

ASX Market Announcements  
Company Announcements Office  
SYDNEY NSW 2000

### **Loan Facility Agreement extended to Klondyke Gold Limited**

Eclipse Metals Limited (“**Eclipse**” or the “**Company**”) is pleased to announce that it has agreed to provide a funding arrangement (“Loan Facility Agreement”) to Klondyke Gold Limited (“**Klondyke**”).

Eclipse will provide a draw down facility to Klondyke of up to \$700,000 secured against securities in Klondyke.

Under the Loan Facility Agreement, \$50,000 will be advanced immediately to Klondyke to secure gold tenements in Western Australia known as the Stonevale Tenements.

The Company will be able to convert the \$50,000 advance to shares at \$0.05 per share. Any funds advanced by Eclipse to Klondyke over and above the initial advance of \$50,000 up to the maximum of \$700,000 can be converted to shares in Klondyke at \$0.20 per share.

Klondyke will also issue Eclipse 10,000,000 options as a commitment fee, exercisable at \$0.20 on or before 30 November 2015.

#### **About Klondyke**

Klondyke is an unlisted publically held gold exploration company with an exciting portfolio of assets in a geologically favourable area of Western Australia (WA), covering 36km<sup>2</sup> of selected tenure that is highly prospective for gold mineralisation. Klondyke’s assets include four (4) separate exploration projects situated around the town of Cue in the Goldfields region of WA. Klondyke will also acquire battery sands with approximately 18,000 tonnes @ 1.4g/t gold that can be easily treated. Klondyke is comprised of a capable and well-qualified Board and management team. This team possesses considerable gold experience with a history of developing and delivering projects to capital markets.

#### **Terms and Conditions of Loan Facility Agreement**

The main terms and conditions of the Loan Facility Agreement are as follows:

- Maximum draw down amount of \$700,000
- Facility will be available for drawdown in tranches on certain conditions to enable payment of certain specified matters
- Interest at a rate of 10% per annum will be paid monthly in arrears and on termination of the Loan Facility Agreement
- The first \$50,000 component of the loan is convertible at Eclipse’s option at \$0.05 per share with advances thereafter to a maximum of \$700,000 in total is convertible at Eclipse’s option at \$0.20 per share
- Eclipse has the right to secure the loan by way of mortgage over all tenements held (or acquired) by Klondyke or its subsidiaries

#### **BOARD**

Graeme Allan  
Chairman

Emilio Pietro Del Fante  
Executive Director

Shane Casley  
Non-Executive Director

#### **COMPANY SECRETARY**

Robert Marusco

#### **REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS**

309 Pier Street  
Perth WA 6000

#### **COMMUNICATION DETAILS**

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#### **AUSTRALIAN BUSINESS NUMBER**

85 142 366 541

#### **SHARE REGISTRY**

Security Transfer Registrars  
770 Canning Highway  
Applecross WA 6153

#### **ASX CODE**

EPM

- Eclipse has the right to appoint a director to the Board of Klondyke while the loan is outstanding
- It is a condition of the Loan Facility Agreement that Klondyke obtains the agreement from its other lenders to subordinate their loans behind the Loan Facility Agreement, and to extend the time for the repayment until such time as the Eclipse facility has been repaid or converted.
- The Loan Facility Agreement will terminate on 30 November 2012, or such earlier date appointed by Eclipse.

“This arrangement has the potential to diversify Eclipse’s asset holding with exposure to gold assets at a discount to the current valuation of Klondyke.” said Graeme Allan, Eclipse’s chairman



**Robert Marusco**  
**Company Secretary**