

6 May 2013

ASX Market Announcements
Company Announcements Office
SYDNEY NSW 2000

Letters to Shareholders and Optionholders

Please find attached letters to Shareholders and Optionholders with respect to the Company's \$2.4M underwritten renounceable entitlements issue.

If you have any queries in relation to the offer please contact the Company Secretary on (03) 9488 5220 or by email jane@eclipsemetals.com.au.

Yours sincerely



Jane Flegg
Company Secretary

BOARD

Carl Popal
Director

Peter Landau
Director

David Sanders
Director

COMPANY SECRETARY

Jane Flegg

REGISTERED OFFICE

Ground Floor, 1 Havelock Street
West Perth WA 6005
Phone: +61 8 9488 5220
Fax: +61 8 9324 2400

PRINCIPAL PLACE OF BUSINESS

Level 2, 41-43 Ord Street
WEST PERTH WA 6005
Phone: +61 8 9481 3992
Fax: +61 8 9481 5665

AUSTRALIAN BUSINESS NUMBER

85 142 366 541

SHARE REGISTRY

Security Transfer Registrars
770 Canning Highway
Applecross WA 6153

ASX CODE

EPM

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6 May 2013

Dear Shareholder

On 3 May 2013, Eclipse Metals Limited (**Company**) announced an underwritten renounceable entitlements issue of up to approximately 486,385,544 new fully paid ordinary shares (**Entitlement Issue**) under which its shareholders will be offered two (2) fully paid ordinary shares in the Company (**New Shares**) for every one (1) fully paid ordinary share held at 5.00pm (Perth time) on 14 May 2013 (**Record Date**) at an issue price of 0.5 cents per New Share, with any fractional entitlements being rounded up.

The Company will also make available a shortfall facility to enable Shareholders to subscribe for additional New Shares if they wish to do so, subject to compliance with the ASX Listing Rules and the Corporations Act.

The New Shares will rank equally with all other fully paid ordinary shares of the Company, including in respect of dividends, from the date of allotment.

As an Eligible Shareholder you will also be entitled to sell all or part of your Rights. If you take no action you will retain your existing shares but may have foregone the value that this entitlement may provide to you. To sell your Rights, please complete the section of your Entitlement and Acceptance Form headed "Instructions to your Stockbroker".

The Entitlement Issue is fully underwritten by Komodo Capital Pty Ltd, AFSL 344234.

The Entitlement Issue will raise up to approximately \$2.4 million before costs. The funds will be used to repay EPM's short term debt facility, fund exploration and tenement expenses for EPM and its subsidiaries' tenement portfolio, evaluate new exploration prospects and working capital.

As an Eligible Shareholder, we look forward to extending the Entitlement Issue to you. We expect to dispatch the Offer Document and Entitlement and Acceptance Form to Eligible Shareholders on or around 20 May 2013.

BOARD

Carl Popal
Director

Peter Landau
Director

David Sanders
Director

COMPANY SECRETARY

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The following are key dates relating to the Rights Issue that you need to be aware of:

Rights Issue/Offer announced via ASX	3 May 2013
Ex date/Rights Trading Commences (Shares Quoted on an ex-entitlement basis)	8 May 2013
Record Date (date for determining entitlements of Eligible Shareholders to participate in the Offer)	14 May 2013
Offer Document dispatched to Eligible Shareholders (expected date of dispatch of Offer Document and Entitlement and Acceptance Forms)	20 May 2013
Rights Trading Ends*	3 June 2013
Acceptances close*	11 June 2013
Company to notify ASX of undersubscriptions (if any)**	14 June 2013
Issue of new shares and dispatch holding statements**	19 June 2013

- * Subject to the Listing Rules, the Directors reserve the right to extend the Closing Date for the Entitlement Issue at their discretion. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the New Shares and shortfall shares.

- ** These dates are indicative only.

Existing optionholders may participate in the Entitlement Issue upon exercise of their options. The Company sent a notice to its optionholders on 6 May 2013 to notify them of their right to participate in the Entitlement Issue upon exercise of their options.

Please consult your stockbroker, solicitor, accountant or other financial adviser if you are in any doubt as to the value of the Rights Issue. Information regarding the Entitlement Issue can be viewed on the ASX website.

If you have any questions, please contact the Company Secretary on (08) 9488 5220 or by email jane@eclipsemetals.com.au.

Yours sincerely



Jane Flegg
Company Secretary

6 May 2013

Dear Optionholder

Eclipse Metals Limited (**Company**) has announced an underwritten renounceable entitlements issue of up to approximately 486,385,544 new fully paid ordinary shares (**Entitlement Issue**) under which its shareholders will be offered two (2) fully paid ordinary shares in the Company (**New Shares**) for every one (1) fully paid ordinary share held at 5.00pm (Perth time) on 14 May 2013 (**Record Date**) at an issue price of 0.5 cents per New Share, with any fractional entitlements being rounded up.

The New Shares will rank equally with all other fully paid ordinary shares of the Company, including in respect of dividends, from the date of allotment.

The Entitlement Issue will raise up to approximately \$2,400,000 before costs. The funds will be used to repay EPM's short term debt facility, fund exploration and tenement expenses for EPM and its subsidiaries' tenement portfolio, evaluate new exploration prospects and working capital.

Under the terms and conditions of the options that you currently hold, there is no entitlement to participate in the Entitlement Issue. In order to participate in the Entitlement Issue in relation to any options that you hold, you must exercise those options in accordance with the terms of your options, prior to the Record Date.

Please note that it is not compulsory to exercise your options. If you do wish to exercise your options, you may do so by completing all of the steps required by the terms and conditions of those options, including payment of the relevant exercise price.

Please consult your stockbroker, solicitor, accountant or other financial adviser if you are in any doubt as to the value of the Entitlements Issue.

If you have any questions, please contact the Company Secretary on (08) 9488 5220 or by email jane@eclipsemetals.com.au.

Yours sincerely



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Company Secretary

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