10)	(10)
1.18	Dividends paid	-	-
1.19	Other – Share issue costs	(5)	(10)
	Net financing cash flows	26	21
Net increase (decrease) in cash held			
		(7)	(847)
1.20	Cash at beginning of quarter/year to date	11	851
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	4	4

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	-
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Directors fee

-

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

On 13 September 2012, the Company allotted 7,200,000 fully paid Ordinary Shares and 3,750,000 Options and now holds directly 16.53% of the Capital of Walla Mines Limited.

On 5 December 2012, the Company allotted 74,600,000 fully paid Ordinary Shares and 85,979,480 Options to acquire directly 96.38% of the Capital of Contour Resources Pty Limited. Contour Resources Pty Limited holds a direct ownership interest in Walla Mines Limited of 39.28%.

Following these acquisitions, the Company holds a direct/indirect ownership interest in Walla Mines Limited of 54.39%.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Not Applicable

Financing facilities available

+ See chapter 19 for defined terms.

For personal use only

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	100
4.2 Development	-
4.3 Production	-
4.4 Administration	200
Total	300

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	4	11
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	4	11

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	N/A		

+ See chapter 19 for defined terms.

For personal use only

Appendix 5B
Mining exploration entity quarterly report

6.2 Interests in mining tenements acquired or increased	EL 29563 - Eclipse	Granted	0%	100%
	EL 27701 – Pine Creek	Granted	100%	100%
	EL 27930 – Pine Creek	Granted	100%	100%
	EL 26262 – Pine Creek	Granted	100%	100%
	EPM 17672 – Mary Valley	Granted	0%	54%
	EPM 17685 – Mary Valley	Granted	0%	54%
	EPM 17938 – Mary Valley	Granted	0%	54%
	EPM 17810 – Bundaberg	Granted	0%	54%
	EL 27117 – West McArthur	Granted	0%	54%
	EPM 18596 – Moonford	Granted	0%	54%
	EPM 17321 – Yellow Jack	Granted	0%	54%
	ELA 4507 – Moss Vale	Application	0%	54%

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	230,439,641	180,439,643		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	84,094,333	84,094,333		
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				

+ See chapter 19 for defined terms.

For personal use only

7.7	Options <i>(description and conversion factor)</i>	150,000 8,873,500 20,909,165 99,223,813	- 8,873,500 - -	<u>Exercise price</u> \$0.20 \$0.20 \$0.06 \$0.06	<u>Expiry date</u> 30/11/2015 31/05/2014 31/03/2013 30/11/2016
7.8	Issued during quarter	95,473,813	-	\$0.06	30/11/2016
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:

Date: 31 January 2013

Print name: **Peter Del Fante**
Executive Director

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

+ See chapter 19 for defined terms.

For personal use only

Appendix 5B
Mining exploration entity quarterly report

- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

== == == == ==

For personal use only

+ See chapter 19 for defined terms.