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## **Quarterly Activities Report and Appendix 5B**

### **For the Quarter ending 30 September 2015**

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The Board of Eclipse Metals Limited ("the Company") is pleased to provide the following commentary and Appendix 5B.

#### **HIGHLIGHTS:**

##### **Operations**

- Liverpool Uranium Project tenements progress in Native Title negotiations with Traditional Owners

##### **Corporate**

- Appointment of new non-executive director

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#### **EXPLORATION ACTIVITIES**

##### **Liverpool Uranium Project (ELA's 27584 and 26244)**

On the 17th September the Company met with the Traditional Landowners through their legal representatives, the Northern Land Council, at Oenpelli in the Northern Territory, for the purpose of seeking approval for exploration and potential mining over ELA's 27584 and 26244 (refer Figure 1).

These two tenements form part of the company's Liverpool Uranium Project, situated in the world-class Alligator Uranium Field in West Arnhemland, some 35km south east of the historic Nabalek Uranium mine. ELA 27584 contains numerous significant radiometric anomalies (refer Figure 2), and also hosts the Devil's Elbow Prospect, where previous workers have identified high grade uranium and precious metal anomalism (maximum assays 5.8% U<sub>3</sub>O<sub>8</sub>, 38ppm Au, 28ppm Pd) in surface samples and trenches (refer Figure 3).

The Traditional Owners have given their consent for the Northern Land Council to enter into negotiations with Eclipse Metals Ltd. The consent to negotiate will facilitate an exploration agreement to be drafted to allow Eclipse Metals Ltd to commence exploration over the Devil's Elbow Prospect and the surrounding areas. Once the final exploration agreement is reached between both parties, the Northern Land Council will present all terms and conditions of the agreement to the Traditional Owners for a decision during a final on-country meeting.

##### **Mary Valley Manganese Projects (EPM17672, EPM17938 & EPM25698)**

##### **Mary Valley Exploration**

No fieldwork was undertaken at the project during the quarter. The company is assessing the most cost effective way of utilising geophysical methods to assess the scale of the manganese mineralisation ahead of proposed drilling.

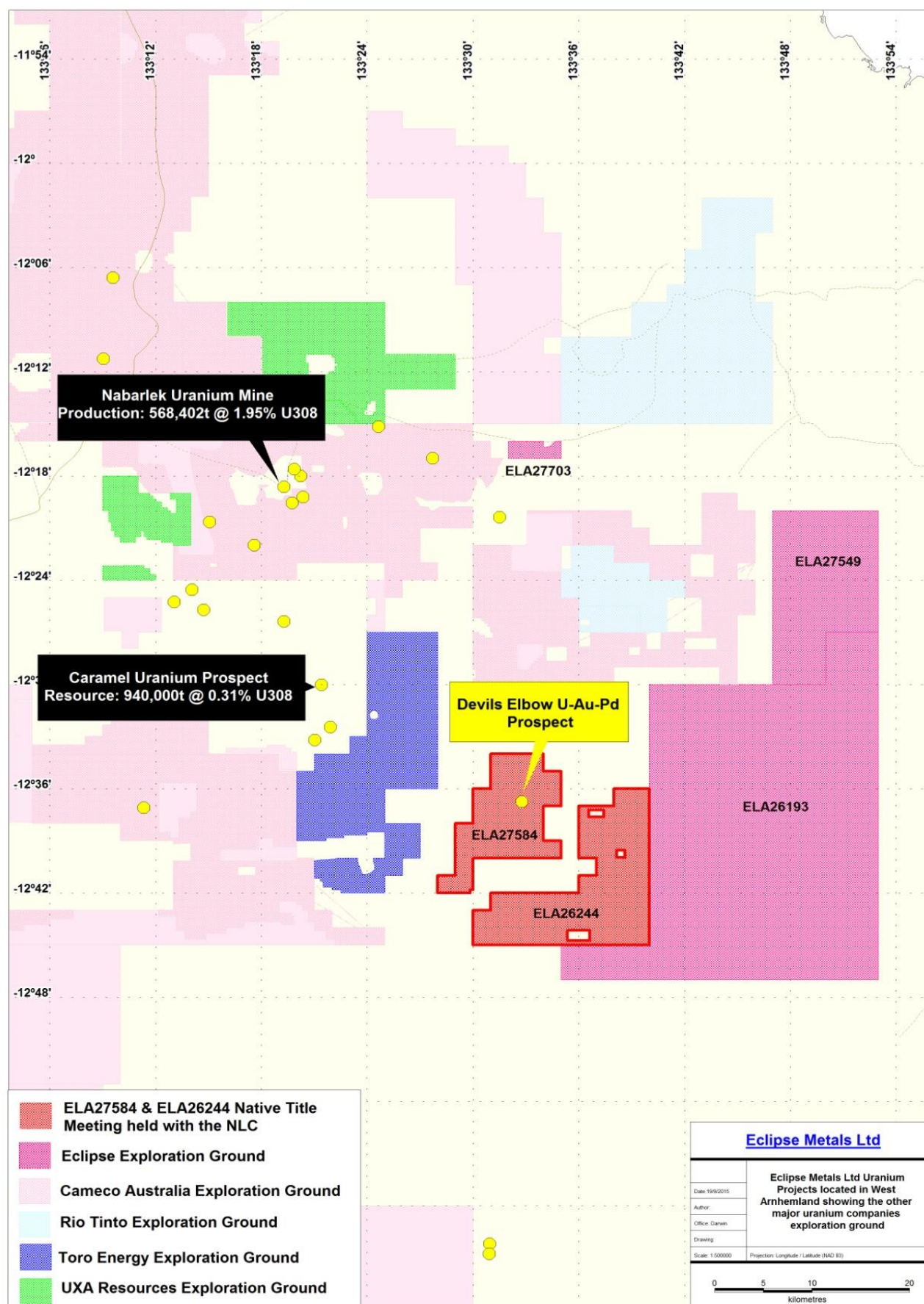


Figure 1: Tenement Map of Liverpool Project showing location of the titles negotiated with the Traditional Landowners plus surrounding major exploration companies



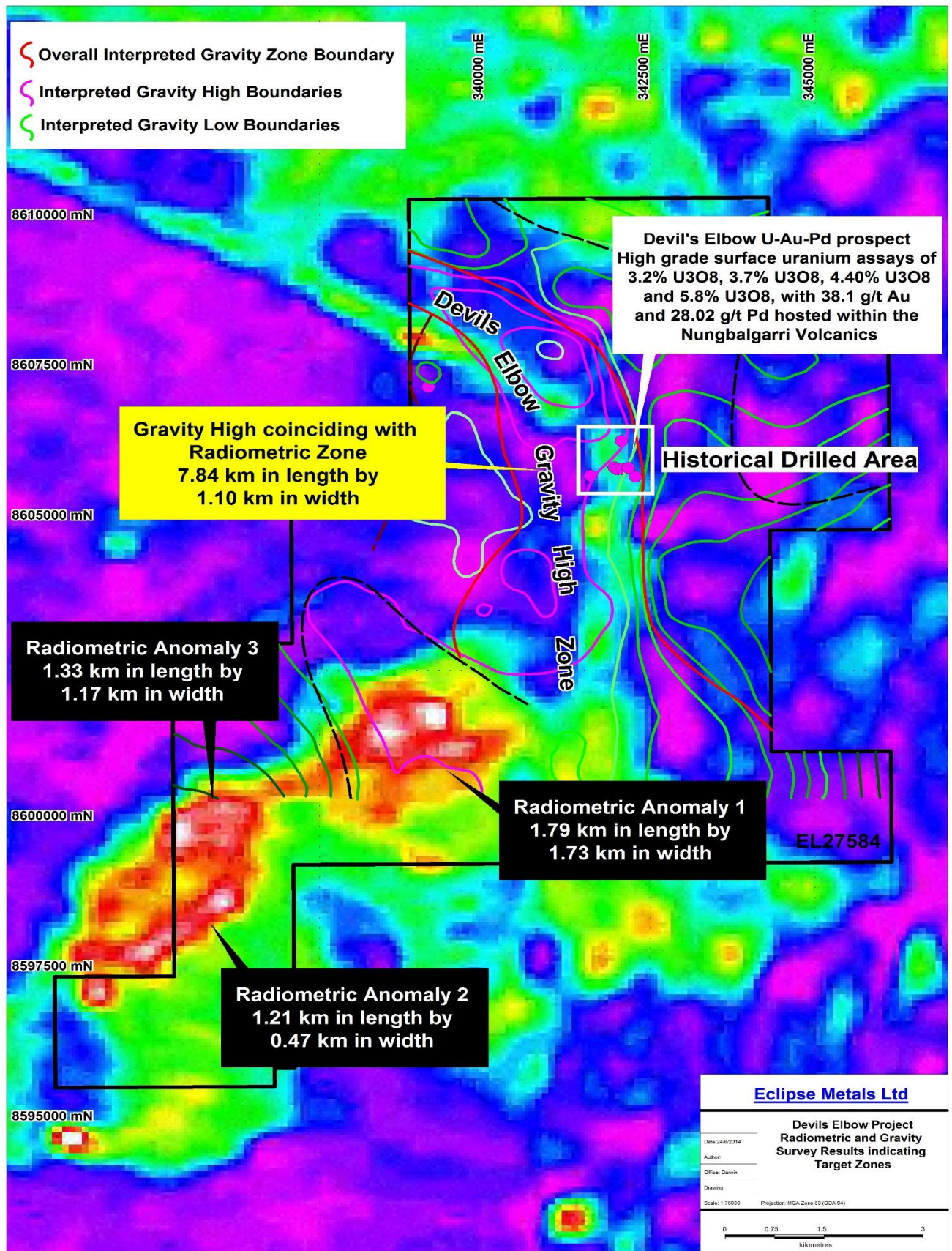


Figure 2: Tenement Map of Liverpool Project area showing location of the Devil's Elbow Prospect



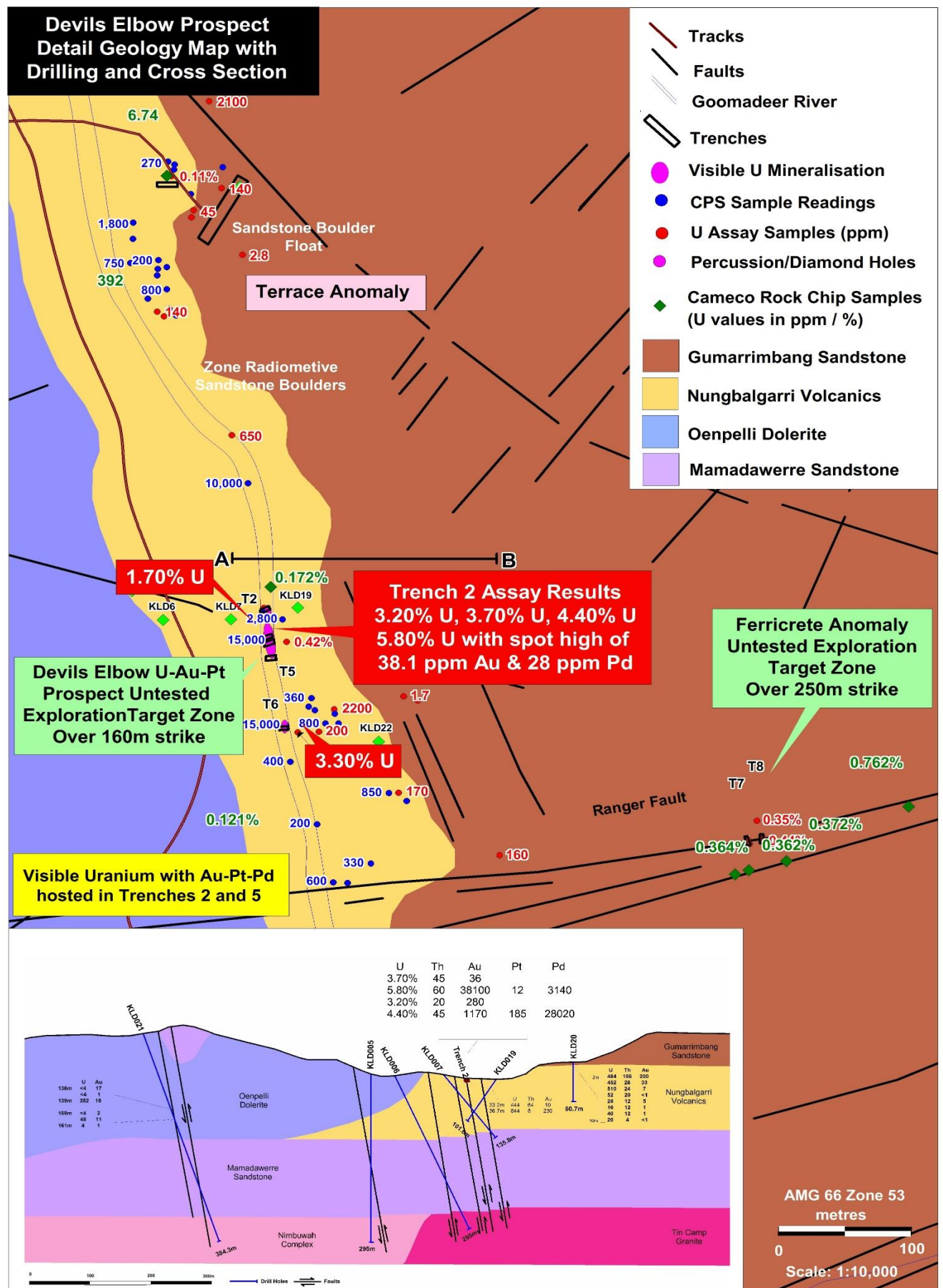


Figure 3: Summary of previous activity and anomalism at the Devil's Elbow Prospect, ELA 27584

**TENEMENT INTERESTS AT THE END OF THE QUARTER**

Interest in Granted Mining tenements at the end of the quarter

Tenement	Project Name	Commodity	Status	State	Beneficial Holder	Area	
						Blk	km <sup>2</sup>
EL 27567	Mt Wells	Gold-Base Metals	Granted	NT	Eclipse Metals Pty Ltd	5	15.5
EL 24808	Eclipse	Uranium	Granted	NT	Eclipse Metals Pty Ltd	27	85.8
EPM 17672	Mary Valley	Manganese	Granted	QLD	Eclipse Metals Pty Ltd	54	167.4
EPM 17938	Amamoor	Manganese	Granted	QLD	Eclipse Metals Pty Ltd	4	12.4
EPM 25698	West Mary Valley	Manganese	Granted	QLD	Eclipse Metals Pty Ltd	10	30.0
<b>TOTAL</b>							<b>311.1</b>

Exploration Licences Application at the end of the quarter

Tenement	Project Name	Commodity	Status	State	Beneficial Holder	Area	
						Blk	km <sup>2</sup>
ELA 24623	Eclipse	Uranium	Application	NT	Eclipse Metals Ltd	305	932.1
ELA 24624	Eclipse	Uranium	Application	NT	Eclipse Metals Ltd	476	1,457.6
ELA 24627	Eclipse	Uranium	Application	NT	Eclipse Metals Ltd	500	1,518.0
ELA 24861	Lake Mackay	Uranium	Application	NT	Eclipse Metals Ltd	50	158.7
ELA 25666	Mt Poizieres	Uranium	Application	NT	Eclipse Metals Ltd	229	780.6
ELA 26193	Liverpool 1	Uranium	Application	NT	Eclipse Metals Ltd	240	804.4
ELA 26244	Liverpool 2	Uranium	Application	NT	Eclipse Metals Ltd	50	163.3
ELA 26259	South Alligator 1	Uranium	Application	NT	Eclipse Metals Ltd	202	660.7
ELA 26260	South Alligator 2	Uranium	Application	NT	Eclipse Metals Ltd	274	883.3
ELA 26487	Yuendi	Uranium-Copper	Application	NT	Eclipse Metals Ltd	320	1,003.0
ELA 26283	Mt Theo	Uranium	Application	NT	Eclipse Metals Ltd	260	832.7
ELA 27130	Flying Fox	Uranium	Application	NT	Eclipse Metals Ltd	482	1,608.0
ELA 27549	Liverpool 3	Uranium	Application	NT	Eclipse Metals Ltd	51	171.1
ELA 27584	Devil's Elbow	Uranium	Application	NT	Eclipse Metals Ltd	30	100.4
ELA 27703	Gumadeer	Uranium	Application	NT	Eclipse Metals Ltd	3	9.5
<b>Total Area</b>							<b>11,083.4</b>

**Tenement Activity during the Quarter**

A renewal application for EPM 17938 (Amamoor Manganese Project) in Queensland was lodged in July 2015, with a waiver of the partial relinquishment requirement for the same tenement lodged in August 2015. These submissions are still being assessed by the Queensland Department of Natural Resources and Mines.

EPM 18596 (Moonford Iron Project) in Queensland was relinquished during the quarter, as was EL 27117 in the West McArthur region of the Northern Territory.

## CORPORATE ACTIVITY

The issued capital of the Company at the date of this report is:

Issued capital	
Fully Paid Ordinary Shares	647,106,824
Unlisted Options	150,000 (expiring 30 November 2015)
	3,023,813 (expiring 30 November 2016)

### Annual Report

The Company released its 2015 Annual Report which included the Corporate Governance Statement on 28 September 2015

### Subsequent Events to the Quarter

- **Non-Executive Director Appointment**

As announced, subsequent to the quarter on the 8<sup>th</sup> October 2015, the Board appointed a new non-executive director - Mr Craig Hall, a geologist with nearly 30 years of minerals industry experience in exploration, development and production roles in a range of commodities, principally precious and base metals. He graduated from the University of Western Australia with a Bachelor of Science Degree with Honours in Geology and is a Member of AUSIMM, AIG and Geological Society of Australia.

Craig has held a variety of senior positions with mid-tier and junior sector resource companies within Australia and overseas. He currently consults to the minerals industry providing high quality exploration outcomes, on-site mining support, expert reporting, project valuations and strategic advice to companies through an association with a well-respected Western Australian resource consultancy. The Company will look to Craig to execute its strategy of mineral deposit identification and advancement, particularly at its Mary Valley Manganese and Liverpool Uranium Projects.

Mr Pedro Kastellorizos stepped down as Executive Director to pursue alternate opportunities.

- **Annual General Meeting**

The Company's Annual General Meeting of Shareholders will be held on Monday, 30 November 2015. The Notice of Meeting at current date is in progress with being dispatched to Shareholders.

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For further information please contact:

Carl Popal  
Executive Chairman  
T: +61 8 9480 0420

### Competent Person Statements

*Mr Rodney Dale, a Non-Executive Director of Eclipse Metals Limited, 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.*

# Appendix 5B

## Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

Eclipse Metals Limited

ABN

85 142 366 541

Quarter ended ("current quarter")

30 SEPTEMBER 2015

### Consolidated statement of cash flows

		Current quarter	Year to date
		\$A'000	(9 months) \$A'000
<b>Cash flows related to operating activities</b>			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(60)	(60)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(54)	(54)
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 paid	-	-
1.7	Other (provide details if material)	-	-
	<b>Net Operating Cash Flows</b>	(114)	(114)
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.9	Proceeds from sale of:		
	(a) prospects <sup>1</sup>	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (refundable deposit)	-	-
	<b>Net investing cash flows</b>	(114)	(114)
1.13	Total operating and investing cash flows (carried forward)	(114)	(114)

**Appendix 5B****Mining exploration entity and oil and gas exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(114)	(114)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc. <sup>1</sup>	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (shares issue proceeds of \$10) <sup>2</sup>	-	-
1.20	Other (R&D refund)	-	-
	<b>Net financing cash flows</b>	(114)	(114)
	<b>Net increase (decrease) in cash held</b>	(114)	(114)
1.20	Cash at beginning of quarter/year to date	227	227
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	113	113

**Payments to directors of the entity, associates of the directors, 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	18
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	
	N/A	

**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

N/A

- 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

N/A



**Appendix 5B**

**Mining exploration entity and oil and gas exploration entity quarterly report**

**Financing facilities available**

*Add notes as necessary for an understanding of the position.*

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

**Estimated cash outflows for next quarter**

	\$A'000
4.1 Exploration and evaluation	20
4.2 Development	-
4.3 Production	-
4.4 Administration	35
<b>Total</b>	<b>55</b>

**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	113	227
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>113</b>	<b>227</b>

**Changes in interests in mining tenements and petroleum tenements**

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	EL 26000 EL 26001 EL 26002 EL 26003 EL 26004 EL 25998 EL 25999 EL 24862	Application Licence Application Licence Application Licence Application Licence Application Licence Application Licence Application Licence Application Licence	100% 100% 100% 100% 100% 100% 100% 100%	0% 0% 0% 0% 0% 0% 0% 0%
6.2 Interests in mining tenements and petroleum tenements acquired or increased	N/A	N/A	N/A	N/A

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

#### 6.3 Interests in mining tenements at end of the quarter

Location	Project Name	Tenement #	Ownership	Titleholder
Northern Territory	Mt Wells	EL 27567	100%	Eclipse Metals Ltd
Northern Territory	Eclipse	EL 24808	100%	Eclipse Metals Ltd
Northern Territory	West Batchelor	EL 26257	100%	Eclipse Metals Ltd
Queensland	Mary Valley	EPM 17672	55.61%	Walla Mines Pty Ltd
Queensland	Amamoor	EPM 17938	55.61%	Walla Mines Pty Ltd
Northern Territory	West McArthur	EL 27117	55.61%	Walla Mines Pty Ltd
Queensland	Moonford	EPM 18596	55.61%	Walla Mines Pty Ltd
New South Wales	Moss Vale	EL 7986	55.61%	Walla Mines Pty Ltd
Queensland	Bundaberg	EL 17810	55.61%	Walla Mines Pty Ltd
Northern Territory	Eclipse	ELA 24623	100%	Eclipse Metals Ltd
Northern Territory	Eclipse	ELA 24624	100%	Eclipse Metals Ltd
Northern Territory	Eclipse	ELA 24627	100%	Eclipse Metals Ltd
Northern Territory	Lake Mackay	ELA 24861	100%	Eclipse Metals Ltd
Northern Territory	Mt Poizieres	ELA 25666	100%	Eclipse Metals Ltd
Northern Territory	Liverpool 1	ELA 26193	100%	Eclipse Metals Ltd
Northern Territory	Liverpool 2	ELA 26244	100%	Eclipse Metals Ltd
Northern Territory	South Alligator 1	ELA 26259	100%	Eclipse Metals Ltd
Northern Territory	South Alligator 2	ELA 26260	100%	Eclipse Metals Ltd
Northern Territory	Mt Theo	ELA 26283	100%	Eclipse Metals Ltd
Northern Territory	Mt Patricia	ELA 26284	100%	Eclipse Metals Ltd
Northern Territory	Yuendi	ELA 26487	100%	Eclipse Metals Ltd
Northern Territory	Atlee	ELA 26488	100%	Eclipse Metals Ltd
Northern Territory	Mackay	ELA 26489	100%	Eclipse Metals Ltd
Northern Territory	Yoolgarri	ELA 26490	100%	Eclipse Metals Ltd
Northern Territory	Chilla Well	ELA 26491	100%	Eclipse Metals Ltd
Northern Territory	Wild Cat Bore	ELA 26492	100%	Eclipse Metals Ltd
Northern Territory	Puyurru	ELA 26493	100%	Eclipse Metals Ltd
Northern Territory	Flying Fox	ELA 27130	100%	Eclipse Metals Ltd
Northern Territory	Liverpool 3	ELA 27549	100%	Eclipse Metals Ltd
Northern Territory	Devil's Elbow	ELA 27584	100%	Eclipse Metals Ltd
Northern Territory	Gumadeer	ELA 27703	100%	Eclipse Metals Ltd

#### 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 <b>Preference securities</b> (description)				

## Mining exploration entity and oil and gas exploration entity quarterly report

7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	<b>+Ordinary securities</b>	647,106,824	647,106,824		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	- -	- -	- -	- -
7.5	<b>+Convertible debt securities</b> (description)				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	<b>Options</b> (description and conversion factor)	150,000 103,023,813	- -	Exercise price 20 cents 6 cents	Expiry date 30/11/15 30/11/16
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	<b>Debentures</b> (totals only)				
7.12	<b>Unsecured notes</b> (totals only)				

## 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 5).
- 2 This statement does give a true and fair view of the matters disclosed.

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

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Sign here:



Date: 30 October 2015

Print name:

**Eryn Kestel**  
**Company Secretary**

#### 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 and petroleum 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 or petroleum 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.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting 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.

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