

ASX ANNOUNCEMENT

24th July 2014

Australian Securities Exchange
Companies Announcements Office
ASX Limited
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HIGH GRADE MANGANESE RESULTS CONFIRM SURFACE MINERALISATION IN MARY VALLEY PROJECT

Highlights

- Rock-chip sample assays returned results up to 52% manganese in the Mary Valley project tenements:-
 - **Amamoor:- 52% Mn**
 - **Skyring Creek:- 51% Mn**
 - **Zacharia Creek:- 46% Mn**
 - **Upper Kandanga:- 43% Mn**
 - **Donaldsons:- 43% Mn**
- Recent assessment of historical mine workings indicates that **full extent of mineralisation has not been exploited, providing substantial exploration upside.**
- Significantly increased geological understanding and development of manganese exploration targets in Mary Valley.
- At Amamoor in particular, geological evaluation of old workings and surrounds indicates that **mineralisation is more widespread** than the old workings with indications that there may be significant near surface extensions of both high grade and low grade (beneficiable) mineralisation.
- Potential to identify additional mineralisation at Mary Valley in many prospects in these largely under-explored tenements where only a limited area has been examined to date.
- Preliminary investigations have indicated that manganese mineralisation is widespread and that areas where there is concentration have been mined in the past to produce significant tonnages of direct shipping manganese ore.

The Directors of Eclipse Metals Limited (“Eclipse Metals” or the “Company”) (ASX: EPM) are pleased to announce that the second phase of exploration with completion of field mapping and surface sampling has defined extensive surface manganese mineralisation in the Mary Valley Manganese Project tenements.

Eclipse Metals Ltd is an Australian exploration company focused on exploring the Northern Territory and Queensland for multi commodity mineralisation. The company has an impressive portfolio of assets prospective for gold, manganese, iron ore, base metals and uranium mineralisation. The Company's mission is to increase Shareholder wealth through capital growth and ultimately, dividends. Eclipse plans to achieve this goal by exploring for and developing viable mineral deposits to generate mining or joint venture income.

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Historically, the two exploration permits have yielded over 31,000t of high grade direct shipping ore with assays of 39.5% to 51% Mn from mining operations carried out during the 1920's and 1960's. **In the past 50 years little to no geological activity has been recorded over the Mary Valley prospects for manganese.**

Field examination concentrated on the southern part of the exploration permits, where previous mining has produced high grade manganese ore. Within Amamoor and Kandanga (*Refer to Figure 1 Map*) it is evident that there are substantial further deposits of high grade, potentially direct shipping ore (DSO) and lower grade beneficiable mineralisation in proximity to the old workings and in strike extensions of known deposits.

Records of historical high grade ore mined within the Mary Valley manganese area and analyses from **recent rock-chip samples, indicate that manganese and silica levels fall within the DSO parameters for saleable manganese ore from Australia and other countries around the world.**

The Eclipse Metals Mary Valley Manganese Project is centred about 15 km south of the town of Gympie in southeast Queensland, 138km by road north from Brisbane. Gympie is a major regional centre and able to provide service and infrastructure support for exploration and mining activities.

BACKGROUND

There has been **no systematic modern exploration** for manganese deposits within the project area.

Discovery of high grade outcropping manganese mineralisation during logging operations led to **sporadic periods of small-scale mining in which limited tonnages of the highest grade ore were extracted.**

The main period of mining activity was from 1958 to 1960. **Production was mainly from open pits dug by bulldozer.**

Within the two tenements the comprising Eclipse Mary Valley Manganese Project there are **at least twenty occurrences of known manganese mineralisation.**

The common host rocks to the manganese mineralisation are a brown to reddish brown cherty rock (jasperoid) and andesite.

A total of thirty rock-chip samples were collected and submitted to ALS Laboratory Brisbane. The samples were crushed and pulverised (methods CRU-21 and PUL-23) and then assayed by method ME-XRF26s. *Please refer to Table 2 for full assay results.*

Table 1: Highlights of Rock Chip Sample Analytical Results

Sample Id	Easting (mE)	Northing (mN)	Prospect Name	Al2O3 %	CaO %	Fe2O3 %	K2O %	MnO %	Mn %	Na2O %	P2O5 %	SiO2 %
PS031	461958	7085835	Amamoor Mine	1.79	1.98	4.13	0.19	61.66	47.75	0.08	0.1	15.78
PS032	461664	7085888	Amamoor West Lode	3.02	1.07	11.7	0.07	49.36	38.23	0.03	0.37	25.12
PS035	462305	7086888	Skyring Creek Prospect	1.97	0.82	6.89	0.43	66.14	51.22	0.12	0.08	1.68
PS039	462760	7078121	Upper Kandanga	2.06	1.52	1.44	0.12	52.83	40.91	0.3	0.12	34.48
PS040	462813	7078206	Upper Kandanga	1.34	1.28	0.77	0.22	54.08	41.88	0.17	0.16	33.1
PS041	462788	7078194	Upper Kandanga	3.83	1.36	1.84	0.55	44.53	34.49	0.64	0.07	36.94
PS042	462786	7078114	Upper Kandanga	2.59	1.23	2.24	0.65	55.34	42.86	0.3	0.14	25.55
PS043	459928	7096223	Donaldson No.1	0.83	2.94	1.76	0.07	50.69	39.26	0.15	0.06	30.1
PS046	459926	7096216	Donaldson No.1	0.65	2.48	1.22	0.37	56.03	43.39	0.2	0.07	23.25
PS050	458575	7091285	Eel Creek Mine	1.78	3.46	6.28	0.13	46.16	35.75	0.14	0.08	31.86
PS051	461137	7087108	Zacharia Creek Prospect	1.77	1.22	7.53	0.04	59.98	46.45	0.03	0.07	19.6
PS052	461136	7087092	Zacharia Creek Prospect	2.42	2.34	6.26	0.04	57.19	44.29	0.05	0.05	21.27
PS054	461116	7087080	Zacharia Creek Prospect	2.13	9.19	6.31	0.03	45.77	35.45	0.04	0.04	19.6
PS057	461927	7085988	Donaldson No.2	5.54	4.97	7.98	0.03	46.31	35.87	0.04	0.15	27.24
PS058	461934	7085981	Amamoor Mine	7.38	7.56	5.74	0.09	47.52	36.80	0.06	0.21	17.7
PS060	461961	7085948	Amamoor Mine	3.69	2.73	1.74	0.11	67.33	52.14	0.04	0.1	8.62

Total Assays File is outlined in the end of Report in Table 2

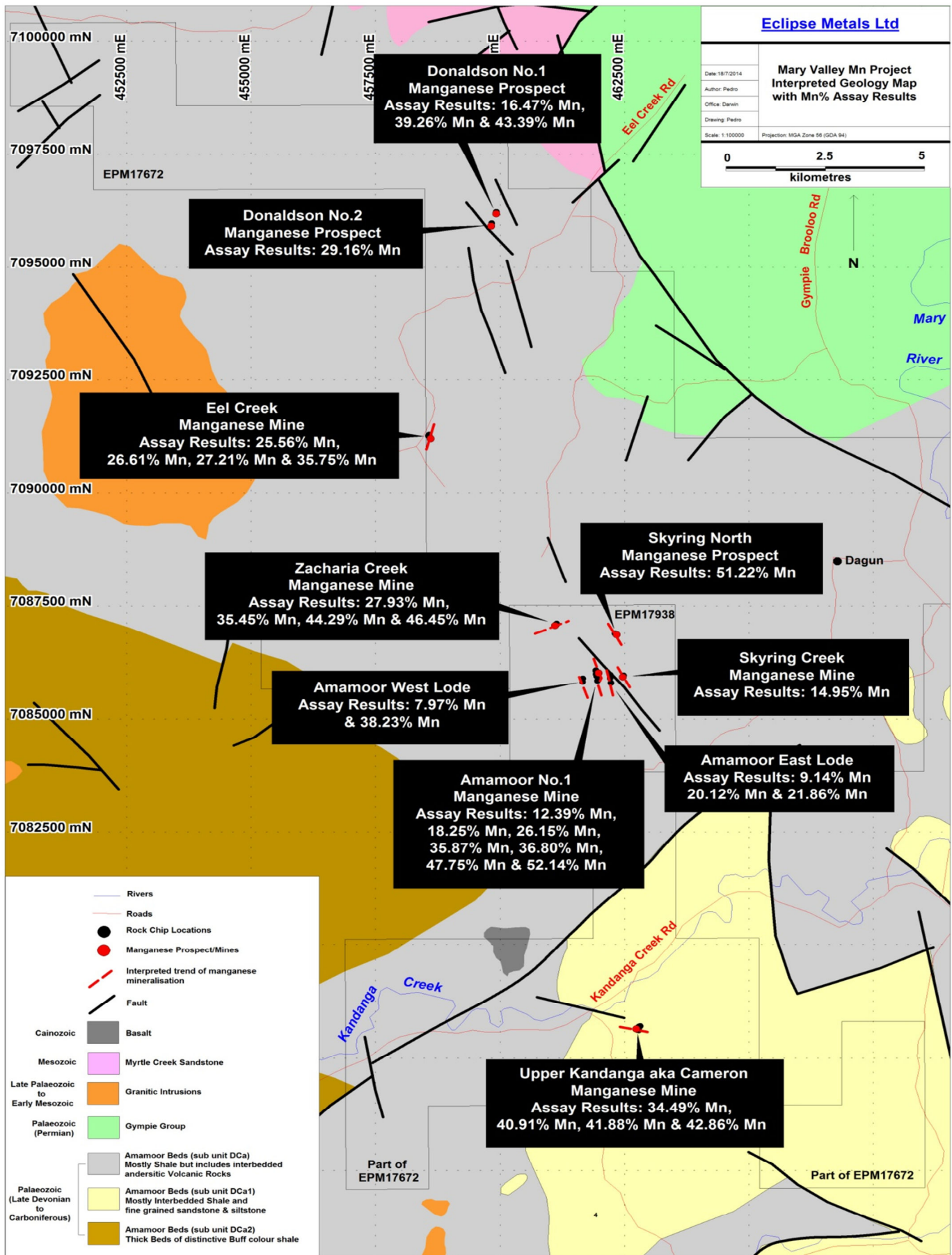


Figure 1: Regional Interpreted Geology Map showing sample locations and Mn%

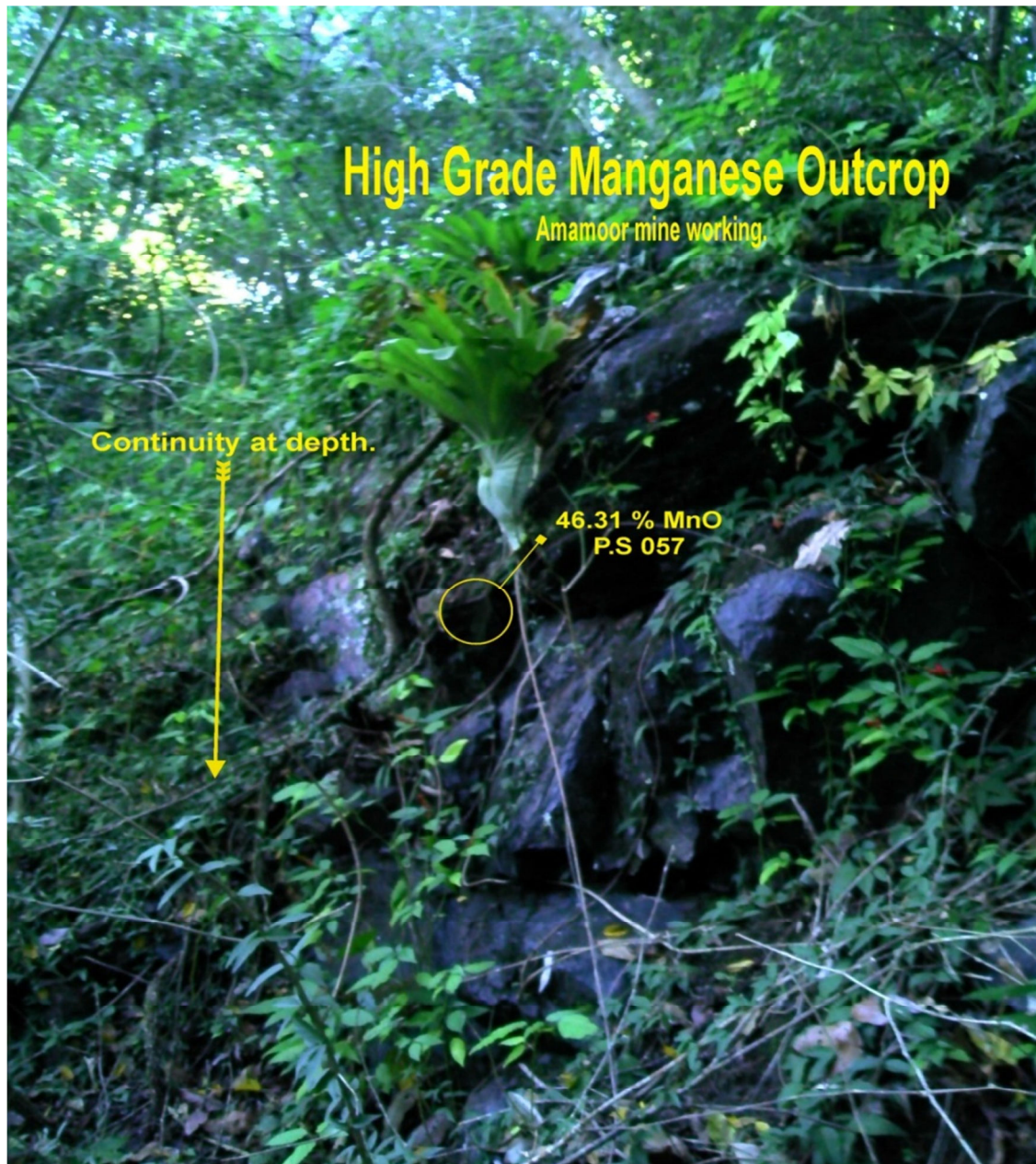
A geological assessment of the various manganese prospects/mines shown on in the map are described below:

AMAMOOR MANGANESE MINE

The historical Amamoor Manganese Mine was the largest producer in the Mary Valley region, last mined in 1959. The workings consist of a series of long, narrow excavations several metres wide across the eastern slope of a prominent ridge, broadly parallel to the ridge contours, resulting in vertical walls 3m to 5m high. Sub-parallel cuts have been made such that the workings extend down-slope a horizontal distance of more than 50m and in places there is a 20m vertical difference between the elevation of the upper and lower workings.

The workings extend about 300m in a broadly north-westerly direction with the central point of the workings at about 461980mE/7685990mN.

Arrangement of the workings suggests that the primary manganiferous horizon trends about north-northwest with a steep dip towards the northeast and that the workings down-slope exploited the down-dip continuation of the main mineralised zone of this horizon. In contrast with this orientation, the largest body of historically mined ore, associated with jasperoidal chert, has a strike direction of 008° and a dip varying from 75° towards the west to vertical. A sub-parallel manganese mineralised horizon appears to represent a previously unrecognised separate formation which may contribute additional resources.



Western face of historical workings at Amamoor Manganese Mine

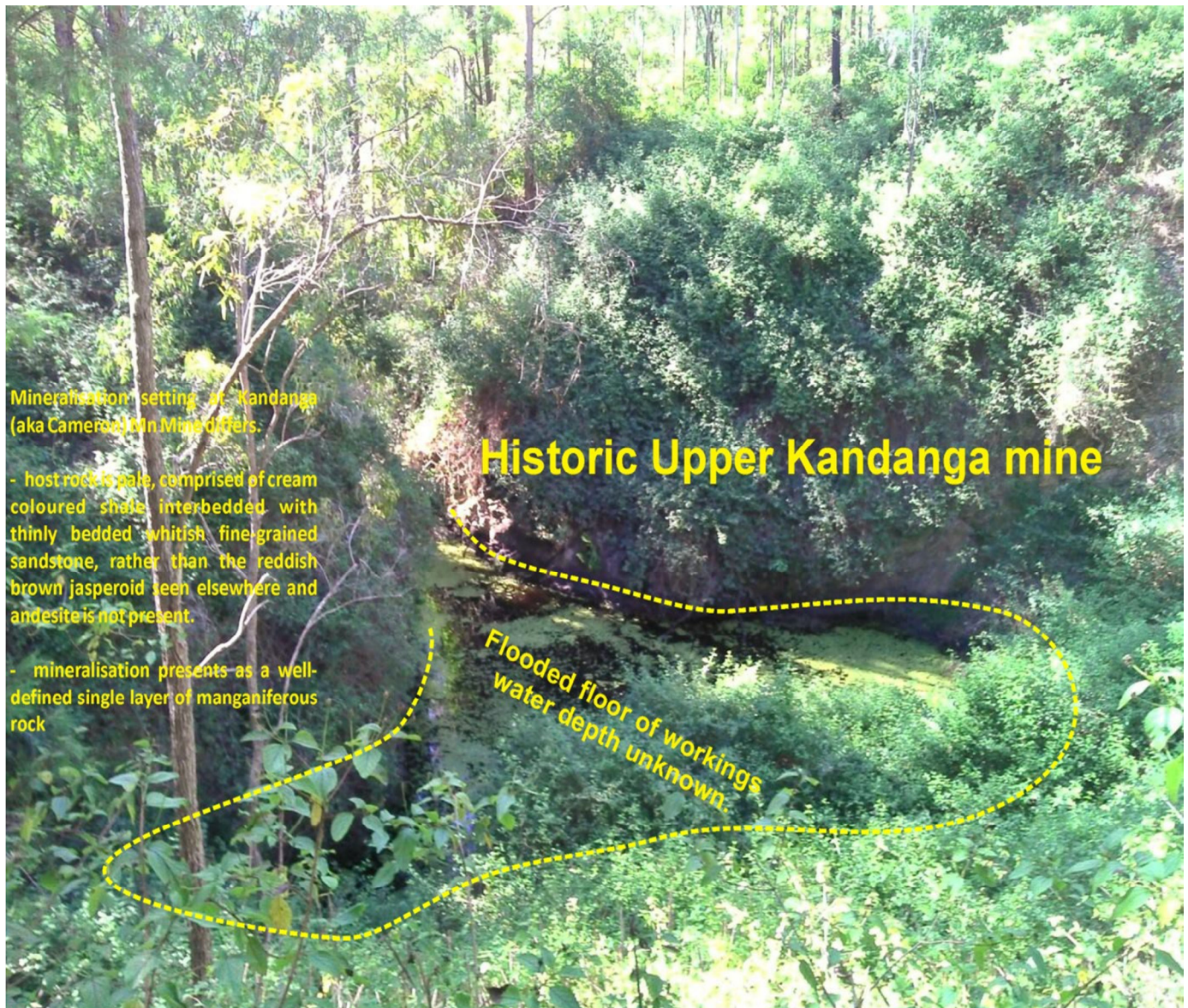
UPPER KANDANGA (AKA CAMERON) MANGANESE MINE

The Upper Kandanga (aka Cameron) historical manganese mine workings are located about 6km west-southwest of the village of Kandanga. The mineralisation is in a distinct bed 2m to 3m thick and appears to be different from other historical operations being associated with shale and sandstone, rather than jasperoidal chert and andesite, and with shallow dip angles.

The manganese mineralisation has a strike direction of about 100° and dips about 35° towards the north. The layer of manganese mineralisation east of a fault is displaced a few metres lower than the layer west of the fault.

The continuity of mineralisation along strike west of the workings is unknown but the thickness of the layer exposed in the western wall of the workings suggests that it is likely to extend a considerable distance westwards into the banks of the gully.

Mineralisation is known to continue along strike from the pit towards the east; Brooks (1962) describes an adit that was excavated into the eastern face of the workings in 1960 and extended at least 12m into the eastern slope of the gully.



Historical workings at the Upper Kandanga (aka Cameron) Manganese Mine



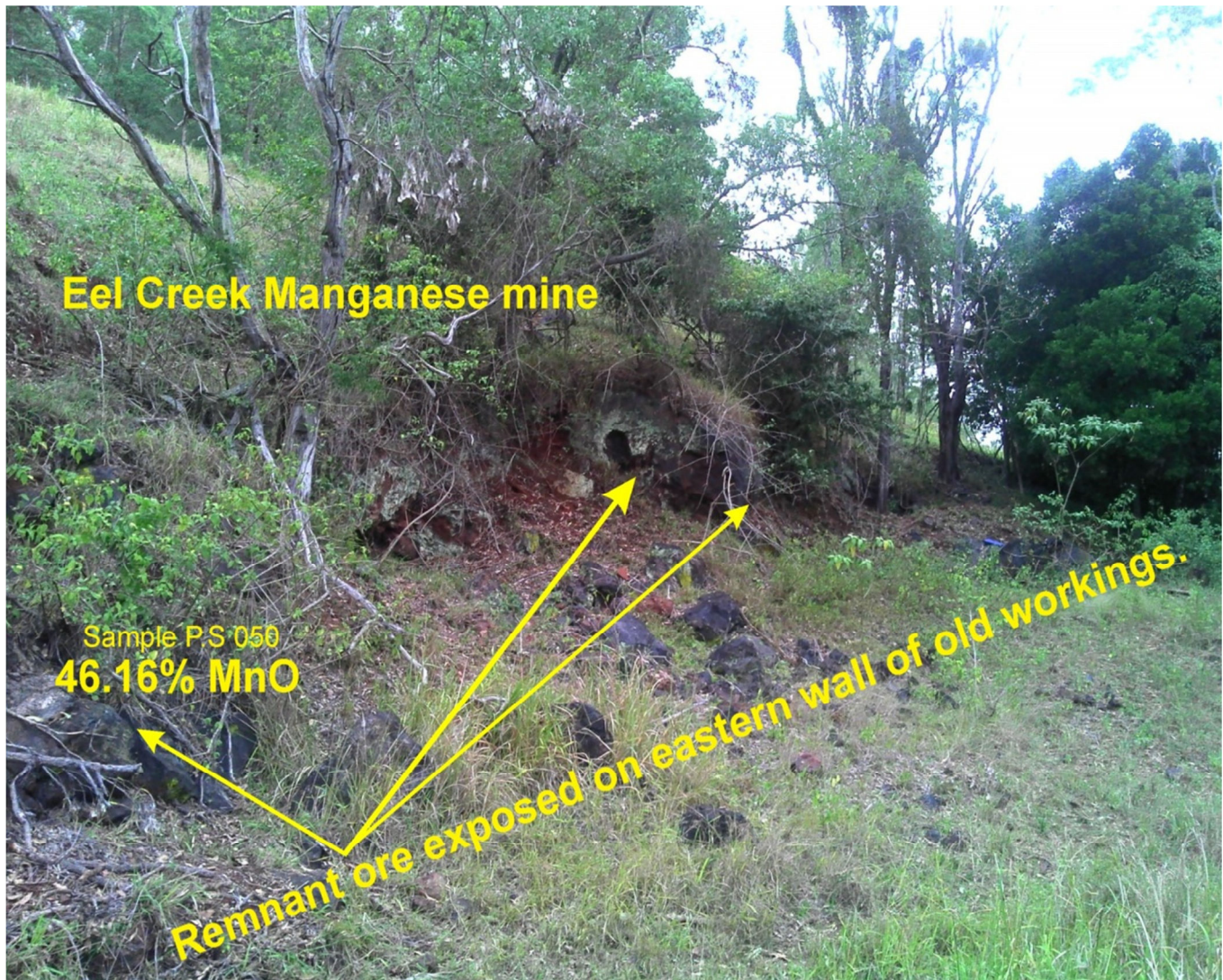
Remnant Mn-ore at the Upper Kandanga (aka Cameron) Mn mine. View towards the west showing the gentle dip of mineralisation towards the north.

EEL CREEK MANGANESE MINE

The Eel Creek workings are located in a mostly cleared paddock east of Eel Creek Road from which the overgrown workings are visible. The old mine consists of an excavation about 50m long, up to 10m wide and about 2m deep. The mine is elongated in a north-northeast direction following the contour of a hill. Strike direction of the mineralisation is similar to the orientation of the workings and remnant ore is visible in the eastern wall.

Host rock of mineralisation is a manganiferous jasperoid which also outcrops up-slope to the east and along strike from the workings as well as adjacent to the workings. Structural evidence suggests that the mineralisation is folded and faulted, providing a setting for extensions and enrichment of the mineralised formation. Surrounding the workings, manganiferous rocks having bedding-parallel layers of manganese mineralisation several centimetres thick occur within an area at least 1000m long and 250m wide.

This large area may contain zones of high-grade mineralisation that do not outcrop.



Historical Eel Creek Manganese Mine looking south with remnant ore is exposed in the eastern wall of the workings.

SKYRING CREEK

The old mine workings have been excavated along the contour of a hill with a trend varying from north-south to about north-northwest, extending about 80m. The width of working is estimated to be about 8m to a depth of about 4m in the areas observed. Remnant ore is partly exposed in section of the eastern wall of the excavations where there appear to be at least two lenses both striking about north-northwest. Dip cannot be measured reliably but at both excavations is definitely towards the northeast at a moderate angle. The thickness of the lens (or lenses) is unclear but in places appears to be about 1.5m.

Further mineralisation to the north is represented by dense manganese rubble in the undergrowth.

ZACHARIAH CREEK

The old workings are northwest of the Amamoor workings near the crest but on the south flank of a west-trending ridge. The mineralisation is oriented about east-west and has a steep dip towards the south. This appears to be sub-parallel to the contact between altered andesite and jasperoid.

The workings have a maximum length of about 30m, are oriented about east-west and were excavated to exploit two or three discontinuous dense manganese rich lenses about 2m thick.



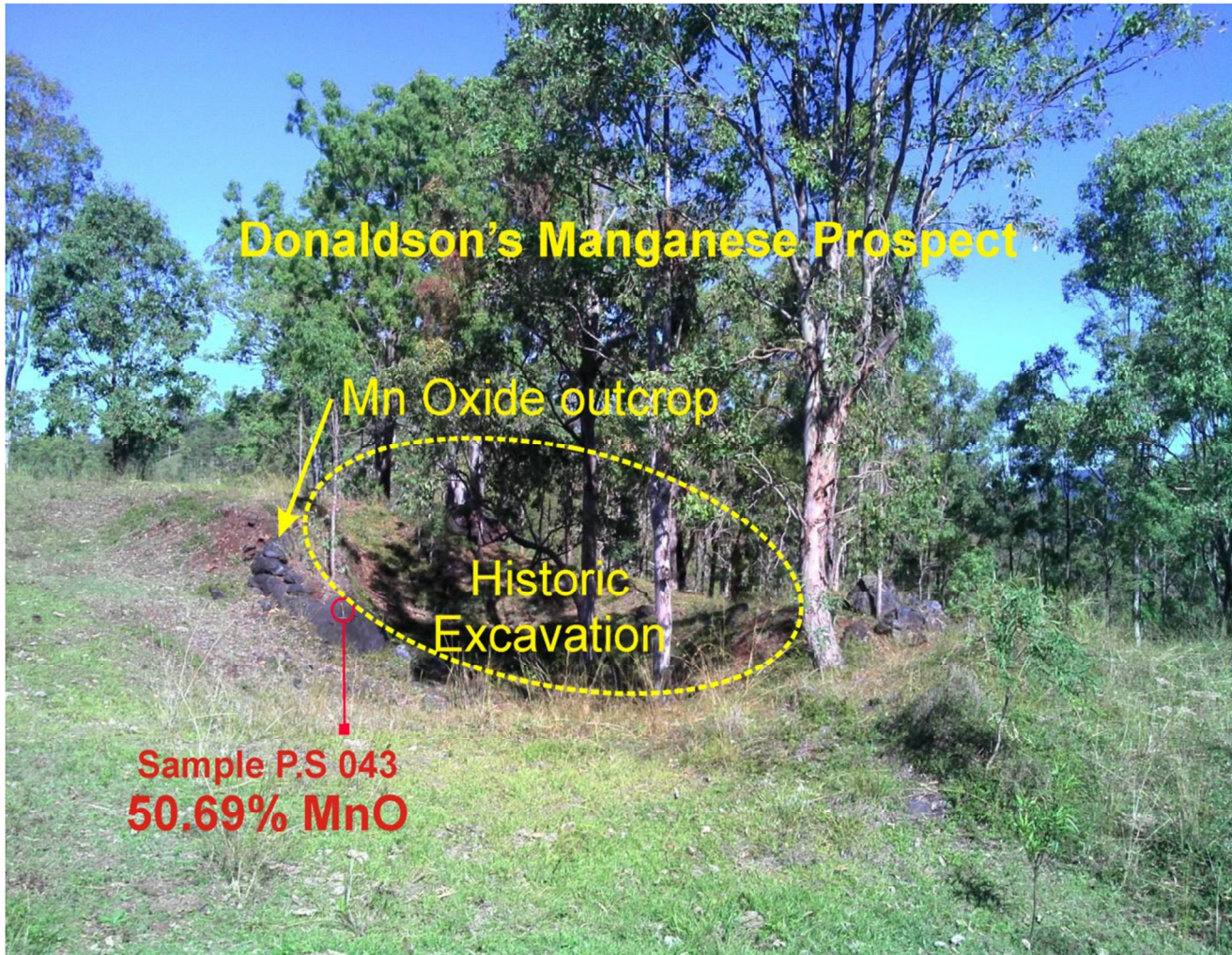
Skyring Creek historical manganese workings

DONALDSON'S

The Donaldson prospect is situated on the top of a prominent ridge elongated in a north-south direction which has been mostly cleared for pasture but with patches of open woodland. The ore lens was probably about 2m thick and at the most, about 25m long. The historical ore remnants observed in the eastern wall of the main excavation are part of a lens that appears to be sub-parallel to a well-developed cleavage of the jasperoid that is the host-rock to the mineralisation, oriented with a strike of 320° and a dip of 80° towards the southwest.

Workings have a total length of about 30m and excavations were up to about 8m wide and 3m deep. Waste has been pushed to the west of the excavation.

Small workings to the south known as the Donaldson's No. 2 prospect consist of a small circular excavation about 1.5m deep, having a radius of about 10m. Within this excavation there are small discontinuous lenses, veins and impregnations of dense manganese mineralisation within the host jasperoid rock.



Donaldson's Historical manganese workings

FUTURE EXPLORATION

During the third phase of exploration, samples of manganese mineralisation collected from the field will be submitted for petro-physics studies to determine which of Airborne Gravity or Versatile Time Domain Electromagnetic (VTEM) survey over the Mary Valley Project is the best suited method for delineation of blind deposits at depth and long strike. The aerial geophysics will focus on delineating the true dimensions of high grade manganese mineralisation below surface as observed in the field. On completion of this programme, Eclipse will create a 3-D model of the potential mineralised zone to target during its future proposed RC program.

End.

For and on behalf of the board.



Pedro Kastellorizos
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The information in this report that relates to Exploration Results together with any related assessments and interpretations is based on information compiled by Mr Peter Spitalny on behalf of Mr Pedro Kastellorizos and Mr Giles Rodney (Rod) Dale, both Directors of Eclipse Metals Limited. Mr Spitalny is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience relevant to the styles of mineralisation under consideration and to the activity which he has undertaken to qualify as a Competent Person

Mr Dale is a Fellow of the Australasian Institute of Mining and Metallurgy and has sufficient experience relevant to the styles of mineralisation under consideration and to the activity being reported to qualify as a Competent Person as defined in the 2012 Edition of the .Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Kastellorizos is a geologist with over 17 years of experience relevant to the styles of mineralisation under consideration and to the activity which he is undertaking as Executive Director.

Mr Peter Spitalny consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. The Company is not aware of any new information or data that materially affects the information in this report and such information is based on the information compiled on behalf of company Geologists, Executive director Mr Pedro Kastellorizos and Non-Executive Director Mr Giles Rodney (Rod) Dale.

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Table 2: Mary Valley Rock Chip Assay Results

Sample Id	Easting (mE)	Northing (mN)	Prospect Name	Al2O3 %	BaO %	CaO %	Cr2O3 %	Fe2O3 %	K2O %	MgO %	MnO %	Mn %	Na2O %	P2O5 %	SO3 %	SiO2 %	TiO2 %	Total %	Pass7Sum %
PS031	461958	7085835	Amamoor Mine	1.79	2.85	1.98	<0.01	4.13	0.19	0.41	61.66	47.75	0.08	0.1	0.64	15.78	0.07	100.3	
PS032	461664	7085888	Amamoor Mine	3.02	0.24	1.07	0.01	11.7	0.07	0.64	49.36	38.23	0.03	0.37	0.22	25.12	0.15	100.7	
PS033	461656	7085813	Amamoor West Lode	1.73	0.06	2.29	<0.01	8.52	0.09	0.27	10.29	7.97	0.04	0.07	0.01	72.42	0.07	99.79	
PS034	462482	7085957	Skyring Creek Mine	10.88	0.39	15.33	0.04	11.6	0.04	1.33	19.31	14.95	0.68	0.4	0.17	33.22	1.48	100.45	
PS035	462305	7086888	Skyring Creek Prospect	1.97	2.13	0.82	0.01	6.89	0.43	0.09	66.14	51.22	0.12	0.08	0.03	1.68	0.08	99.91	
PS036	462228	7085792	Amamoor East Lode	9.47	6.03	11.76	0.03	8.93	0.08	0.74	28.23	21.86	0.04	0.21	2.04	22.23	1.39	101.45	
PS037	462208	7085902	Amamoor East Lode	11.58	0.36	14.75	0.04	9.85	0.08	0.8	25.98	20.12	0.02	0.44	0.03	27.04	1.81	100.6	
PS038	462218	7085966	Amamoor East Lode	11.4	0.67	18.93	0.04	14.23	0.05	3	11.8	9.14	0.02	0.41	0.13	31.42	2.5	100.7	93.2
PS039	462760	7078121	Upper Kandanga	2.06	0.32	1.52	0.01	1.44	0.12	0.2	52.83	40.91	0.3	0.12	0.01	34.48	0.09	99.93	
PS040	462813	7078206	Upper Kandanga	1.34	0.12	1.28	<0.01	0.77	0.22	0.12	54.08	41.88	0.17	0.16	0.04	33.1	0.06	99.18	
PS041	462788	7078194	Upper Kandanga	3.83	0.76	1.36	0.01	1.84	0.55	0.17	44.53	34.49	0.64	0.07	0.01	36.94	0.15	99.52	
PS042	462786	7078114	Upper Kandanga	2.59	0.14	1.23	<0.01	2.24	0.65	0.16	55.34	42.86	0.3	0.14	0.01	25.55	0.1	99.03	
PS043	459928	7096223	Donaldson No.1	0.83	3.36	2.94	0.01	1.76	0.07	0.21	50.69	39.26	0.15	0.06	1.33	30.1	0.09	100.9	
PS044	459830	7095975	Donaldson No.2	2.09	1.76	4.36	<0.01	5.38	0.22	0.47	37.65	29.16	0.09	0.08	0.33	36.69	0.09	100.35	
PS045	459925	7096221	Donaldson No.1	0.54	1.32	2.37	0.01	0.86	0.07	0.14	21.26	16.47	0.12	0.06	0.32	67.88	0.01	100.25	
PS046	459926	7096216	Donaldson No.1	0.65	2.03	2.48	<0.01	1.22	0.37	0.08	56.03	43.39	0.2	0.07	0.38	23.25	0.02	99.93	
PS047	458562	7091263	Eel Creek Mine	2.19	1.35	5.65	0.01	8.61	0.76	0.99	34.36	26.61	0.96	0.07	0.41	36.62	0.13	100.95	
PS048	458568	7091274	Eel Creek Mine	0.3	0.95	1.57	<0.01	0.65	0.39	0.05	35.13	27.21	0.16	0.02	0.12	53.62	0.01	100.35	
PS049	458572	7091279	Eel Creek Mine	3.49	1.4	2.41	0.01	16.05	0.63	1.52	33	25.56	0.87	0.08	0.01	29.36	0.28	100.4	
PS050	458575	7091285	Eel Creek Mine	1.78	0.42	3.46	<0.01	6.28	0.13	1.59	46.16	35.75	0.14	0.08	0.11	31.86	0.08	100.75	
PS051	461137	7087108	Zacharia Creek Prospect	1.77	2.25	1.22	0.01	7.53	0.04	0.6	59.98	46.45	0.03	0.07	0.9	19.6	0.1	100.25	
PS052	461136	7087092	Zacharia Creek Prospect	2.42	2.12	2.34	0.01	6.26	0.04	0.79	57.19	44.29	0.05	0.05	0.79	21.27	0.13	100.35	
PS053	461116	7087082	Zacharia Creek Prospect	2.18	2.76	5.35	0.01	6.36	0.12	1.07	36.07	27.93	0.23	0.02	0.04	33	0.11	99.6	
PS054	461116	7087080	Zacharia Creek Prospect	2.13	5.63	9.19	0.02	6.31	0.03	0.53	45.77	35.45	0.04	0.04	1.71	19.6	0.09	100.65	
PS055	461923	7086068	Amamoor Mine	10.58	0.55	12.8	0.03	7.64	0.04	1.36	23.57	18.25	0.54	0.24	0.1	34.31	1.22	100.45	
PS056	461930	7086068	Amamoor Mine	6.79	0.11	7.9	0.02	6.74	0.08	0.87	33.76	26.15	0.14	0.29	0.03	34.38	0.61	100.25	
PS057	461927	7085988	Donaldson No.2	5.54	0.43	4.97	0.01	7.98	0.03	0.76	46.31	35.87	0.04	0.15	0.17	27.24	0.34	100.45	85.3
PS058	461934	7085981	Amamoor Mine	7.38	1.92	7.56	0.02	5.74	0.09	0.52	47.52	36.80	0.06	0.21	0.18	17.7	0.92	100.1	
PS059	461942	7085947	Amamoor Mine	13.11	1.18	13.28	0.03	7.77	0.18	1.19	16	12.39	0.98	0.38	0.2	37.42	1.66	100.4	
PS060	461961	7085948	Amamoor Mine	3.69	0.95	2.73	0.02	1.74	0.11	0.32	67.33	52.14	0.04	0.1	0.04	8.62	0.21	99.95	

JORC Code, 2012 Edition – Table 1 report**Section 1 Sampling Techniques and Data**

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Rock chip samples were collected as part of the field reconnaissance program. Samples were collected when visible mineralisation was identified in the field. Each rock chip sample was approximately 3 kg and 5kg in weight with the sample numbered from PS031 to PS060 within the exploration licence area.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> No applicable as no drilling was undertaken
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> No applicable as no drilling was undertaken
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate 	<ul style="list-style-type: none"> No applicable as no drilling was undertaken

Criteria	JORC Code explanation	Commentary
	<p><i>Mineral Resource estimation, mining studies and metallurgical studies.</i></p> <ul style="list-style-type: none"> <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> <i>The total length and percentage of the relevant intersections logged.</i> 	
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> No applicable as no drilling was undertaken.
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> Rock Chip samples were sent to ALS in Brisbane for XRF to determine content of CaO%, BaO%, Al₂O₃%, Cr₂O₃%, Fe₂O₃%, K₂O%, MgO%, MnO%, Mn%, Na₂O%, P₂O₅, SO₃%, SiO₂%, TiO₂% & LOI
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> No applicable as no drilling was undertaken.

Criteria	JORC Code explanation	Commentary
<i>Location of data points</i>	<ul style="list-style-type: none"> • Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> • All coordinate information was collected using a hand held GPS using MGA Zone 56 (GDA 94). Coordinates of the samples are present within Tables 1 and 2 of the announcement and within the map.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> • Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied. 	<ul style="list-style-type: none"> • The locations of samples is shown in the map
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> • No applicable as no drilling was undertaken
<i>Sample security</i>	<ul style="list-style-type: none"> • The measures taken to ensure sample security. 	<ul style="list-style-type: none"> • Samples were labelled/bagged and taken straight to the analytical laboratory
<i>Audits or reviews</i>	<ul style="list-style-type: none"> • The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> • Not applicable as not audits were conducted

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> • Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> • EPM17672 & EPM17938 is held beneficially for Eclipse Metals Limited in its subsidiary Walla Mines Pty Ltd. Eclipse holds 56% of the current securities within Walla Mines Pty Ltd.

Criteria	JORC Code explanation	Commentary
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> Manganese ore has been mined intermittently from deposit in the Mary Valley since 1920's, with the bulk of the output occurring from 1957-1960.
<i>Geology</i>	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> The Mary Valley Manganese Project, geochemical separation of manganese from iron in a submarine exhalative system. Deposition of the manganese oxide has apparently been controlled by faulting and fracturing of the incompetent cherty and jasperoidal bed, with the fractures providing the fluid channel way and replacement of the host rock by manganese oxides occurring progressively away from those fractures.
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> <i>easting and northing of the drill hole collar</i> <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> <i>dip and azimuth of the hole</i> <i>down hole length and interception depth</i> <i>hole length.</i> <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i> 	<ul style="list-style-type: none"> No applicable as no drilling was undertaken
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i> <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> Not applicable as no data averaging has been used
<i>Relationship</i>	<ul style="list-style-type: none"> <i>These relationships are particularly important in the reporting of</i> 	<ul style="list-style-type: none"> Samples collected are only from the surface and any potential depths

Criteria	JORC Code explanation	Commentary
<i>between mineralisation widths and intercept lengths</i>	<p><i>Exploration Results.</i></p> <ul style="list-style-type: none"> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i> 	of mineralisation can only be observed on the surface and hence are speculative in nature.
<i>Diagrams</i>	<ul style="list-style-type: none"> <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> See Map in release
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> Several samples were collected from the lower and higher grade mineralisation observed
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> Not applicable
<i>Further work</i>	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> The third phase of exploration will concentrate on petro-physics studies to determine if airborne gravity or electro-magnetic surveys to delineate blind manganese mineralisation.