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## Quarterly Activities Report and Appendix 5B

For the Quarter ending 31<sup>st</sup> March 2016

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### HIGHLIGHTS

- Extension of term granted for EPM 17938, Mary Valley Manganese Project.
- Commenced review of geophysical exploration methods to assist with planning exploration programs on Mary Valley manganese deposits.
- Continuing review of historical data for Devil's Elbow Uranium Project and adjoining tenements and planning for exploration.
- Negotiations proceeding to secure farm-in and joint venture agreement on Liverpool uranium tenements.

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

### CORPORATE ACTIVITY

The main focus during the March 2016 quarter has been to evaluate opportunities which create wealth without materially reducing the balance sheet strength and preserve the Company's cash reserves.

The Board has been actively seeking a key project interest capable of providing Eclipse with new impetus. The Board has been focused on commencing negotiations with fellow junior and multinational mining and exploration entities with a view to securing a farm-in and joint venture agreement.

A farm-in opportunity for one of the Company's tenements has been presented that passes its value criteria and the Board will continue to work to further negotiations.

### TENEMENT ACTIVITY

#### NT Uranium Projects

The Devil's Elbow Project is part of a group of five tenements with a combined area of 1,405sq km wholly situated in West Arnhem Land. The Company's Liverpool project area is in the sought after Alligator Rivers Uranium field neighbouring senior uranium explorers such as Rio Tinto and Cameco Australia.

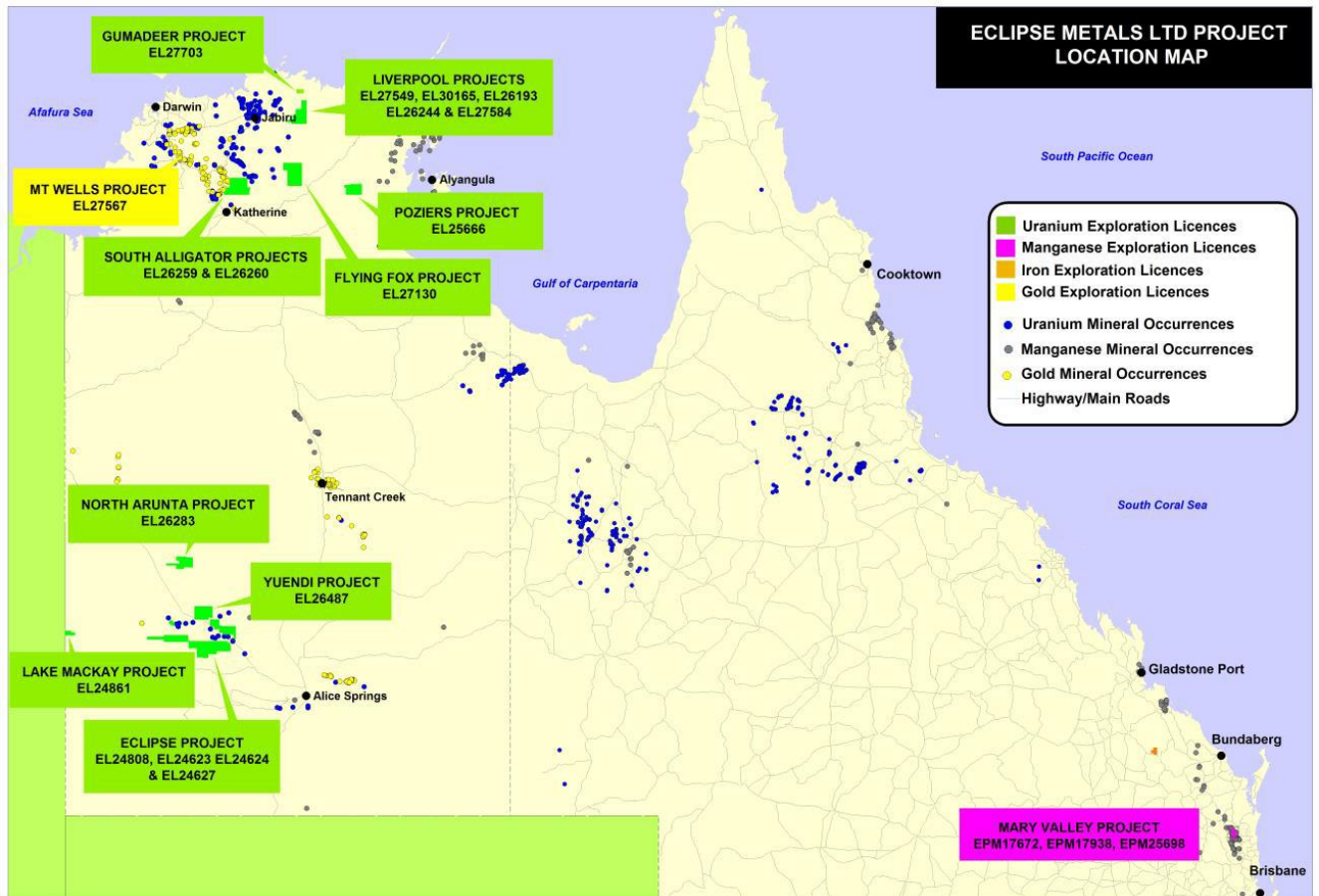
The Company has successfully concluded a meeting with Traditional Landowners to seek approval for uranium-gold-palladium exploration and potential mining over ELA's 27584 and 26244, to progress toward acquiring further consents and agreements. *Refer Figure 2.*

### Queensland – Mary Valley Manganese Project

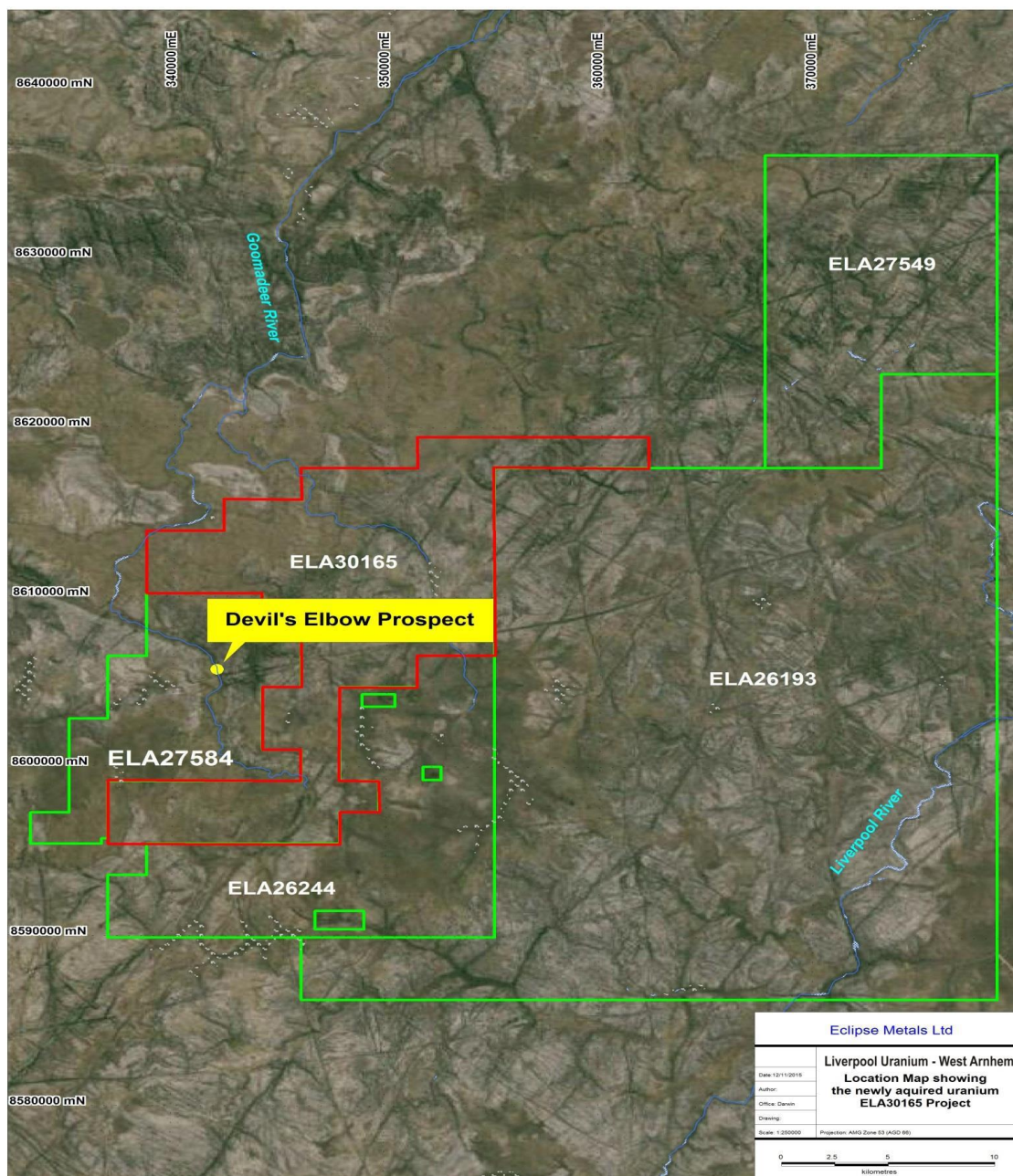
Renewal of tenure for EPM 17938 Amamoor (Mary Valley Manganese Project) in Queensland has been granted.

Investigations are progressing for application of existing and recently developed geophysical procedures to assist with mapping and drilling manganese deposits in the Mary Valley project tenements.

A renewal for EPM 17938 (Amamoor Manganese Project) in Queensland has been granted.



**Figure 1. Eclipse Metals Ltd tenements in Northern Territory and Queensland**



**Figure 2: Location Map showing the Eclipse uranium ground and recent application, highlighted in red, as part of the Liverpool Uranium Project - West Arnhem**



**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	16
EL 24808	Eclipse	Uranium	Granted	NT	Eclipse Metals Pty Ltd	27	84
EPM 17672	Mary Valley	Manganese	Granted	QLD	Eclipse Metals Pty Ltd	54	167
EPM 17938	Amamoor	Manganese	Granted	QLD	Eclipse Metals Pty Ltd	4	12
EPM 25698	West Mary Valley	Manganese	Granted	QLD	Eclipse Metals Pty Ltd	10	31
<b>TOTAL</b>						<b>310</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	915
ELA 24624	Eclipse	Uranium	Application	NT	Eclipse Metals Ltd	476	1,428
ELA 24627	Eclipse	Uranium	Application	NT	Eclipse Metals Ltd	500	1,550
ELA 24861	Lake Mackay	Uranium	Application	NT	Eclipse Metals Ltd	50	150
ELA 25666	Mt Pozieres	Uranium	Application	NT	Eclipse Metals Ltd	229	733
ELA 26193	Liverpool 1	Uranium	Application	NT	Eclipse Metals Ltd	240	768
ELA 26244	Liverpool 2	Uranium	Application	NT	Eclipse Metals Ltd	50	160
ELA 26259	South Alligator 1	Uranium	Application	NT	Eclipse Metals Ltd	202	646
ELA 26260	South Alligator 2	Uranium	Application	NT	Eclipse Metals Ltd	274	877
ELA 26487	Yuendi	Uranium-Copper	Application	NT	Eclipse Metals Ltd	320	992
ELA 26283	Mt Theo	Uranium	Application	NT	Eclipse Metals Ltd	260	806
ELA 27130	Flying Fox	Uranium	Application	NT	Eclipse Metals Ltd	482	1,494
ELA 27549	Liverpool 3	Uranium	Application	NT	Eclipse Metals Ltd	51	163
ELA 27584	Devil's Elbow	Uranium	Application	NT	Eclipse Metals Ltd	30	96
ELA 27703	Gumadeer	Uranium	Application	NT	Eclipse Metals Ltd	3	10
ELA 30165	Liverpool 4	Uranium	Application	NT	Eclipse Metals Ltd	68	218
<b>Total Area</b>						<b>11,006</b>	

For further information please contact:

**Carl Popal**  
**Executive Chairman**  
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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 Rodney Dale, a Non-Executive Director of Eclipse Metals Limited. 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.*

# 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")

31 March 2016

### 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	(30)	(44)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(71)	(250)
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>		(101)	(294)
<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>		-	-
1.13	Total operating and investing cash flows (carried forward)	(101)	(294)

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

1.13	Total operating and investing cash flows (brought forward)	(101)	(294)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc. <sup>1</sup>	30	490
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 (share issue cost)	-	(4)
1.20	Other (R&D refund)	-	-
	<b>Net financing cash flows</b>	30	486
	<b>Net increase (decrease) in cash held</b>	(71)	192
1.20	Cash at beginning of quarter/year to date	494	231
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	423	423

**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	8
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

## 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	50
4.2 Development	-
4.3 Production	-
4.4 Administration	50
<b>Total</b>	<b>100</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	423	493
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>423</b>	<b>493</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				
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
Queensland	Mary Valley	EPM 17672	87.38%	Walla Mines Pty Ltd
Queensland	Amamoor	EPM 17938	87.38%	Walla Mines Pty Ltd
Queensland	West Mary Valley	EPM25698	87.38%	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 Pozieres	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	Yuendi	ELA 26487	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
Northern Territory	Liverpool 4	ELA 30165	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)				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	<b>+Ordinary securities</b>	964,616,948	964,616,948		



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

7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	78,766,667	78,766,667	0.005	0.00
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)	103,023,813	-	Exercise price 6 cents	Expiry date 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.

Sign here:

Date: 29 April 2016

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.

## Appendix 5B

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

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- 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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