29 July 2022

Quarterly Activities Report and Appendix 5B

For the Quarter ending 30 June 2022

Eclipse Metals Ltd (ASX: **EPM**) (**Eclipse Metals** or the **Company**) is pleased to report its activities for the quarter ending 30 June 2022.

HIGHLIGHTS

- **Satellite imagery analysis identified several new targets across the Ivittuut multi-commodity project.**
- **Three-dimensional (3D) inversion modelling of airborne magnetic data over the Grønnedal carbonatite-syenite complex identified extensive magnetic bodies indicative of REE mineralisation.**
- **Ivittuut Bulk Sample Analysis Returns 99.9% Silica Result**
- **Eclipse progresses Ivittuut Mining Licence**
- **Attendance at Future Greenland 2022 and PDAC conferences**
- **Gronnedal Drilling Permit submitted to test REE mineralisation**

IVITTUUT (IVIGTÛT) PROJECT– GREENLAND

During the quarter, the Company presented results from new 3D modelling of airborne magnetic data and satellite spectral data interpretation over its Ivittuut multi-commodity project (MEL2007/45) in SW Greenland, acquired in January 2021.

The project area hosts the historic Ivittuut (also referred to as “Ivigtût”) cryolite mine and undeveloped mineralisation, including a large REE-bearing carbonatite deposit. Over 120 years, between 1865 and 1985, the Ivittuut mine produced 3.8 million tonnes of high-grade cryolite for use in the aluminium industry, from the world's largest known minable resource of naturally occurring cryolite.

Ivittuut is located in southwestern Greenland and has a power station and fuel supplies to service this station and local road infrastructure to support mineral exploration. About 5.5km to the northeast of Ivittuut, the settlement of Kangilinnguit provides a heliport and an active wharf with infrastructure.

The Grønnedal carbonatite-syenite complex is less than 10km from Ivittuut and only 5km from the port of Kangilinnguit. This complex ranks amongst the larger alkaline intrusions of the Gardar Igneous Province in Greenland and is recognised by GEUS as one of the prime REE targets in the country, along with Kvanefjeld and Kringlerne (also referred to as Tanbreez) (Paulick et al., 2015).

The Grønnedal carbonatite complex comprises a suite of Mesoproterozoic alkaline igneous rocks that are interpreted to have formed in a continental rift environment. The igneous complex at Grønnedal measures approximately 8km by 3km in exposed dimension and consists primarily of layered nepheline syenites that were intruded by a porphyritic syenite and a plug of carbonatite. The carbonatite rocks contain varying amounts of calcite, siderite and magnetite.

Towards the centre of the carbonatite plug, the amount of siderite increases. Large amounts of magnetite occur where younger mafic dykes cut the siderite-rich carbonatite. Magnetite at Grønnedal is exclusively secondary after primary siderite as a result of decarbonation and oxidation (i.e., contact metamorphism) in the vicinity of the mafic dykes (e.g., Halama et al., 2005).

During the first quarter of yearly activity, analyses of samples from selected sections of drill core returned significant values for a range of heavy and light rare earth elements (REE) in both the Ivittuut mine environment and the nearby Grønnedal carbonatite area. Core from Ivittuut mine precinct containing fluorite yielded a result of 1,410 ppm total REE. This is the first time that REE mineralisation has been confirmed within the Ivittuut mine sequence. Samples from Grønnedal carbonate returned up to 18,960ppm total REE.

Samples from Ivittuut, collected with the view to better understanding the quartz body below the historical cryolite pit, returned high silica grades of up to 99.4% SiO_2. With dilute acid washing this was increased to 99.9% SiO_2 (see below).

Analysis of the Grab samples from Ivittuut return up to 430ppm Li_2O. Anomalous lithium concentrations at Ivigtût are known to be associated with cryolithionite, jarlite, muscovite, biotite and zinnwaldite. Whilst these findings are encouraging, a more systematic sampling approach and drilling are required to better constrain the lithium potential at Ivittuut. The Company has submitted an application to the MLSA (Mineral Resources Authority in Greenland) to proceed with a drilling program to be conducted in the 2022 field season.

Ivittuut Bulk Sample Analysis Returns 99.9% Silica Results

On 6 April 2022 the Company advised that recent Australian laboratory analysis of a quartz bulk sample from its Ivittuut multi-commodity project in southwest Greenland has confirmed the high silica, low impurity nature of a sample of several kilograms of quartz collected from the historical mine dumps and shipped to Perth for analysis.

Accurate analysis of quartz from below Ivittuut's historic pit determined it can be further purified with a simple acid wash process to substantially increase grade by removing impurities, potentially making it suitable for the high-tech semiconductor industry, further increasing the deposit value (Table 1). Analytical results from this bulk sample, collected to assess Ivittuut's quartz quality, confirms results reported by North Atlantic Mining Associates (GEUS report 23656).

Modelling of historical exploration data from the Ivittuut deposit indicates the presence of a large (c. 220m-wide and 90m-thick) cylindrical body of in-situ high silica grade, low impurity quartz immediately below the pit floor as defined by historic drilling (Figures 3 to 5). The modelling, which supports an estimated exploration target of between 5.70 million tonnes and 5.94 million tonnes of quartz ranging between 90% and 95% silica (refer to ASX release dated 29 March 2021), further confirms the Company's view of the significant economic potential to exploit this high silica grade quartz body.

Cautionary Statement: The potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration work conducted to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource. The Exploration Target has been prepared based on actual exploration results described in this report including historical drilling data and geological modelling.

Table 1: SiO_2 assay results showing effects of acid wash reducing impurities.

Analytic Method	ME-PKG85	ME-PKG85	ME-PKG85	ME-PKG85	ME-PKG85	OA-GRA05x
SAMPLE	SiO_2	Al_2O_3	Fe_2O_3	TiO_2	Cr_2O_3	LOI 1000
DESCRIPTION	%	%	%	%	ppm	%
I21005 acid washed	**99.9**	0.011	0.002	0.001	<1	0.08
I21005 no-acid-wash	99.4	0.137	0.113	0.005	3	0.16

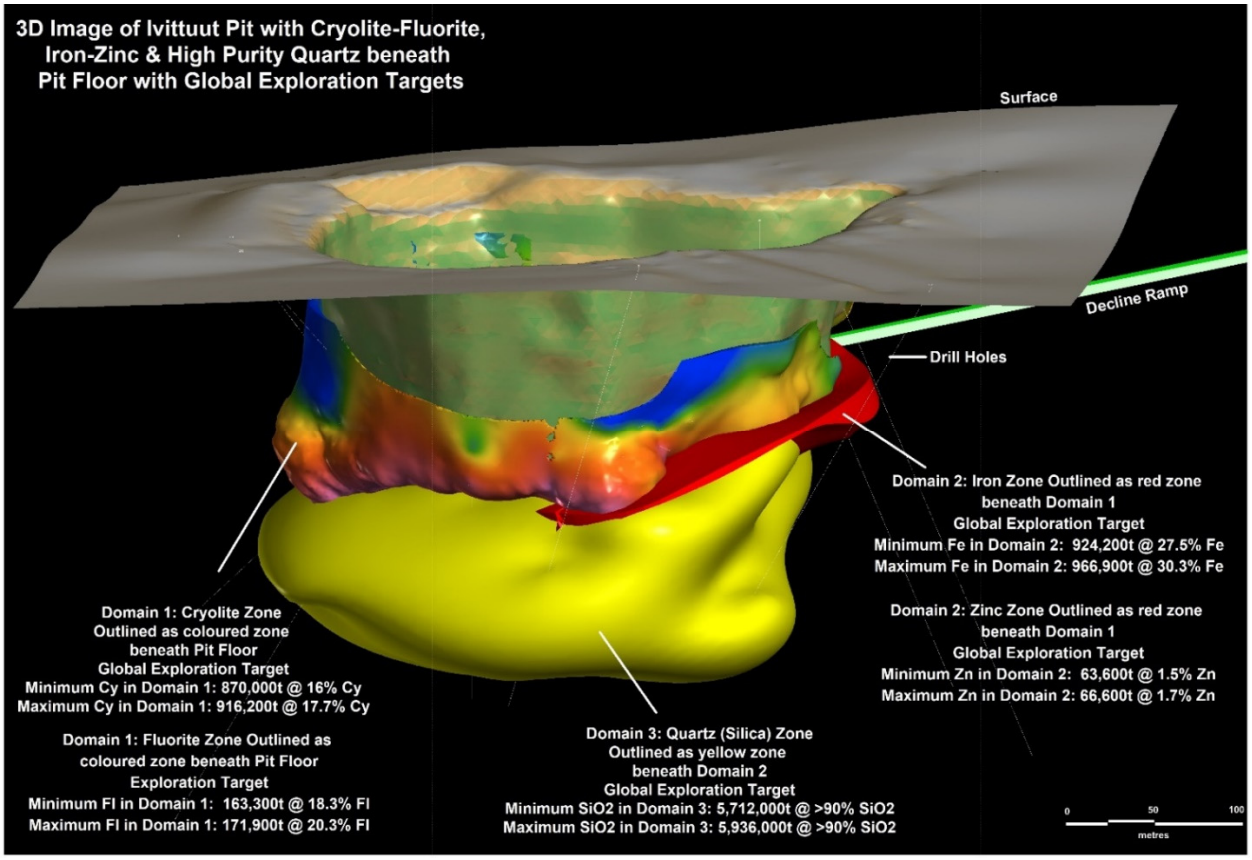

Figure 1: Oblique 3D view of the historic Ivittuut open cut with cryolite and fluorite (Domain 1), iron and zinc (Domain 2) and high grade quartz (Domain 3) bodies immediately below the historic pit floor

Cautionary Statement: The potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration work conducted to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource. The Exploration Target has been prepared based on actual exploration results described in this report including historical drilling data and geological modelling.

Eclipse has defined an Exploration Target for high silica grade quartz at Ivittuut and plans further exploration with a view to preparing a maiden JORC 2012-compliant resource estimate for the quartz body at Ivittuut, expected in H2 CY2022.

Drill Hole Data

Overall, 18 historical diamond drillholes intersected the body of quartz in Domain 3. In 2012, only samples from two historical drill holes were analysed for quartz purity. Analytical data associated with each hole has been digitally captured to form a database (ASX announcement 29 March 2021).

The analytical data in 3D formed the basis for geological modelling (ASX announcement 29th March 2021). The high-grade quartz lies directly below the cryolite-fluorite and iron-zinc zones with the silica grade increasing below the iron-zinc zone in the northern portion of the pit (Figures 4, 5, 6). The zones with higher percentages of impurities coincide with the modelled zones of siderite (iron), sphalerite (zinc) and cryolite. Based on the data from the two holes which provided a total of 54 samples; 24 or 44% of the samples were higher than 98% in silica. A 95% silica cut-off represents 61% of the samples.

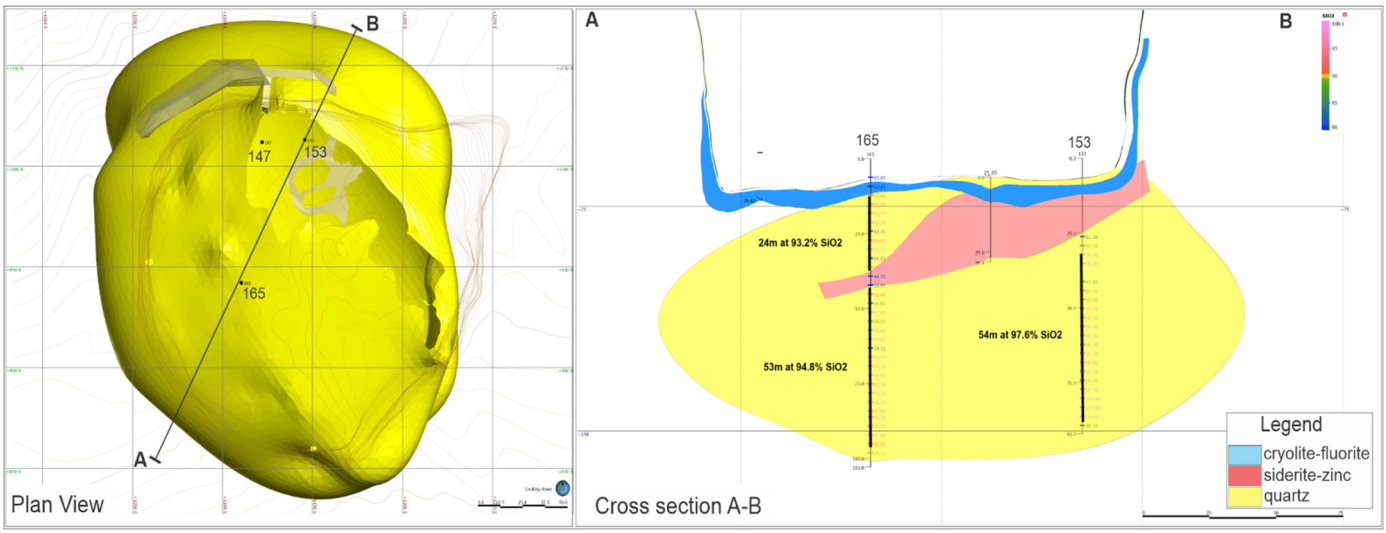

Figure 2: Plan view of the Ivittuut Pit showing Cross Section (A to B)

Geological Modelling

Geological domaining of the historic drill hole data (Figure 1) (refer to ASX release dated 29 March 2021) defined a large (c. 220m-wide and 90m-thick) cylindrical body of quartz below the Ivittuut pit floor. The modelled quartz body represents in-situ mineralisation that could be accessed 5m to 10m below the central cryolite-fluorite zone. Immediately below the historic open pit, the quartz body thickens along an east-west axis.

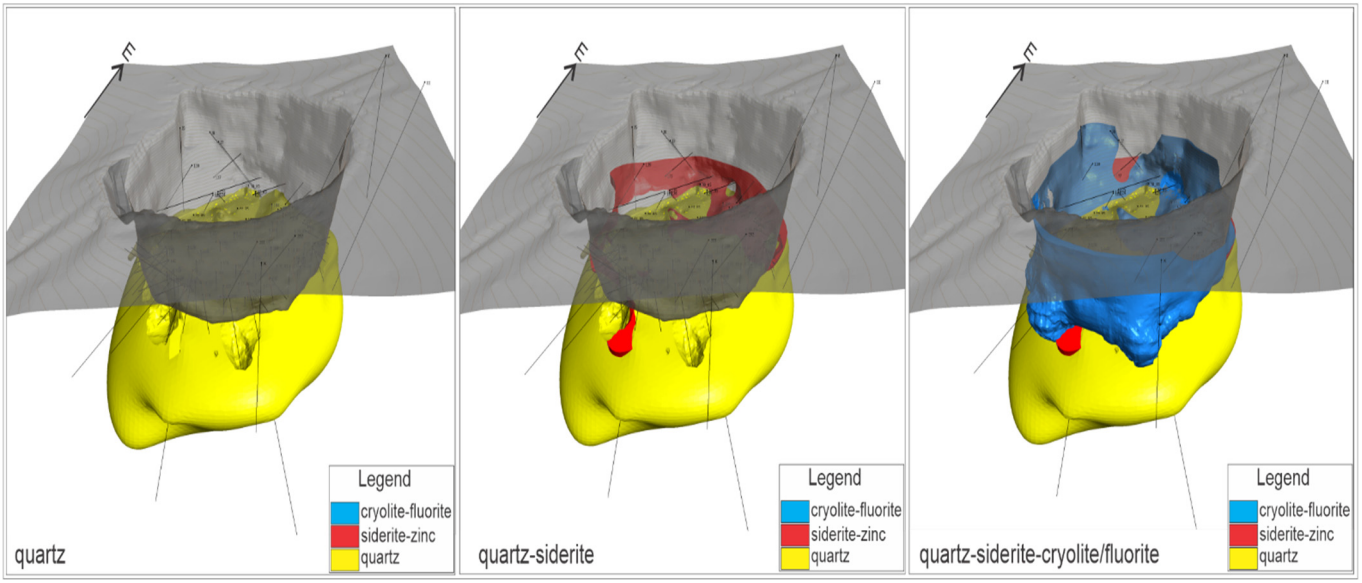

Figure 3: Oblique views of the Ivittuut Geological Model

Exploration Targets (**Table 2**) are based on exploration results from 18 diamond drill holes, representing 1,764m of drilling within and around the historic pit. The assay data used includes 1,062 analytical results. Bulk density measurements were assigned using a lower value of SG 2.55 and an upper value of SG 2.65.

Table 2: Exploration Target reported by Mineral Domains

Range	Zone	Domain	Cut Off %	Quartz Tonnage lower range t	Quartz Tonnage higher range t	Quartz Grade Lower %	Quartz Grade Upper %
Exploration Target	**Quartz**	**3**	**0**	**5,700,000**	**5,940,000**	**90**	**95**

Cautionary Statement: The potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration work conducted to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource. The Exploration Target has been prepared based on actual exploration results described in this report including historical drilling data and geological modelling.

Figure 4: High silica grade quartz from Drill Hole 153

Magnetic modelling

The Company contracted Fathom Geophysics Australia Pty Ltd (Fathom Geophysics) to complete 3D inversion modelling of magnetic data relating to a semi-regional (200m-line spaced), heliborne DIGHEM survey conducted in 1995, centred on the Gronnedal complex, with survey parameters and data re-processing described previously (ASX announcement 09 February 2021).

This 3D unconstrained inversion of the magnetic data was undertaken to estimate the subsurface distribution of magnetite in the bedrock and gain a better understanding of the potential depth extent and geometry of the magnetic bodies (Figure 5). The modelling used the industry standard 3D UBC inversion code, a numerical algorithm developed by the University of British Columbia, which models the geophysical data into a potential rock volume that may be responsible for the observed magnetic measurements at surface. The algorithm works to minimise the difference between the observed data (i.e., the data measured by the survey) and the calculated data (i.e., the forward response of the 3D earth model) such that the model presents a valid solution based on the data collected.

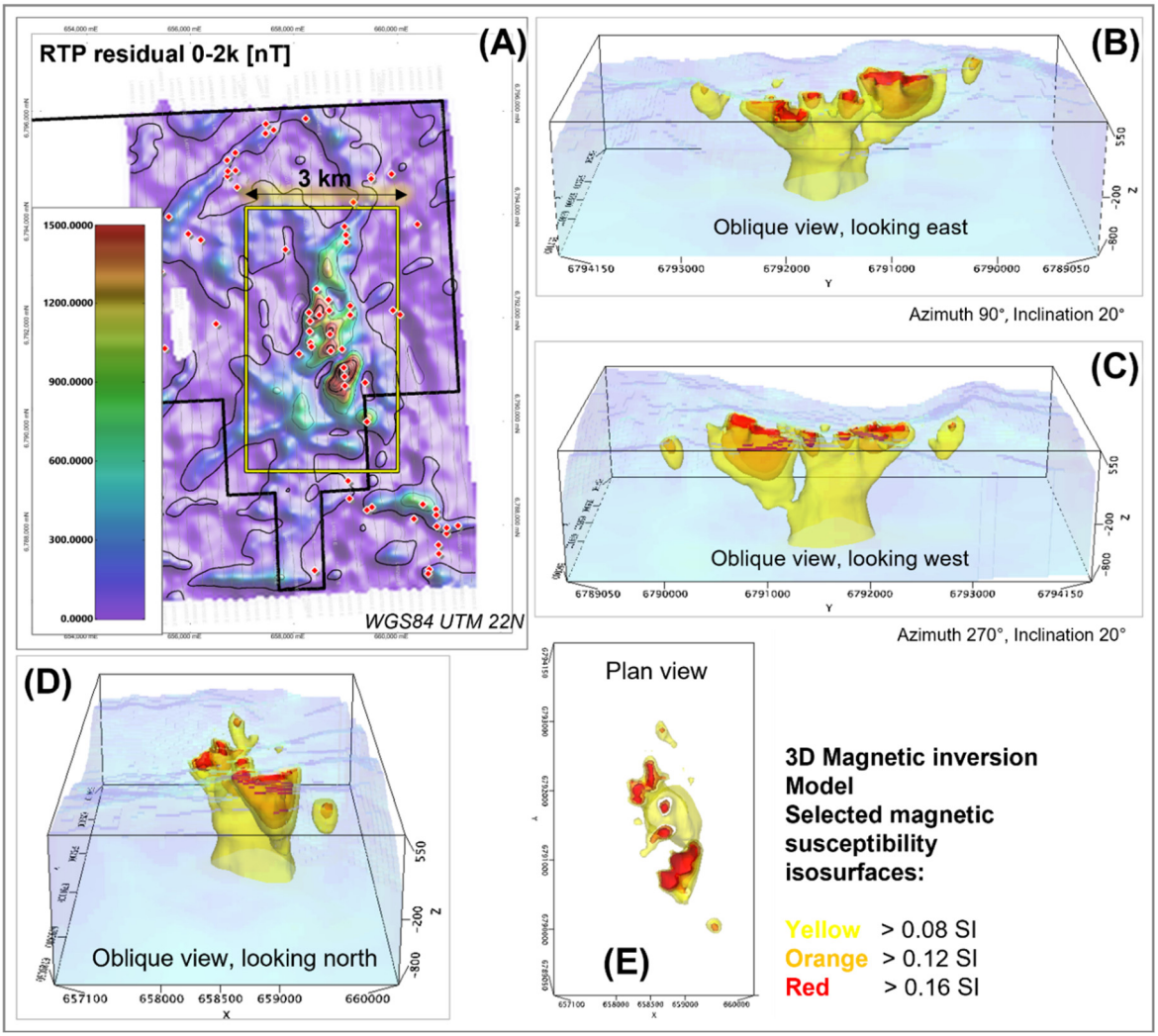

Figure 5: Results of the 3D magnetic inversion modelling and review of historic electromagnetic (EM) data. *(A) Plan view of residual reduced to the pole (RTP) magnetic data. The data are imaged with a linear stretch and NE illumination. Magnetic contours are overlain (black polylines). Also shown are survey flight lines (light grey polylines) and location of probable bedrock EM conductors (red diamond-shaped symbols) as interpreted by the Geoterrex geophysicist in charge of processing the 1995 DIGHEM magnetic and EM survey data. (B) to (D) Oblique views of the 3D model showing selected magnetic susceptibility isosurfaces. (E) Plan view of the 3D model showing selected magnetic susceptibility isosurfaces.*

In the case of the Grønnedal complex, the igneous rocks mapped at surface correlate with distinct magnetic anomalies identified in the modelling. In particular, the magnetic anomalies correlate with magnetite-bearing carbonatite, carbonatite breccia and younger olivine dolerite as mapped by previous explorers. The strongest magnetic anomalism, observed in the southern central Grønnedal complex, coincides with areas where grab samples of magnetite-bearing carbonatite and carbonatite breccia, collected by the Company in 2021, returned total REE (TREE) content of up to 34,468 ppm (c. 3.45% TREE) (ASX announcement 2 March 2021).

Key findings of the 3D inversion modelling included:

- Grønnedal complex comprises at least two (2) large and vertically extensive magnetic bodies that range in size from 1,200m × 600m to 2,700m × 1,000m and extend to >900m below surface.
- Peak RTP amplitude of the strongest magnetic response is 6,000 nT (nanotesla)
- The bodies have apparent pipe-like geometries.
- The northern body plunges moderately to steeply towards the south whilst the southern body is near-vertical.
- The northern and southern bodies appear to coalesce into a single body beyond 700m depth.

- Comparing the size of the magnetic response with the extend of the mapped carbonatite suggests there is a larger potential extent of magnetite-bearing carbonatite and carbonatite breccia in the subsurface than indicated by earlier mapping.

Review of EM data

Fathom Geophysics also completed a cursory review of the EM data acquired as part of the 1995 DIGHEM survey. This review included digitisation of probable EM bedrock conductors recorded by the survey contractor at the time of data delivery.

As illustrated in Figure 5, EM bedrock conductors cluster within the area of the strongest magnetic anomalism in the central portion of the Grønnedal complex. Two additional clusters of EM bedrock conductors are evident outside the Grønnedal complex and are recommended for field checking.

Discussion of results

Eclipse's 3D modelling of airborne magnetic data over the Grønnedal complex, one of Greenland's prime REE targets, provided new insights into the subsurface distribution of magnetic bedrock and possible architecture of this composite and structurally dismembered intrusive complex.

Modelling revealed several vertically extensive magnetic bodies in the central portion of the Grønnedal complex that are up to 1,200m-long, 600m-wide, extend to >900m below surface and have a peak anomaly amplitude of 6000 nT. These pipe-like magnetic bodies are spatially coincident with historic ground magnetic anomalies (up to 20,000 nT) (Bondam, 1992) and probable EM bedrock conductors (Figure 5) identified by a previous explorer. Reconnaissance exploration by Eclipse Metals in 2021 found a strong correlation between REE mineralisation (up to c. 3.45% TREE), contained in magnetite-rich carbonatite and carbonatite breccia and domains of most intense magnetic anomalism (ASX release 02 March 2021).

Magnetic anomalism at Grønnedal is known to be caused by magnetite-bearing carbonatite, which was explored in the mid-1900s for its magnetite iron and niobium potential but not for REE. Drilling was limited to six angled diamond bore holes for a total downhole length of 750m (Bondam, 1992). As described by Halama et al. (2005), large amounts of magnetite occur where later mafic dykes cut the siderite-rich part of the carbonatite in the centre of the Grønnedal complex. This magnetite is exclusively secondary in origin and replaced primary siderite as a result of decarbonation and oxidation (i.e., contact metamorphism) in the vicinity of a series of mafic dykes that cut the Grønnedal complex.

It is likely that these secondary processes acted to scavenge and concentrate REE into the secondary magnetite. The magnetite is also mapped in the EM data with probable bedrock EM conductors clustering in the central part of the Grønnedal complex where the Company has sampled magnetite-rich carbonatite. Importantly, comparing the size of the magnetic response with the extend of the mapped carbonatite suggests there is a larger potential extent of carbonatite than indicated by the earlier mapping.

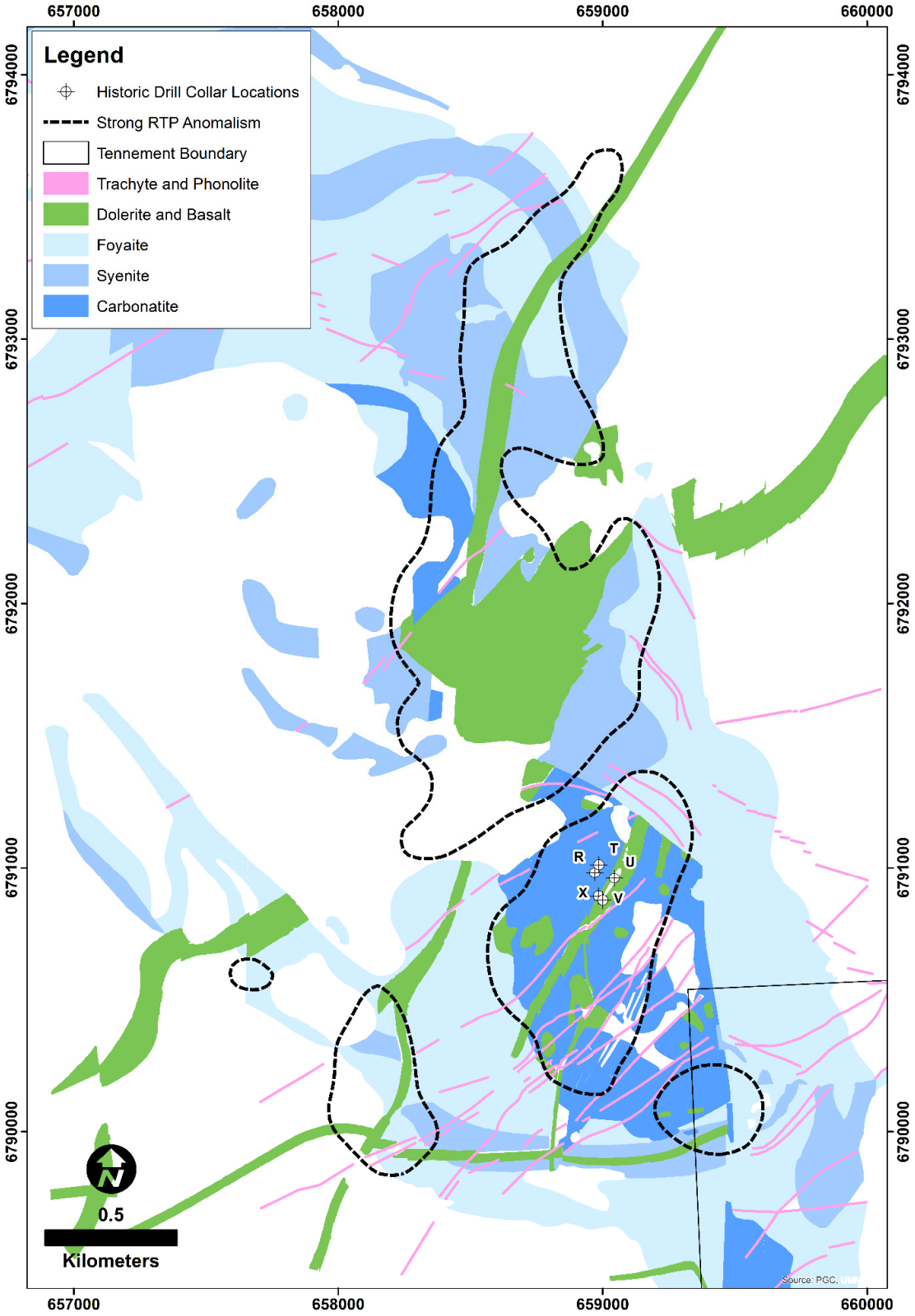

Figure 6. Simplified surface geology of part the Grønnedal syenite-carbonatite complex. *Also shown are outlines of strong RTP magnetic anomalism (compare with Figure 5) and the approximate collar locations of mid-1900s diamond bore holes R, S, T, U, V and X (note: collar locations R and S are identical).*

Satellite imagery analysis

During the quarter Eclipse presented the result from a recently completed satellite imagery analysis over its SW Greenland multi-commodity Ivittuut Project (MEL2007/45).

The Company contracted leading image processing expert Dr Daniel Core of Ohio-based Fathom Geophysics LLC (**Fathom Geophysics**) to process and analyse European Space Agency Sentinel-2 data over its SW Greenland multi-commodity Ivittuut Project (MEL2007/45). The main objective of the satellite imagery analysis was to remotely identify surface features relating to geology and mineralisation.

Satellite imagery analysis over Eclipse Metals SW Greenland multi-commodity Ivittuut Project helped to identify numerous spectral anomalies indicative of hydrothermal alteration with associated iron oxides, sulphides and/or clays. The following paragraphs provide brief descriptions of three anomalies identified as part of the satellite imagery analysis.

One of the most prominent anomalies is evident at the historic Ivittuut cryolite mine, which is marked by strong (80th percentile), spatially coincident jarosite index (indicative of the presence of sulphides) (Figure 3a); goethite index (indicative of the presence of iron oxides) (Figure 7b); and kaolinite index (indicative of the presence of clays) (Figure 7c). This anomalism envelops the entire area of historic waste dumps, which are known to contain mineralised rocks with up to 165.00 g/t silver, 0.15% copper, 3.83% lead and 0.37% zinc (ASX release dated 24 March 2022).

Another prominent (80th percentile), spatially coincident jarosite, goethite and kaolinite index anomaly, approximately 700m long and up to 230m wide, was identified within the central-northern Grønnedal syenite-carbonatite complex. This anomaly is situated in a geological setting that is highly prospective for REE mineralisation as demonstrated by rock chip sample assay results of up to approximately 3.45% total rare elements (TREE) (ASX release dated 2 March 2021). The newly identified anomaly is yet to be field checked and sampled.

Strong (80th percentile), coincident jarosite, goethite and kaolinite index anomalism was also identified over dolerite and basalt dykes cutting the Grønnedal complex. The area of anomalism shown in Figure 7a, b, and c, contains one of the high amplitude and vertically extensive magnetic bodies identified by Eclipse Metals in three-dimensional (3D) inversion modelling of airborne magnetic data over the Grønnedal complex (ASX release dated 19 May 2021). As previously reported by Eclipse Metals, geophysical, geochemical and geological information revealed a strong spatial and genetic relationship between areas of strong magnetic anomalism and REE mineralisation. It is encouraging that the satellite imagery analysis highlighted some of the areas of strong magnetic anomalism and coincident REE mineralisation

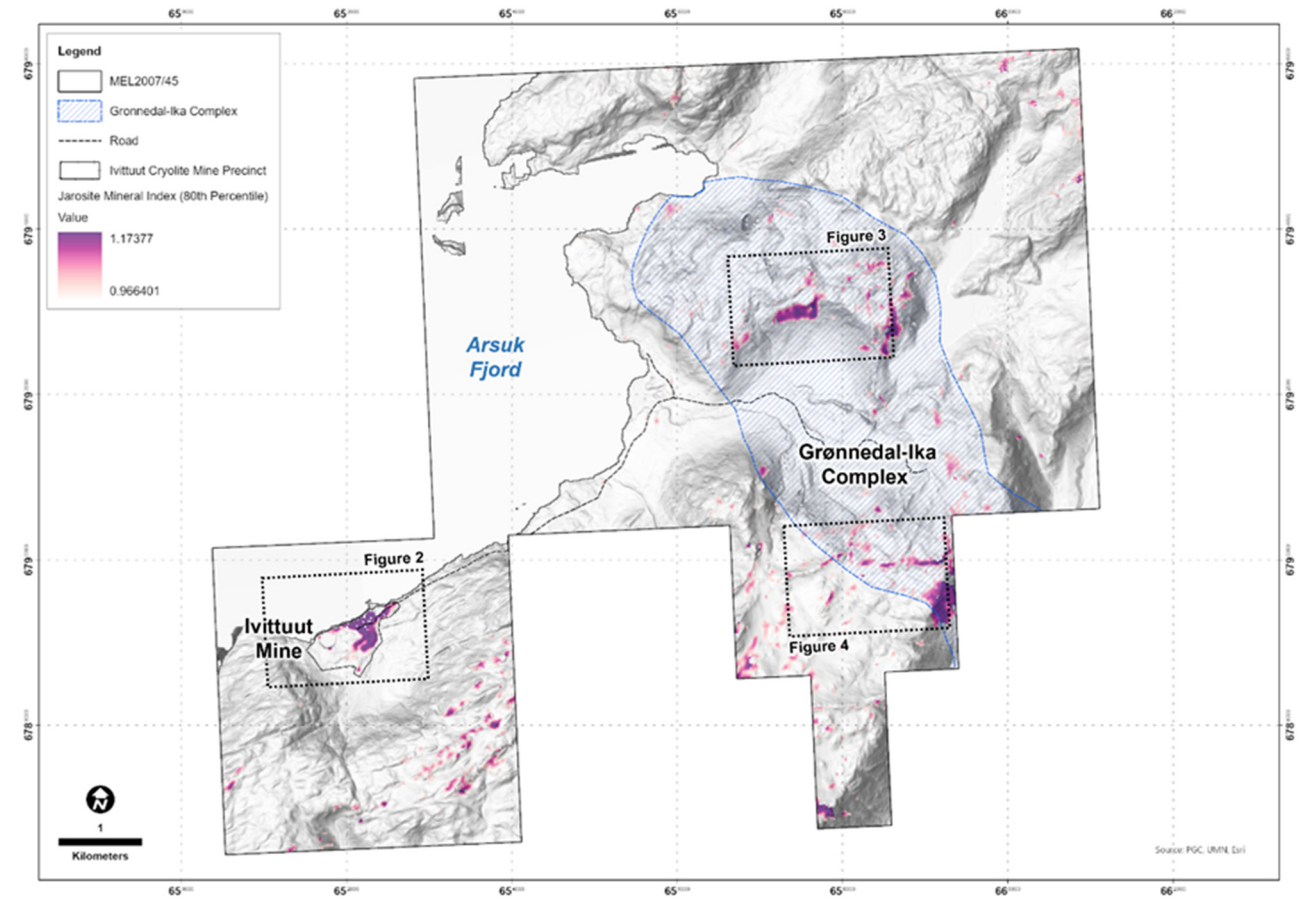

Figure 7a: Jarosite index map of Eclipse Metal's Ivittuut Project (MEL2007/45).

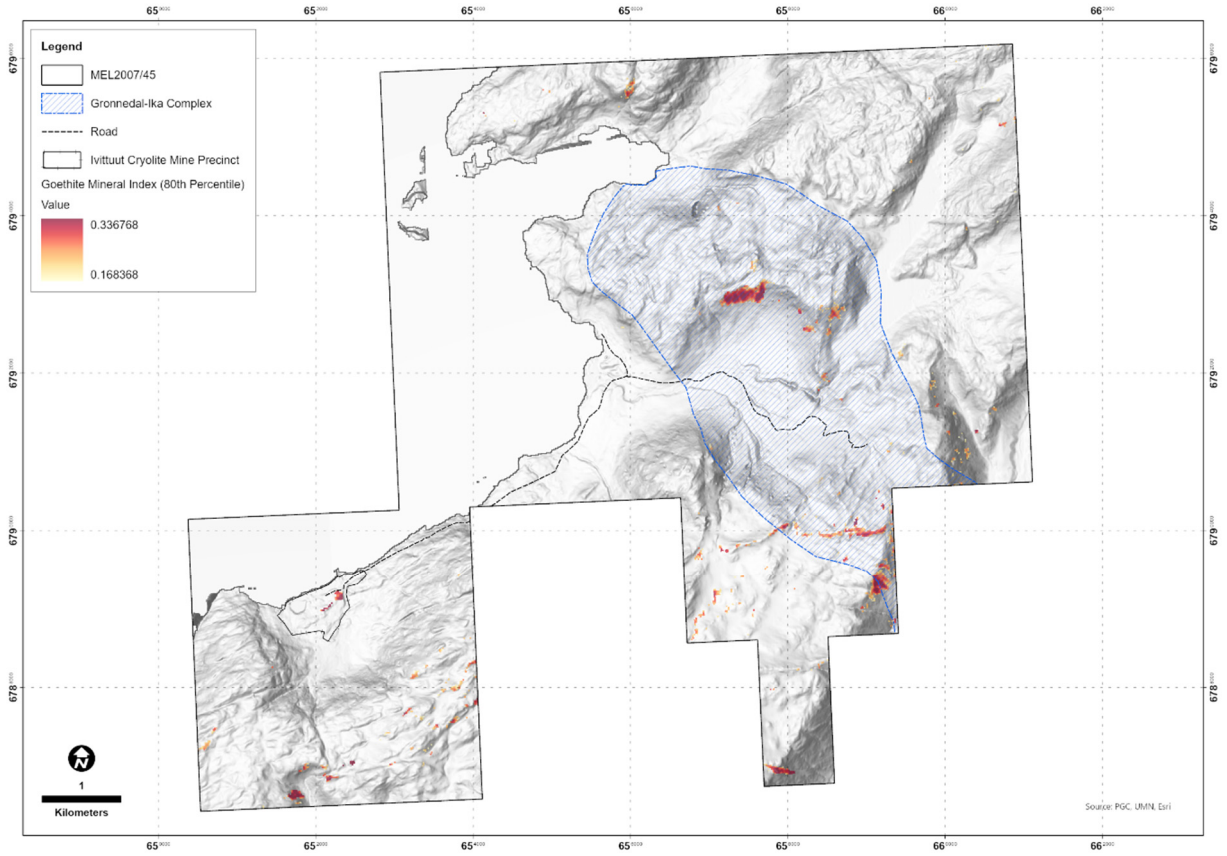

Figure 7b. Goethite index map of Eclipse Metal's Ivittuut Project.

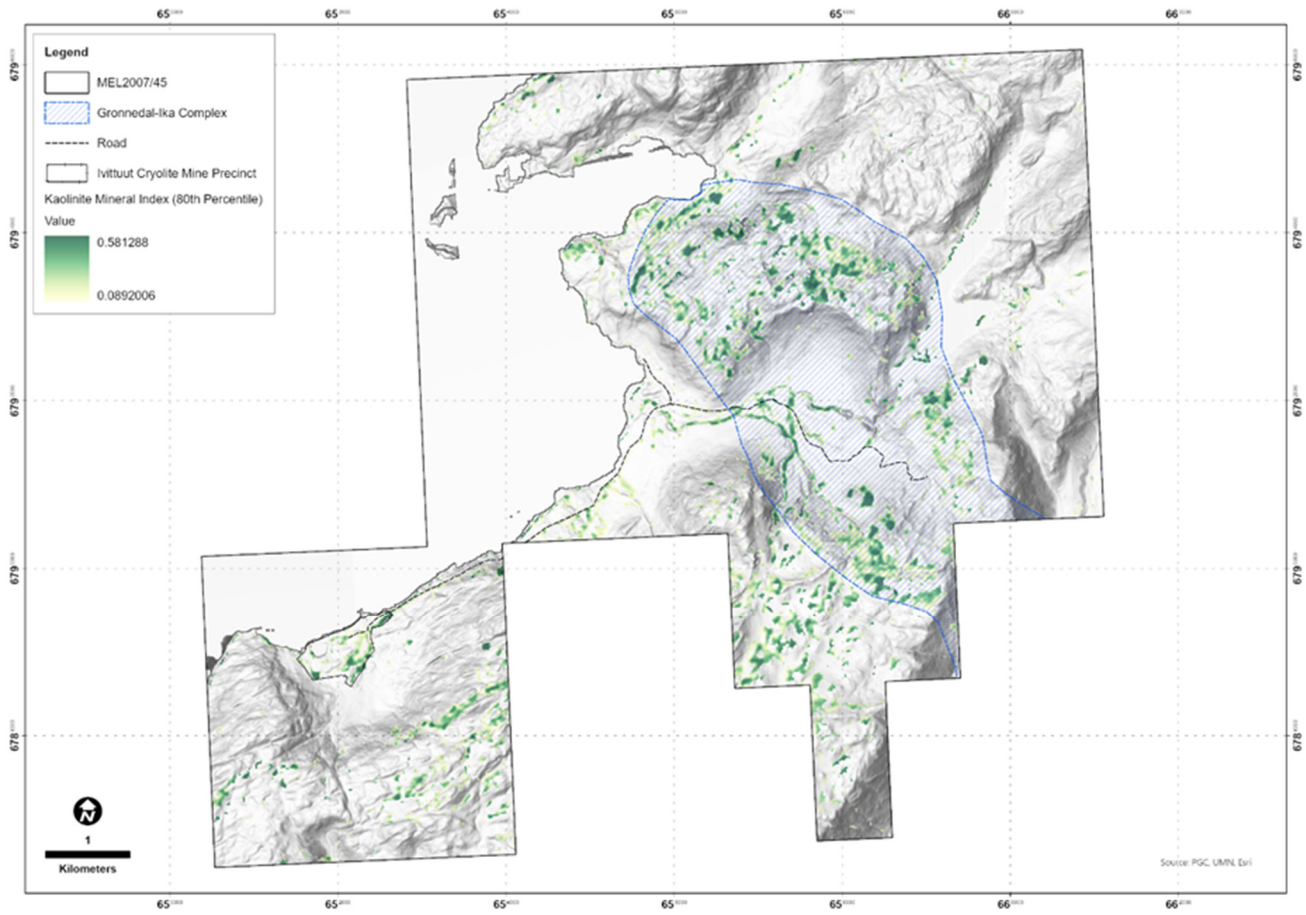

Figure 7c. Kaolinite index map of Eclipse Metal's Ivittuut Project

Forward Strategy

Subject to COVID restrictions, the Company is planning further exploration activities to enable calculation of a JORC Code 2012 compliant resource estimate for the Ivittuut project at the earliest opportunity, targeting delivery in H2 CY22. Further analytical work is required for the quartz zones as previous explorers did not assay all quartz intersections for contaminants. Numerous drill holes which intersected quartz mineralisation will be systematically split and analysed for contaminants to enable calculation of silica content as part of JORC 2012 compliant resource estimation work. Additional drilling may be required and will be based on further evaluation of historical exploration.

Attendance at Future Greenland 2022 and PDAC's 90th Annual Conference and Site Visit

During the quarter, Eclipse Metals Executive Chairman, Carl Popal, attended the Future Greenland 2022 conference and undertook a site visit to Ivittuut and Grønnedal to assess site conditions ahead of the 2022 field season which is planned to include a drilling program on the Grønnedal carbonatite REE prospect. This assessment of ground conditions will facilitate the planning of access and drillhole location.

The Company has engaged a Greenland-based drilling contractor to undertake the proposed drilling which is awaiting approval to proceed following an application to Greenland's Mineral Resources Authority last month. The drillers attended the site and discussed mobilisation of appropriate equipment, with the drilling team potentially able to mobilise in Q3 CY 2022. They were pleased to be able to locate several historical drill collars which will assist in planning the Company's drilling program.

Mr Popal held encouraging discussions with senior representatives from Greenland's Mineral Resources Authority and Environmental Agency for Mineral Resource Activities (**EAMRA**) regarding obtaining a mining licence for Ivittuut. Eclipse Metals will work closely with government departments to move forward at Ivittuut,

particularly on the licencing issue for pit dewatering. Various scenarios were discussed, and information is being generated and plans submitted to address dewatering procedures in line with environmental requirements.

During his visit, Mr Popal met a previous resident of Ivittuut who shared his memories of the historical mine site. Mr Popal expressed an interest in hearing from other local residents to gather a history of the site so Eclipse can play an active role in its preservation. Eclipse has started a dialogue with the municipality of Sermersooq to establish how Eclipse Metals can assist in the restoration of the Ivittuut mine museum.

Mr Popal also represented Eclipse Metals at PDAC's 90th Annual Conference in Toronto, Canada, held on 13-15 June 2022 during a special "Greenland Day" event, in collaboration with the Greenland Government.

NORTHERN TERRITORY PROJECTS

During the December quarter Eclipse advised that, in line with the Company's strategy to focus on maximising key assets, it had executed a binding Heads of Agreement with Oz Yellow Uranium Limited (ACN 651 734 600) (**Oz Yellow**), whereby Eclipse conditionally agreed to sell its interests in certain Northern Territory tenements covered by its Ngalia Basin Uranium Prospects and the Liverpool Uranium Project (**NT Projects**), to Oz Yellow (**Proposed Transaction**).

On 4 April 2022, Eclipse confirmed that it had amended the binding heads of agreement with Oz Yellow in relation to the divestment of certain Northern Territory tenements.

The Proposed Transaction contemplated Oz Yellow undertaking an IPO and seeking a listing onto the official list of the ASX. The Board believes divestment of the NT Projects to be an extraordinary opportunity to maximise shareholder value in this long-held asset, whilst allowing the Company to focus its efforts on advancing its other projects, including its flagship Ivittuut Project in Greenland.

The Company and Oz Yellow have agreed to extend the date on which Oz Yellow may undertake the IPO and seek official ASX listing, both of which form conditions precedent to the Proposed Transaction, to 31 October 2022. In addition, following a review of the NT Projects in the context of current market conditions, the structure of the IPO and consequently the structure of the consideration payable to Eclipse under the Proposed Transaction has been revised.

Under the revised Proposed Transaction structure Oz Yellow will seek to raise between $6 million and $10 million (before costs) via its IPO. In addition, the consideration payable to Eclipse will comprise:

1. fully paid ordinary shares in Oz Yellow which will equate to between 42% and 49% of Oz Yellow upon its listing on the ASX (depending on the amount raised under the IPO), of which a portion will be distributed in specie to Eclipse shareholders on a pro rata basis;
2. unlisted options in Oz Yellow which will equate to between 28% and 32% of Oz Yellow (on a fully diluted basis) upon its listing on the ASX (depending on the amount raised under the IPO);
3. $255,000 in cash plus a further cash payment of an amount equal to all expenditure costs to be incurred by Eclipse on the NT Projects until completion of the Proposed Transaction up to a maximum amount of $250,000; and
4. a 2% NSR royalty.

The Proposed Transaction will create a new listed company, assisted by a dedicated board and management team, with its sole focus being on exploration and development of the NT Projects.

MARY VALLEY, QUEENSLAND

The Company has applied for approval to collect a bulk sample of up to 50 tonnes of lower grade manganese mineralisation from old mine-dumps for metallurgical beneficiation test-work with a view to producing a shippable high grade manganese product.

CORPORATE

Release from Voluntary Escrow

On 28 May 2022 ordinary shares and options held by the vendors of the Ivittuut project were released from voluntary escrow as indicated below:

- 77,000,000 fully paid ordinary shares;
- 31,250,000 options exercisable at $0.015 expiring 28 May 2024; and
- 16,250,000 options exercisable at $0.05 expiring 28 May 2026.

ASX Additional Information

1. ASX Listing Rule 5.3.1: Exploration and Evaluation Expenditure during the quarter was $159,000. Full details of exploration activity during the quarter are set out in this report.
2. ASX Listing Rule 5.3.2: There was no substantive mining production and development activities during the quarter.
3. ASX Listing Rule 5.3.5: Payment to related parties of the Company and their associates during the quarter: $132,000 cash. The Company advises that this relates to non-executive, executive directors' fees and consulting fees only. Please see the Remuneration Report in the Annual Report for further details on Directors' Remuneration.

For further information please contact:

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Rod Dale
Non-Executive Director
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Competent Persons Statement

The information in this report that relates to Exploration Results and Exploration Targets 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 (FAusIMM) 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. Dale has verified the data disclosed in this release and consents to the inclusion in this release of the matters based on the information in the form and context in which it appears.

References

Bondam, J. (1992). The Grønnedal alkaline complex in South Greenland. Geological Survey of Greenland Report, Open File Series 92/2, 34p.

Halama, R., Vennemann, T., Siebel, W., and Markl, G. (2005). The Grønnedal carbonatite-syenite complex, South Greenland: carbonatite formation by liquid immiscibility. Journal of Petrology, 46(1), 191-217.

Paulick, H., Rosa, D., and Kalvig, P. (2015). Rare earth element projects and exploration potential in Greenland. Center for Minerals and Materials (MiMa), Geological Survey of Denmark and Greenland (GEUS), Rapport 2015/2, 51p.

ADDENDUM - ECLIPSE METALS TENEMENT INTERESTS

Mining tenements held at the end of the quarter and their locations are listed below.

Granted Tenements

Greenland Projects						
Tenement	**Project Name**	**Commodity**	**Status**	**Holder**	**%**	**Area**
MEL2007-45	Ivittuut Project	Cryolite & REE	Granted	Eclipse Metals Ltd Greenland[1]	100	50km^2

Australian Projects							
Tenement	**Project**	**Commodity**	**Status**	**State**	**Holder**	**%**	**Graticular Blocks**
EL 24808	Cusack's Bore	U	Granted	NT	Eclipse Metals Ltd	100	27
EL 32080	North Ngalia	U	Granted	NT	Eclipse Metals Ltd	100	63
EPM 17672	Mary Valley	Mn	Granted	Qld	Walla Mines Pty Ltd[2]	100	7
EPM 17938	Amamoor	Mn	Granted	Qld	Walla Mines Pty Ltd[2]	100	4
EL 27584	Devil's Elbow	U, Au, Pd	Granted	NT	North Minerals Pty Ltd[3]	100	30

Key to abbreviations: Au = gold, Mn = manganese, Pd = palladium, REE = rare earth elements, U = uranium.

1 Eclipse Metals Ltd Greenland is a wholly owned subsidiary of Eclipse Metals Ltd.
2 Walla Mines Pty Ltd is a subsidiary controlled by Eclipse Metals Ltd.
3 North Minerals Pty Ltd is a wholly owned subsidiary of Eclipse Metals Ltd.
There were no changes in the Company's interests in the above tenements during the quarter.

Tenement Applications

Tenement	Project Name	Commodity	Status	State	Holder	%	Graticular Blocks
ELA 24623	Eclipse	Cu, U	Application	NT	Eclipse Metals Ltd	100	305
ELA 24861	Lake Mackay	U	Application	NT	Eclipse Metals Ltd	100	50
ELA 26487	Yuendi	Cu, U	Application	NT	Whitvista Pty Ltd[1]	100	320
ELA 31065	Liverpool	U	Application	NT	Eclipse Metals Ltd	100	68
ELA 31499	Ngalia	U	Application	NT	Eclipse Metals Ltd	100	249
ELA 31500	Ngalia	U	Application	NT	Eclipse Metals Ltd	100	250
ELA 31501	Ngalia	U	Application	NT	Eclipse Metals Ltd	100	250
ELA 31502	Ngalia	U	Application	NT	Eclipse Metals Ltd	100	226
ELA 31770	Liverpool	U	Application	NT	Eclipse Metals Ltd	100	50
ELA 31771	Liverpool	U	Application	NT	Eclipse Metals Ltd	100	240
ELA 31772	Liverpool	U	Application	NT	Eclipse Metals Ltd	100	51
ELA 32077	Central Ngalia	U	Application	NT	Eclipse Metals Ltd	100	195
ELA 32078	Central Ngalia	U	Application	NT	Eclipse Metals Ltd	100	248
ELA 32079	Central Ngalia	U	Application	NT	Eclipse Metals Ltd	100	248

Key to abbreviations: Cu = copper, U = uranium.
1 Whitvista Pty Ltd is a wholly owned subsidiary of Eclipse Metals Ltd.
There were no changes in the Company's interests in the above tenements during the quarter.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity	
ECLIPSE METALS LIMITED	
ABN	**Quarter ended ("current quarter")**
85 142 366 541	30 June 2022

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (12 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(142)	(387)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(172)	(856)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	16	100
1.9	**Net cash from / (used in) operating activities**	**(298)**	**(1,143)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	(100)
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation *	(17)	(29)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	5
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Cash acquired on acquisition	-	-
2.6	**Net cash from / (used in) investing activities**	**(17)**	**(124)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	(3)	403
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(8)	(20)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(265)	(265)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**(276)**	**118**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	1,244	1,808
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(298)	(1,143)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(17)	(124)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(276)	118

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
4.5	Effect of movement in exchange rates on cash held	6	-
4.6	**Cash and cash equivalents at end of period**	**659**	**659**

* Prior quarter amounts have been re-positioned for consistency with current quarter disclosures.

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	659	1,244
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**659**	**1,244**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	132
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Payments of Directors fees $111K (incl. GST) and Consulting fees $21K (incl. GST)

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-

7.5	**Unused financing facilities available at quarter end**	**-**
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(298)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(17)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(315)
8.4	Cash and cash equivalents at quarter end (item 4.6)	659
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	659
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)** *Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.*	**2**

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
Answer: N/A	

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 29 July 2022

Authorised by: the Board.
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, 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. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.