

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

| | |
|-----------------------|-------------------------------|
| Name of entity | Eclipse Metals Limited |
| ACN | 142 366 541 |

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 323,553,412 Shares |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully Paid Ordinary Shares rank equally |
| 4 | Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | Shares issued will rank equally with existing fully paid Ordinary Shares on issue; and Shares issued upon the exercise of the Unlisted Options will rank equally with existing fully paid Ordinary Shares on issue |
| 5 | Issue price or consideration | 0.025 cents per Share for a total consideration of approximately \$808,884 |

+ See chapter 19 for defined terms.

| 6 | Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets) | <p>The Company will use the funds raised under the Rights Issue for</p> <ul style="list-style-type: none"> • Exploration work on Mary Valley, Liverpool Uranium and other Tenements; • Identification of new opportunities; and • General working capital purposes including paying creditors and meeting the costs of the Offer | | | | |
|-------------|---|---|--------|-------|-------------|-----------------|
| 6a | <p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i</p> | Yes | | | | |
| 6b | The date the security holder resolution under rule 7.1A was passed | At the Company's Annual General Meeting held on 27 November 2014 | | | | |
| 6c | Number of +securities issued without security holder approval under rule 7.1 | Nil | | | | |
| 6d | Number of +securities issued with security holder approval under rule 7.1A | Nil | | | | |
| 6e | Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting) | Nil | | | | |
| 6f | Number of securities issued under an exception in rule 7.2 | 323,553,412 Shares | | | | |
| 6g | If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation. | N/A | | | | |
| 6h | If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements | N/A | | | | |
| 6i | Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements | <p><u>Remaining Issue Capacity under Rule 7.1</u> 130,649,036 Securities</p> <p><u>Remaining Issue Capacity under Rule 7.1A</u> 95,766,024 Shares</p> | | | | |
| 7 | Dates of entering +securities into uncertificated holdings or despatch of certificates | Approximately 22 December 2015 | | | | |
| 8 | Current Number and +class of all +securities quoted on ASX | <table border="1"> <thead> <tr> <th data-bbox="799 1776 1126 1805">Number</th> <th data-bbox="1126 1776 1445 1805">Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="799 1805 1126 1854">647,106,824</td> <td data-bbox="1126 1805 1445 1854">Ordinary Shares</td> </tr> </tbody> </table> | Number | Class | 647,106,824 | Ordinary Shares |
| Number | Class | | | | | |
| 647,106,824 | Ordinary Shares | | | | | |

+ See chapter 19 for defined terms.

| | Number | Class |
|---|-------------|-----------------|
| 8A Proposed Number and ⁺ class of all ⁺ securities quoted on ASX (including the securities in clause 2 if applicable) | 970,660,236 | Ordinary Shares |

| | Number | Class |
|---|-------------|---|
| 9 Number and ⁺ class of all ⁺ securities not quoted on ASX (including the securities in clause 2 if applicable) | 150,000 | 30 November 2015 Unlisted Options at 20 cents |
| | 103,023,813 | 30 November 2016 Unlisted Options at 6 cents |

| | |
|---|----------------|
| 10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) | Not Applicable |
|---|----------------|

Part 2 - Bonus issue or pro rata issue

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|--|---|
| 11 Is security holder approval required? | No |
| 12 Is the issue renounceable or non-renounceable? | Non-Renounceable Entitlement Issue |
| 13 Ratio in which the ⁺ securities will be offered | One (1) New Share for every two (2) Shares held by Shareholders |
| 14 ⁺ Class of ⁺ securities to which the offer relates | Ordinary Shares |
| 15 ⁺ Record date to determine entitlements | 10 November 2015 |
| 16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | Not Applicable |
| 17 Policy for deciding entitlements in relation to fractions | Rounded down to the nearest whole number |
| 18 Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7. | Shareholders in Australia and New Zealand are entitled to participate |
| 19 Closing date for receipt of acceptances or renunciations | 11 December 2015 |
| 20 Names of any underwriters | The Offer is not underwritten |
| 21 Amount of any underwriting fee or commission | Not Applicable |

+ See chapter 19 for defined terms.

| | | |
|----|---|------------------|
| 22 | Names of any brokers to the issue | Not Applicable |
| 23 | Fee or commission payable to the broker to the issue | Not Applicable |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders | Not Applicable |
| 25 | If the issue is contingent on ⁺ security holders' approval, the date of the meeting | Not Applicable |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled | 13 November 2015 |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | Not Applicable |
| 28 | Date rights trading will begin (if applicable) | Not Applicable |
| 29 | Date rights trading will end (if applicable) | Not Applicable |
| 30 | How do ⁺ security holders sell their entitlements <i>in full</i> through a broker? | Not Applicable |
| 31 | How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | Not Applicable |
| 32 | How do ⁺ security holders dispose of their entitlements (except by sale through a broker)? | Not Applicable |
| 33 | ⁺ Despatch date | 22 December 2015 |

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

- (a) Securities described in Part 1
(b) All other securities

Example: Restricted securities at the end of the escrowed period, Partly paid securities that become fully paid, Employee incentive share securities when restriction ends and Securities issued on expiry or conversion of convertible securities

Questions 35 to 42 not applicable

+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Date: 4 November 2015

Print name: **Eryn Kestel**
Company Secretary

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12

Part 1

| Rule 7.1 – Issues exceeding 15% of capital | |
|--|--|
| Step 1: Calculate “A”, the base figure from which the placement capacity is calculated | |
| Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue | 596,106,824 |
| <p>Add the following:</p> <ul style="list-style-type: none"> • Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> | <p>323,553,412</p> <p>38,000,000 At the 2014 AGM on 27 November 2014</p> |
| Subtract the number of fully paid ordinary securities cancelled during that 12 month period | |
| “A” | 957,660,236 |

+ See chapter 19 for defined terms.

| | |
|---|--|
| Step 2: Calculate 15% of “A” | |
| “B” | 0.15 <i>[Note: this value cannot be changed]</i> |
| Multiply “A” by 0.15 | 143,649,035 |
| Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used | |
| <p>Insert number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 - • Under rule 7.1A - • With security holder approval under rule 7.1 or rule 7.4 - <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> | 13,000,000 |
| “C” | 13,000,000 |
| Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1 | |
| <p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p> | 143,649,035 |
| <p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p> | 13,000,000 |
| Total [“A” x 0.15] – “C” | 130,649,035 <i>[Note: this is the remaining placement capacity under rule 7.1]</i> |

+ See chapter 19 for defined terms.

Part 2

| Rule 7.1A – Additional placement capacity for eligible entities | |
|---|---|
| Step 1: Calculate “A”, the base figure from which the placement capacity is calculated | |
| “A” <i>Note: number must be same as shown in Step 1 of Part 1</i> | 957,660,236 |
| Step 2: Calculate 10% of “A” | |
| “D” | 0.10 <i>Note: this value cannot be changed</i> |
| Multiply “A” by 0.10 | 95,766,024 |
| Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used | |
| Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> | |
| “E” | Nil |

+ See chapter 19 for defined terms.

| Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A | |
|--|--|
| "A" x 0.10 <i>Note: number must be same as shown in Step 2</i> | 95,766,024 |
| Subtract "E" <i>Note: number must be same as shown in Step 3</i> | - |
| Total ["A" x 0.10] – "E" | 95,766,024 <i>Note: this is the remaining placement capacity under rule 7.1A</i> |

+ See chapter 19 for defined terms.