

12 December 2024

Mr Daniel Nugawela – Adviser, Listings Compliance
ASX Compliance Pty Ltd
Level 40, Central Park
152-158 St Georges Tce
Perth WA 6000

By email:

NOTICE UNDER SECTION 708AA(2)(F) OF THE CORPORATIONS ACT 2001 (CTH)

This notice is given by Eclipse Metals Ltd (ASX: EPM) (**Company**) pursuant to section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Corporations Act**) (as modified by the *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84*).

Background

On 12 December 2024, the Company announced that it was undertaking a non-renounceable, pro rata rights issue offer (**Entitlement Offer**) of up to 571,963,881 fully paid ordinary shares (**New Shares**) to raise approximately \$1,143,928 before costs.

New Shares will be offered to eligible shareholders who are registered as holders of Shares as at 4.00pm (AWST) on Tuesday, 17 December 2024 (**Record Date**) and whose registered address is in Australia, New Zealand or Singapore (**Eligible Shareholders**) at an offer ration of 1 New Share for every 4 existing Shares held on the Record Date (**Entitlement**) and at an issue price of \$0.002 per New Share.

In addition, Eligible Shareholders may also apply for the New Shares which comprise the shortfall to the Entitlement Offer (**Shortfall**), at the same issue price of \$0.002 per New Share (**Shortfall Offer**).

Further details regarding the Entitlement Offer and the Shortfall Offer (**Offers**) are set out in the ASX announcement accompanying this notice and will be included in the Company's Offer Document to be released on Friday, 20 December 2024.

Notification

The *Corporations Act 2001* (Cth) (**Corporations Act**) restricts the on-sale of securities issued without disclosure unless the sale is exempt under sections 708, 708A or 708AA of the Corporations Act. By the Company giving this notice, a sale of the Shares will fall within the exemption in section 708AA(2) of the Corporations Act.

The Company hereby notifies ASX under section 708AA(2)(f) of the Corporations Act that:

- (a) the New Shares will be offered for issue without disclosure under Part 6D.2 of the Corporations Act and without a prospectus being prepared;
- (b) as at the date of this notice, the Company has complied with:
 - (i) the provisions of Chapter 2M of the Act as they apply to the Company; and

ECLIPSE METALS LTD

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- (ii) sections 674 and 674A of the Corporations Act;
- (c) as at the date of this notice, there is no information:
 - (i) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
 - (ii) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (A) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - (B) the rights and liabilities attaching to the New Shares;
- (d) the potential effect the issue of New Shares under the Offers will have on the control of the Company and the consequences of that effect will depend on a number of factors, including the extent to which Eligible Shareholders participate in the Entitlement Offer and subscribe for their Entitlements. At the date of this notice, the Offers are not expected to have any material effect on control of the Company. However, the Company notes the following key points:
 - (i) If all Eligible Shareholders subscribe for their Entitlement in full:
 - (A) each Eligible Shareholder's percentage interest in the total issued Shares will remain the same and not be diluted; and
 - (B) there will not be any material effect on control of the Company.
 - (ii) In the more likely event that not all Eligible Shareholders subscribe for their full Entitlement and a Shortfall remains:
 - (A) those Eligible Shareholders who do not participate (including those shareholders who are ineligible to participate) in the Offers or who do not subscribe for their full Entitlement, will be diluted relative to those Eligible Shareholders who subscribe for their full Entitlement; and
 - (B) the extent of the shareholding dilution will depend on the degree to which Eligible Shareholders take up their Entitlement.
 - (iii) Eligible Shareholders may apply for additional New Shares under the Shortfall Offer.
 - (iv) The Company will not issue New Shares under either Offer to the extent it may result in the voting power of a person and their 'associates' (as defined in the Corporations Act) exceeding 20% or increasing an existing voting power of more than 20%.
 - (v) So far as the Company is aware, based on substantial holding notices that have been lodged prior to the date of this notice, there are no shareholders with voting power of more than 20% in the Company.

Authorised by the board of directors of Eclipse Metals Limited.

Yours sincerely

Sebastian Andre
Company Secretary
Eclipse Metals Ltd

