7th March 2019

The Company Announcement Platform
ASX Limited
Exchange Centre
20 Bridge Road
SYDNEY NSW 2000

POSITIVE RESULTS FROM GRAVIMETRIC SURVEY ON EL 24808 IN NORTHERN TERRITORY TARGETING URANIUM AND VANADIUM

Highlights

- **Multi-branch paleochannel feature identified within EL24808**
- **Obvious target for associated uranium and potential vanadium mineralisation**
- **Four new EL applications (totaling 2360km2) within the Ngalia Basin accepted, where previous explorers outlined 400 linear km of Tertiary-age paleochannel system**
- **Previous explorers discovered anomalous uranium values while drilling a 15km long section of paleochannel at the "Afghan Swan" prospect.**
- **New applications are contiguous with four earlier applications (totaling 2998km2) by the company- Eclipse now holds rights to a dominant exploration position over the uranium-prospective and under-explored central portion of the Ngalia Basin.**

NORTHERN TERRITORY NGALIA BASIN (refer map, Figure 3)

Eclipse Metals Limited (**the Company** or **Eclipse**) (ASX:EPM), is pleased to announce positive results from the completed gravimetric survey commenced late in 2018 over its 85 km^2 granted tenement EL24808, in the Ngalia Basin in central Northern Territory (refer ASX:EPM announcement 11th January 2019).

The survey was intended to identify targets for uranium mineralisation, including possible paleochannels, along the northern side of the Ngalia Basin in proximity to identified uranium and vanadium mineralisation within the Bigrlyi Project held by Energy Metals Ltd.

Nearly 1,300 gravity stations were recorded on an initial 400 m x 100 m grid, with an area of interest measuring 6 km x 2 km infilled to 200 m x 100 m spacing. The Company has received processed imagery for the data (refer Figures 1, 2), highlighting features consistent with paleochannels within the company's tenure.

The Company is highly encouraged by the interpretation and the likely presence of an incised multi-branch channel feature of some seven kilometres length, central to the tenement, which presents an obvious target for associated uranium and potentially vanadium mineralisation.

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, 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.

The Company intends to follow up the gravity interpretation with focussed lines of passive seismic data collection over the channel and flanks. This survey can provide estimates of thickness in soft sediment cover over hard basement rocks, in order to confirm the channel profile and likely depth of incisement, ahead of planning drilling to test the targeted features. Deep Ground Penetrating Radar (DGPR) survey methods will also be considered; a method which has been trialled successfully elsewhere in the region for this purpose. The Company considers the depth to target is likely in the order of 60-200m from experiences elsewhere, and also believes that such targets can be considered for *in situ* uranium recovery (ISR) methodologies.

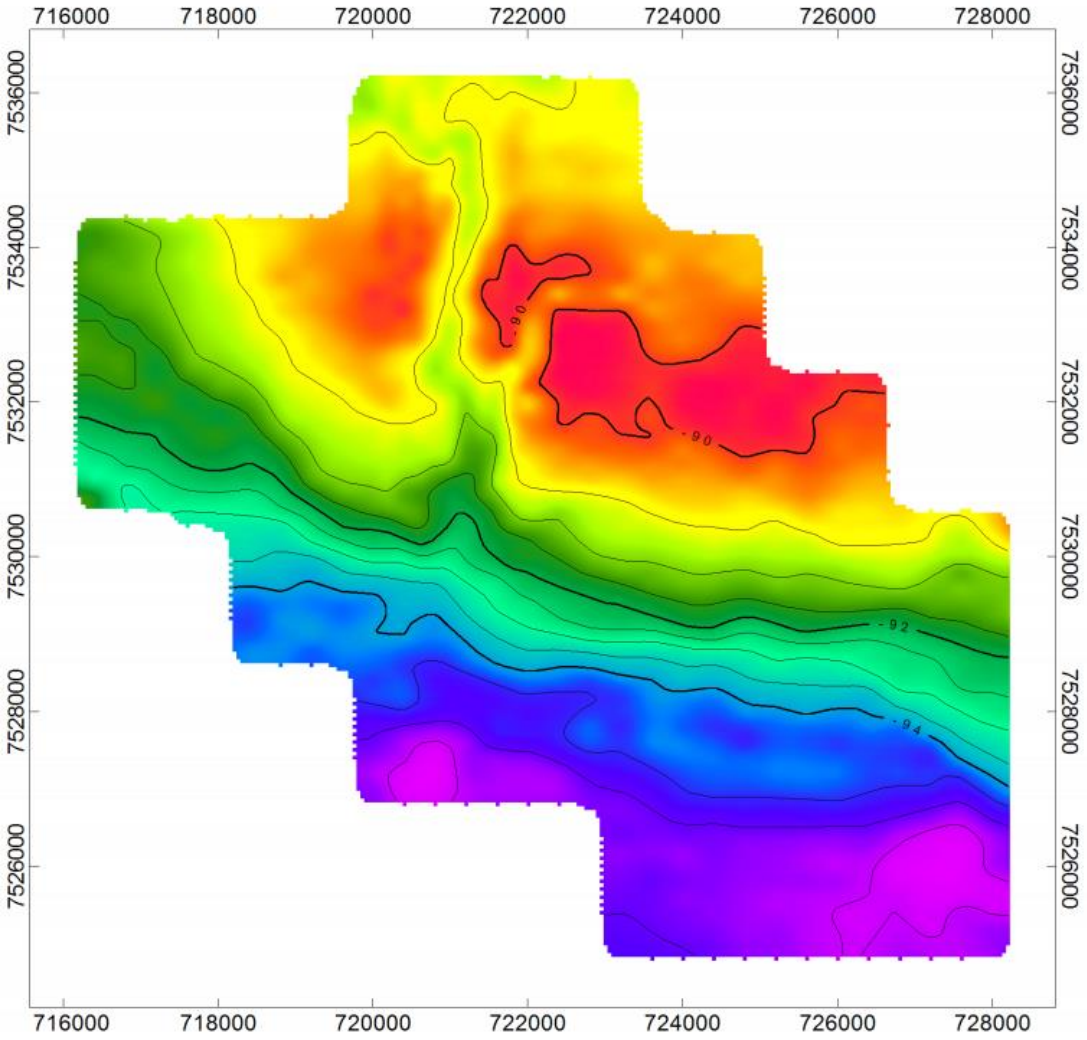

Figure 1a. Gravity contours in mgal over EL24808, modelled with basement at a nominal density of 2.67.

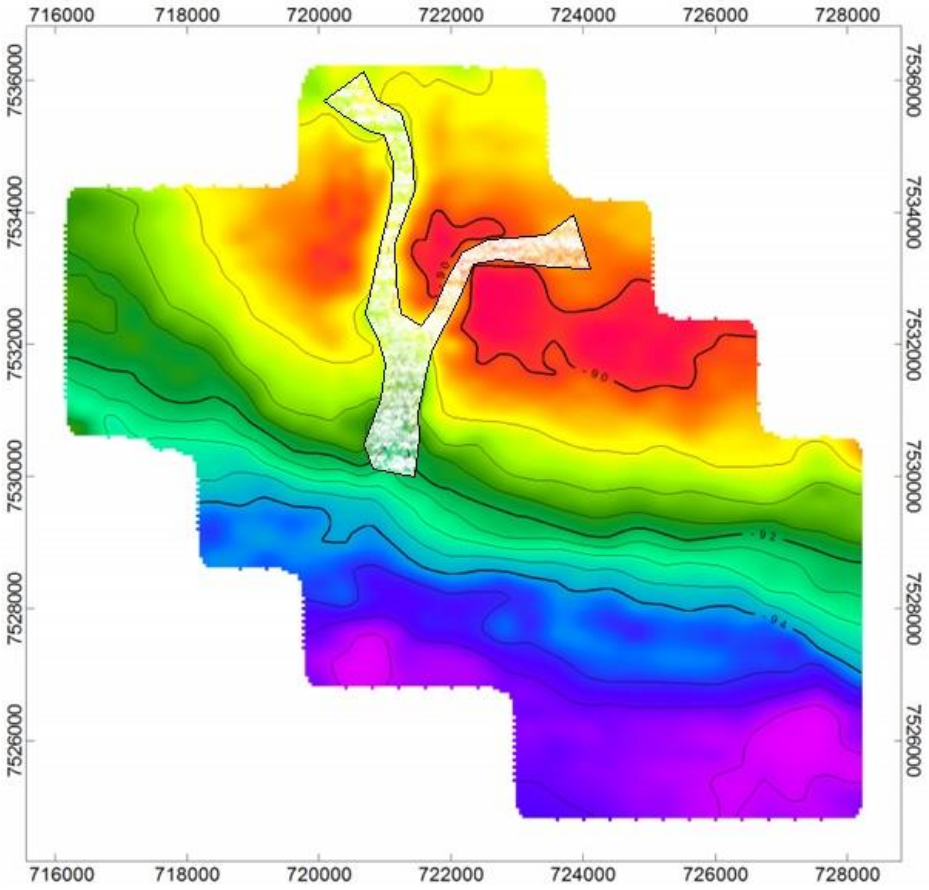

Figure 1b: Interpreted paleochannel features highlighted.

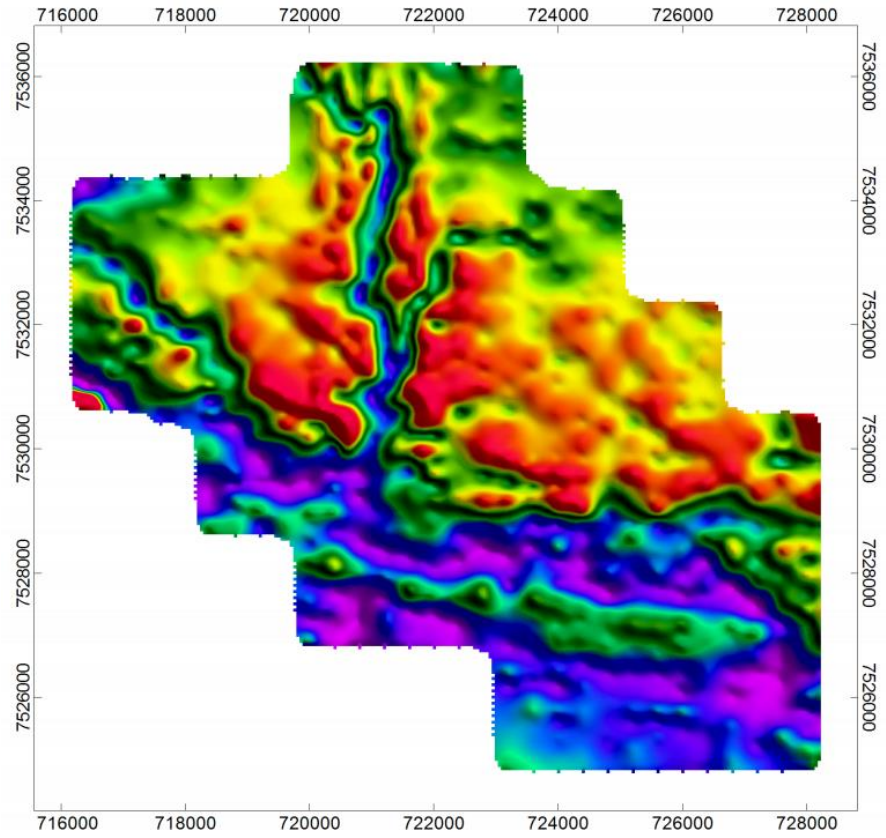

Figure 2a. First Vertical Derivative (vertical rate of change) Gravity contours in mgal over EL24808, modelled with basement at a nominal density of 2.67

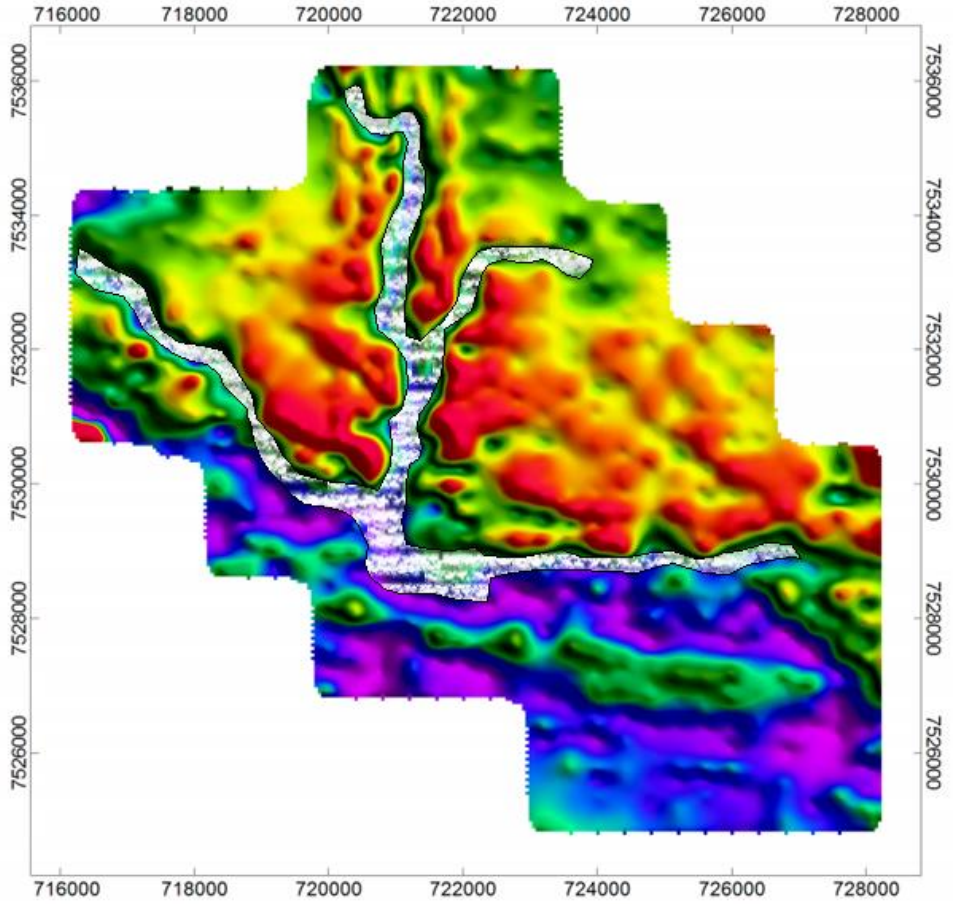

Figure 2b: Iinterpreted paleochannel features highlighted - note additional multi-branch elements to interpretation in Figure 1b.

Encouraged by this development, Eclipse has applied for four new exploration licences (ELA's 32077-080) over the northern-central half of the Ngalia Basin, where previous explorers had outlined 400km of Tertiary-age paleochannel system, and discovered anomalous uranium values while drilling a 15km long section of channel at the "Afghan Swan' prospect. These new applications are contiguous with four earlier applications (EL31499-502) from February 2017 by the company over the southern half of the Ngalia Basin. Eclipse now holds a dominant exploration position over the uranium-rich and under-explored central portion of the Ngalia Basin (refer Figure 3) with just under 7300 km^2 under application at its Ngalia Project, in addition to the granted EL24808.

Discussion of Ngalia Basin Uranium Potential:

Australia's sandstone-hosted uranium deposits occur in sedimentary basins of Carboniferous, Cretaceous and Tertiary age; these include some of Australia's largest and highest grade uranium deposits. The conventional model for sandstone-hosted uranium deposits has proved robust and a predictive model leading to the discovery of many deposits in Australia. Typically, Tertiary paleochannels host the greatest number of deposits and include the largest and highest grade deposits. Australia's production of uranium from sandstone-hosted deposits is currently limited to two in-situ leach (ISR) operations in South Australia.

Australia remains highly prospective for the discovery of new palaeochannel hosted uranium deposits, with geophysical surveys of great assistance in continuing to define palaeochannel systems. Such systems may host leachable uranium in basins draining uranium-rich source rocks- such as the Ngalia Basin, in which several significant uranium deposits have already been outlined.

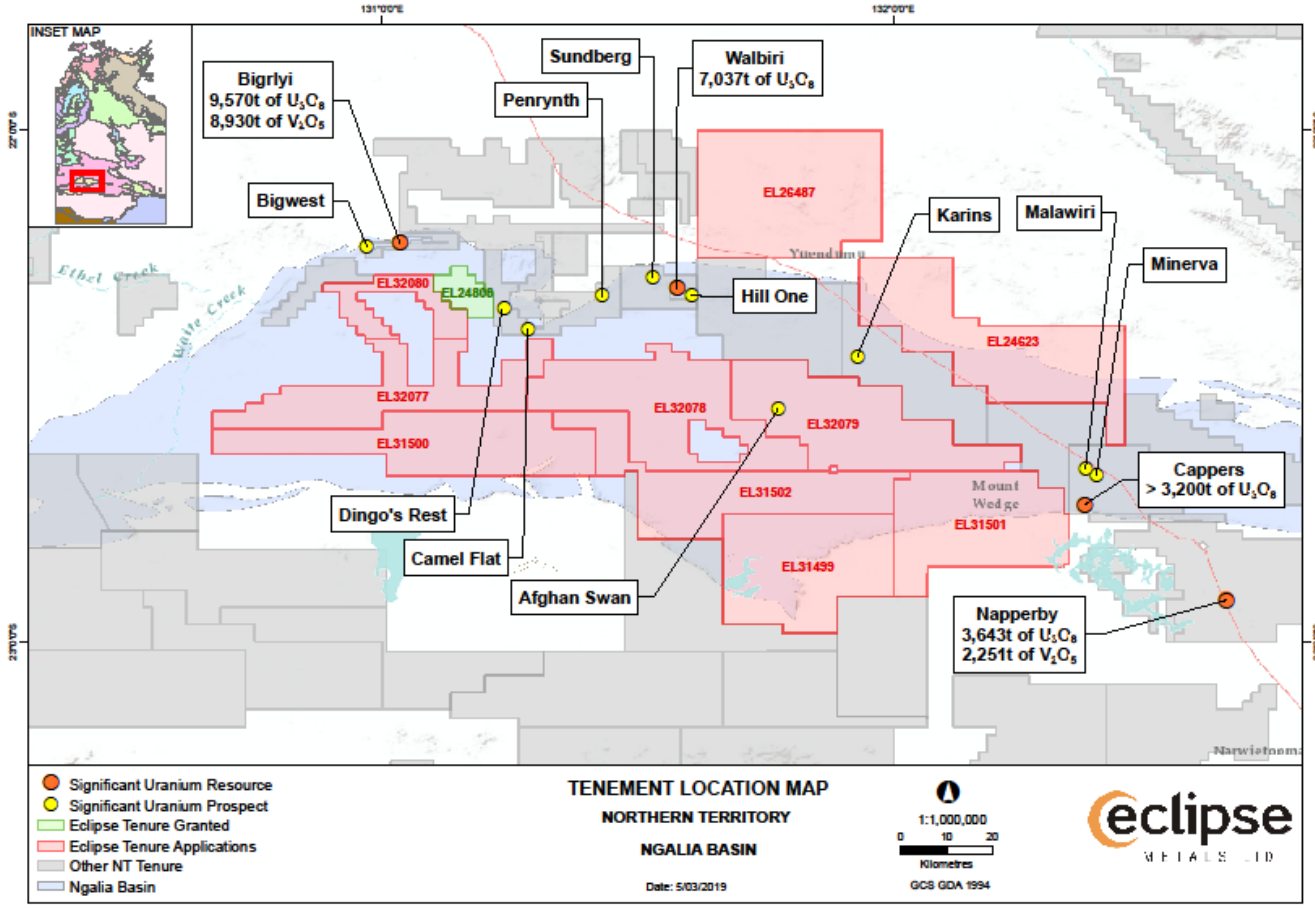

Figure 3. Ngalia Basin Tenement Map

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Competent Persons Statements

Geology *The information in this report that relates to Exploration Results together with any related assessments and interpretations is based on and fairly represents information compiled by Mr Craig Hall MAusIMM, geological consultant to Eclipse Metals Ltd for Mr Rodney Dale, the Non-Executive Chairman of Eclipse Metals Ltd. 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 Dale and Mr Hall have verified the data disclosed in this release and consent to the inclusion in this release of the matters based on the information in the form and context in which it appears.

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *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.*	• Not applicable
Drilling techniques	• *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).*	• Not applicable as no drilling was undertaken
Drill sample recovery	• *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.*	• Not applicable as no drilling was undertaken
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Not applicable as no drilling was undertaken
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	• Not applicable as no drilling was undertaken.

Criteria	JORC Code explanation	Commentary
	• *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *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.* • *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.*	• Not applicable • Gravity measurements taken with a Scintrex CG-5. • Daily duplicate checks undertaken on completed work; acceptable levels of accuracy and precision established
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Not applicable as no drilling was undertaken. • Not applicable • Electronic data capture, storage and transfer as .csv. Routine QC checks performed by contractor and independent geophysical consultant. Data were found to be of high quality and in accordance with contract specifications • The gravity data were reprocessed by an independent geophysical consultant using in-house gravity reduction software, utilising the GDA94/MGA52 datum/projection, AAGD07 gravity datum and GDA94 ellipsoidal elevation datum. Bouguer anomaly data were calculated using a correction density of 2.67 g/cm^3

Criteria	JORC Code explanation	Commentary
Location of data points	• *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.*	• Most coordinate information was collected with a differential GPS using MGA Zone 52 (GDA 94). • MGA Zone 52 (GDA 94). • Most height information was collected with a differential GPS using MGA Zone 52 (GDA 94).
Data spacing and distribution	• *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.*	• Nearly 1,300 gravity stations were recorded on an initial 400 m x 100 m grid, with an area of interest measuring 6 km x 2 km infilled to 200 m x 100 m spacing. • Not applicable as no drilling undertaken. • Not applicable as no drilling undertaken.
Orientation of data in relation to geological structure	• *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.*	• Survey lines intended normal to expected geological trend. • Not applicable as no drilling undertaken.
Sample security	• *The measures taken to ensure sample security.*	• All data transmitted in digital format
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Data reviewed and checked for Quality Control by independent geophysical consultant

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *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.*	• EL24808 is held beneficially for Eclipse Metals
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Negligible. In 1979 Afmeco Mining and Exploration Pty Ltd completed a total of 17 drill holes at the adjacent Dingo's Rest Prospect to the east of EL24808. New applications cover ground explored by Element 92, a 100% owned subsidiary of Thundelara Exploration Limited (ASX:THX)
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Sandstone-hosted and associated paleochannel uranium +/- vanadium deposits in Devonian to Carbonaceous sedimentary rocks of the Ngalia Basin, potentially reworked during the Tertiary.

Drill hole Information	• *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:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *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.*
		• No applicable as no drilling was undertaken

Criteria	JORC Code explanation	Commentary
Data aggregation methods	• *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.* • *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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Not applicable as no data averaging has been used
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *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').*	• Not applicable as no drilling undertaken.
Diagrams	• *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.*	• See Map in release
Balanced reporting	• *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.*	• Not applicable
Other substantive exploration data	• *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.*	• Geological background provided in previous reports.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Refer figures this report.