

27th August 2020

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

FIRST RECONNAISSANCE TRIP TO DEVILS ELBOW PROSPECT

The Directors of Eclipse Metals Limited (**Eclipse Metals** or the **Company**) (ASX: EPM) are pleased to provide this update regarding a recent reconnaissance site visit with collaboration from Traditional Owners to the central part of the Devil's Elbow prospect. This visit was successful in confirming the general geological setting and its highly radioactive nature. The main prospect area and areas of broad radiometric anomalies to the south-west were examined for logistic assessment.



Radiometric and geological examination during reconnaissance visit.

At Devil's Elbow surface total count/second (CPS) scintillometer readings were very high confirming historical results from exploration activities by Cameco and Uranerz. The reconnaissance trip confirmed that the main U-Au-Pd mineralised zone is hosted within the altered Nungaggarri Volcanic unit. Minor hematite and chlorite alteration were observed within areas of high radioactive response. The highest count measured was **2,200 CPS** with other high values included 950, **750**, **650** and **400 CPS** against background readings of 130 CPS within the Devil's Elbow Prospect area.

The primary objective of this site visit was to hold consultations with the Traditional Owners of the district for extension of the tenemented area. These negotiations were successful in obtaining approval for the Company to negotiate with the Northern Land Council on their behalf. The Company will now progress its applications for ELA's 31065 and 31770.

A further site visit is being planned to investigate and develop logistical requirements in more detail to facilitate ground access for drilling equipment and camp during the dry season.

The Devil's Elbow prospect lies within a group of four tenements with a total area of 1,463 sq km known as West Arnhem Project within the larger Liverpool Project area. Major uranium explorers such Rio Tinto, Cameco Australia, DevEx and Alligator Energy Ltd are a few companies which hold significant exploration ground within the world class Alligator Rivers Uranium Field.

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.

BOARD

Carl Popal
Executive Chairman

Rodney Dale
Non-Executive Director

Ibrar Idress
Non-Executive Director

Pedro Kastellorizos
Non-Executive Director

COMPANY SECRETARY

Eryn Kestel

OFFICE ADDRESS

Level 3, 1060 Hay Street
West Perth WA 6005
Phone: + 61 8 9480 0420
Fax: + 61 8 9321 0320

AUSTRALIAN BUSINESS NUMBER

85 142 366 541

SHARE REGISTRY

Automatic Group
Level 2
267 St Georges Terrace
Perth WA 6000

ASX CODE

EPM

WEBSITE

www.eclipsemetals.com.au

BACKGROUND

The project lies approximately 285km east of Darwin with uranium mineralisation hosted within the world-class Alligator Rivers Uranium Field which includes the Ranger, Nabarlek and Jabiluka Uranium Mines. The project area is centred approximately 85 km east of Jabiru Township. The company is evaluating alternative access routes to the project site through Myra Camp to the Devil's Elbow project area through the re-establishment of pre-existing tracks.

Large uranium deposits in the Alligator Rivers Uranium Field account for 96% of past production and 95% of known resources in the Northern Territory. The tenements are situated approximately 41km southeast of the worked-out Nabarlek Uranium Mine which produced 12,000 tonnes of uranium oxide from 568,402t of ore with a grade of 1.95% U_3O_8 (refer to ASX Announcement 30 July 2020 - Landmark Decision with Traditional Landowners)



Radiometric and geological examination during reconnaissance visit.

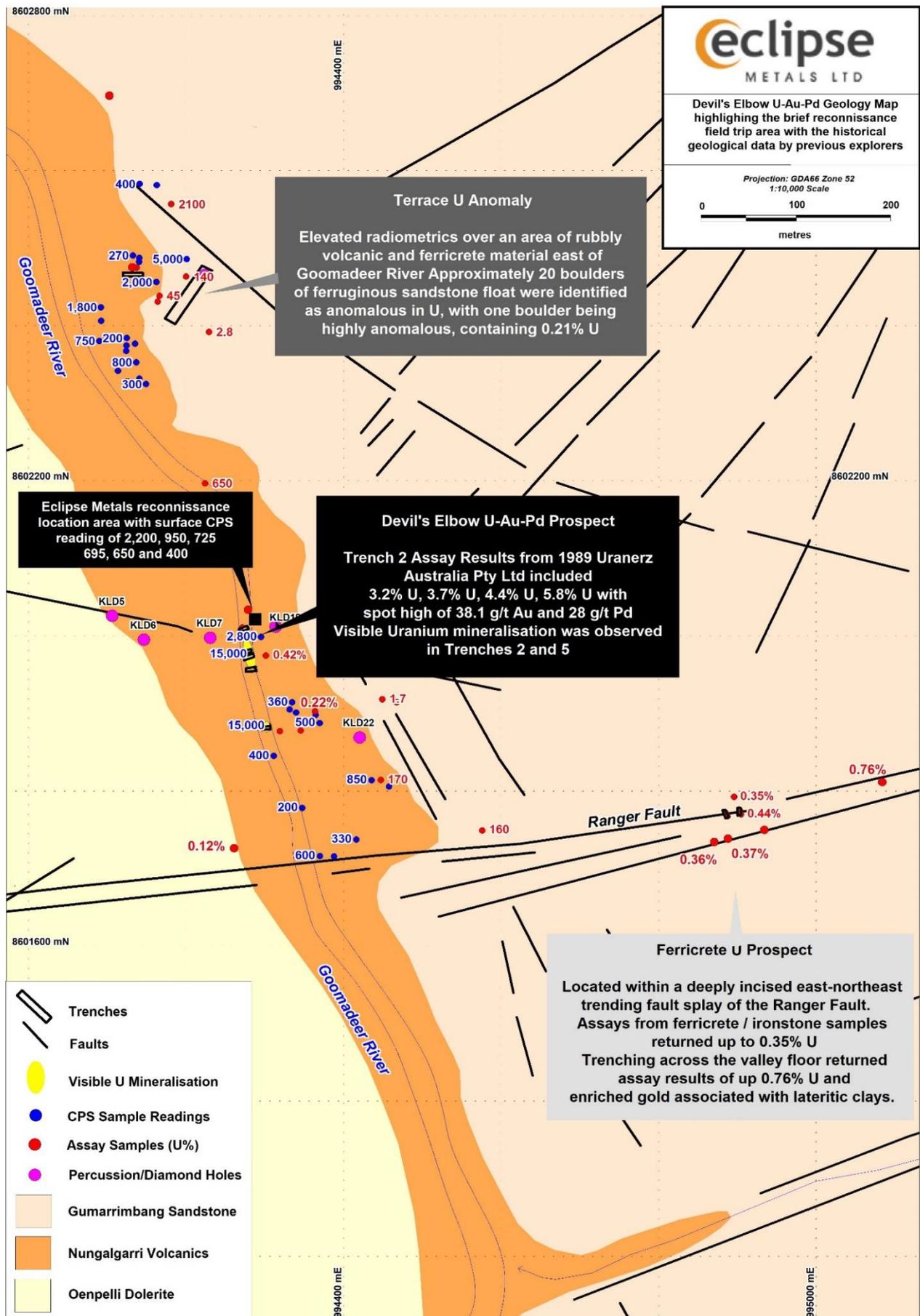


Figure 1: Devil's Elbow Local Geological Map highlighting the area of reconnaissance

Refer to ASX Announcement 9th February 2015 - Results from Data Review Devil's Elbow Uranium Prospect

This Announcement has been approved by the Board of Directors for release.

Carl Popal
Executive Chairman

For further information, please contact:

Carl Popal
Executive Chairman
T: +61 8 9480 0420

Rodney Dale
Non-Executive Director
T: +61 8 9480 0420

Competent Persons Statement

The information in this report that relates to Exploration Results together with any related assessments and interpretations is based on information compiled by Mr. Petro Kastellorizos for Mr. Rodney Dale, both being Non-Executive Directors of Eclipse Metals Limited. Mr. Dale is a Fellow of the Australasian Institute of Mining and Metallurgy (the AusIMM) and Mr Kastellorizos is a Member of the AusIMM; both of whom have 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. Kastellorizos 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 template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Reconnaissance radiometric readings using Scintrex BGS4 Scintillometer
Drilling techniques	<ul style="list-style-type: none"> 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). 	<ul style="list-style-type: none"> Not applicable as no drilling was undertaken
Drill sample recovery	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Not applicable as no drilling was undertaken
Logging	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Not applicable as no drilling was undertaken

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> The total length and percentage of the relevant intersections logged. 	
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> 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. 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. 	<ul style="list-style-type: none"> Not applicable as no drilling was undertaken
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Scintillometer readings of in-situ rock formations Scintrex BGS4 Scintillometer Instrument checked using standard provided
Verification of sampling and assaying	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Not applicable as no drilling was undertaken
Location of data points	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Locations derived from GPS UTM readings in GDA94 geographic grid system. Scintillometer readings centred on a 200m radius around UTM 0342,000mE and 8,605,730mN
Data spacing and distribution	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> Reconnaissance only; no regular grids or pre-determined points; no samples collected

Criteria	JORC Code explanation	Commentary
	<p><i>Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></p> <ul style="list-style-type: none"> • <i>Whether sample compositing has been applied.</i> 	
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • Not applicable as no drilling was undertaken
<i>Sample security</i>	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • Not applicable as no drilling was undertaken
<i>Audits or reviews</i>	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> • Not applicable as no drilling was undertaken.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> • <i>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.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • EL27584, Northern Territory, granted with approval of Traditional Owners and Northern Land Council to North Minerals Pty Ltd, a wholly owned subsidiary of Eclipse Metals Ltd
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> • <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> • Exploration by Uranerz and Cameco previously included in several comprehensive reports to ASX, being used as base for next programs
<i>Geology</i>	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • Nungbalgarri Volcanic's Member of the Cahill formation
<i>Drill hole Information</i>	<ul style="list-style-type: none"> • <i>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:</i> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> 	<ul style="list-style-type: none"> • Not applicable as no drilling was undertaken

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> ● <i>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.</i> 	
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> ● <i>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.</i> ● <i>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.</i> ● <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> ● Not applicable as no drilling was undertaken
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> ● <i>These relationships are particularly important in the reporting of Exploration Results.</i> ● <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> ● <i>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').</i> 	<ul style="list-style-type: none"> ● Not applicable as no drilling was undertaken
<i>Diagrams</i>	<ul style="list-style-type: none"> ● <i>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.</i> 	<ul style="list-style-type: none"> ● Not applicable as no drilling was undertaken
<i>Balanced reporting</i>	<ul style="list-style-type: none"> ● <i>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.</i> 	<ul style="list-style-type: none"> ● Purely first pass reconnaissance examination to determine access and general geology
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> ● <i>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.</i> 	<ul style="list-style-type: none"> ● Scintillometer readings confirm general geological setting described by previous workers
<i>Further work</i>	<ul style="list-style-type: none"> ● <i>The nature and scale of planned further work (eg tests for lateral</i> 	<ul style="list-style-type: none"> ● Next stages of exploration require logistic evaluation to determine what

Criteria	JORC Code explanation	Commentary
	<p><i>extensions or depth extensions or large-scale step-out drilling).</i></p> <ul style="list-style-type: none"> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<p>methods and equipment will be required to conduct comprehensive field-work</p>