

## Appendix 4G

### Key to Disclosures Corporate Governance Council Principles and Recommendations

Eclipse Metals Limited

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For the financial year ended 30 June 2020

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The Company's corporate governance statement for the above period above can be found at:

- These pages of our annual report
- This URL on our website: [www.eclipseuranium.com.au/corporate/corporate-governance](http://www.eclipseuranium.com.au/corporate/corporate-governance)

The Corporate Governance Statement is accurate and up to date as at 29 September 2020 and has been approved by the Board.

The annexure includes a key to where our corporate governance disclosures can be located.



**Eryn Kestel**  
Company Secretary

29 September 2020

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>2</sup>
<b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>			
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and  (b) those matters expressly reserved to the board and those delegated to management.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b> <input checked="" type="checkbox"/> in the <b>Board Charter</b> at <a href="http://www.eclipseuranium.com.au/corporate/corporate-governance">www.eclipseuranium.com.au/corporate/corporate-governance</a> <input checked="" type="checkbox"/> in the <b>Board Charter</b> at <a href="http://www.eclipseuranium.com.au/corporate/corporate-governance">www.eclipseuranium.com.au/corporate/corporate-governance</a>	
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b> <input checked="" type="checkbox"/> in the Directors' Report within the Annual Reports and in the Notices of Annual General Meetings located at <a href="http://www.eclipseuranium.com.au/investors/announcements">www.eclipseuranium.com.au/investors/announcements</a>	
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement	
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b> <input checked="" type="checkbox"/> in the <b>Board Charter</b> at <a href="http://www.eclipseuranium.com.au/corporate/corporate-governance">www.eclipseuranium.com.au/corporate/corporate-governance</a>	

<sup>2</sup> If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>2</sup>
1.5	<p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b></p> <p><input checked="" type="checkbox"/> <a href="http://www.eclipseuranium.com.au/corporate/corporate-governance">www.eclipseuranium.com.au/corporate/corporate-governance</a></p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>Not Applicable</p>	<p><input checked="" type="checkbox"/> an explanation is provided in the Corporate Governance Statement advising why no measurable objectives have been set</p>
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b></p> <p><input checked="" type="checkbox"/> in the <b>Performance Evaluation Policy</b> located at <a href="http://www.eclipseuranium.com.au/corporate/corporate-governance">www.eclipseuranium.com.au/corporate/corporate-governance</a></p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>	

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>2</sup>
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>	

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>2</sup>	
<b>PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE</b>			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>Not Applicable</p> <p>Not Applicable</p> <p><input checked="" type="checkbox"/> <a href="http://www.eclipseuranium.com.au/corporate/corporate-governance">www.eclipseuranium.com.au/corporate/corporate-governance</a></p> <p>Not applicable</p> <p>Not applicable</p> <p>... the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>	<p><input checked="" type="checkbox"/> <b>an explanation why that is so in our Corporate Governance Statement</b></p>
2.2	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	<p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b></p> <p><input checked="" type="checkbox"/> in the <b>Board Charter</b> at <a href="http://www.eclipseuranium.com.au/corporate/corporate-governance">www.eclipseuranium.com.au/corporate/corporate-governance</a></p>	

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>2</sup>
2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	<p>... the names of the directors considered by the board to be independent directors:</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p><input checked="" type="checkbox"/> in the <b>Board Charter</b> at <a href="http://www.eclipseuranium.com.au/corporate/corporate-governance">www.eclipseuranium.com.au/corporate/corporate-governance</a></p> <p>... and, where applicable, the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b></p> <p><input type="checkbox"/> in the <b>Board Charter</b> at <a href="http://www.eclipseuranium.com.au/corporate/corporate-governance">www.eclipseuranium.com.au/corporate/corporate-governance</a></p> <p><input checked="" type="checkbox"/> within the Directors' Report in the Annual Reports at <a href="http://www.eclipseuranium.com.au/investors/announcements">www.eclipseuranium.com.au/investors/announcements</a></p>	
2.4	<p>A majority of the board of a listed entity should be independent directors.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p><input checked="" type="checkbox"/> within the Directors' Report in the Annual Reports at <a href="http://www.eclipseuranium.com.au/investors/announcements">www.eclipseuranium.com.au/investors/announcements</a></p>	
2.5	<p>The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.</p>	<p>... the fact that we follow this recommendation:</p>	<p><input checked="" type="checkbox"/> <b>an explanation why the chair of the board is not independent is in our Corporate Governance Statement</b></p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>2</sup>
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b></p> <p><input type="checkbox"/> in the <b>Board Charter</b> at</p> <p><a href="http://www.eclipseuranium.com.au/corporate/corporate-governance">www.eclipseuranium.com.au/corporate/corporate-governance</a></p>	
<b>PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY</b>			
3.1	A listed entity should: <ul style="list-style-type: none"> <li>(a) have a code of conduct for its directors, senior executives and employees; and</li> <li>(b) disclose that code or a summary of it.</li> </ul>	<p>... our code of conduct or a summary of it:</p> <p><input checked="" type="checkbox"/> in Directors and Executive Officers Code of Conduct and Code of Business Conduct at</p> <p><a href="http://www.eclipseuranium.com.au/corporate/corporate-governance">www.eclipseuranium.com.au/corporate/corporate-governance</a></p>	

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>2</sup>	
<b>PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING</b>			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>Not applicable</p> <p>Not Applicable</p> <p><input checked="" type="checkbox"/> <a href="http://www.eclipseuranium.com.au/corporate/corporate-governance">www.eclipseuranium.com.au/corporate/corporate-governance</a></p> <p>Not applicable</p> <p>Not applicable</p> <p>... the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>	<p><input checked="" type="checkbox"/> <b>an explanation is provided in the Corporate Governance Statement advising why no audit committee has been established</b></p>



Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>2</sup>
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	<p>... the fact that we follow this recommendation:</p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b></li> <li><input checked="" type="checkbox"/> within <b>Risk Management and Internal Control Policy</b> at <a href="http://www.eclipseuranium.com.au/corporate/corporate-governance">www.eclipseuranium.com.au/corporate/corporate-governance</a></li> </ul>	
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	<p>... the fact that we follow this recommendation:</p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b></li> <li><input type="checkbox"/> within <b>Audit and Risk Management Committee Charter</b> at <a href="http://www.eclipseuranium.com.au/corporate/corporate-governance">www.eclipseuranium.com.au/corporate/corporate-governance</a></li> </ul>	
<b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>			
5.1	A listed entity should: <ul style="list-style-type: none"> <li>(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</li> <li>(b) disclose that policy or a summary of it.</li> </ul>	<p>... our continuous disclosure compliance policy or a summary of it:</p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b></li> <li><input checked="" type="checkbox"/> within Corporate Disclosure Policy at <a href="http://www.eclipseuranium.com.au/corporate/corporate-governance">www.eclipseuranium.com.au/corporate/corporate-governance</a></li> </ul>	

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole period above. We have disclosed....	We have NOT followed the recommendation in the whole of the period above. We have disclosed...
<b>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</b>			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	<p>... information about us and our governance on our website:</p> <p><input checked="" type="checkbox"/> located at the Company's website at <a href="http://www.eclipseuranium.com">www.eclipseuranium.com</a>, particularly the Corporate Governance section at <a href="http://www.eclipseuranium.com.au/corporate/corporate-governance">www.eclipseuranium.com.au/corporate/corporate-governance</a></p>	
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b></p> <p><input checked="" type="checkbox"/> within <b>Shareholders Communication Policy</b> at <a href="http://www.eclipseuranium.com.au/corporate/corporate-governance">www.eclipseuranium.com.au/corporate/corporate-governance</a></p>	
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	<p>... our policies and processes for facilitating and encouraging participation at meetings of security holders:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b></p> <p><input checked="" type="checkbox"/> within <b>Shareholders Communication Policy</b> at <a href="http://www.eclipseuranium.com.au/corporate/corporate-governance">www.eclipseuranium.com.au/corporate/corporate-governance</a></p>	
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>	

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed....	We have NOT followed the recommendation in the whole of the period above. We have disclosed...	
<b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p>[If the entity complies with paragraph (a):]</p> <p><input checked="" type="checkbox"/> located within the Corporate Governance Policies – <b>Audit and Risk Management Committee Charter</b> <a href="http://www.eclipseuranium.com.au/corporate/corporate-governance">www.eclipseuranium.com.au/corporate/corporate-governance</a></p> <p>Not applicable</p> <p>Not applicable</p> <p>... the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b></p> <p><input checked="" type="checkbox"/> located within Corporate Governance Policies – <b>Risk Management Policy</b> at <a href="http://www.eclipseuranium.com.au/corporate/corporate-governance">www.eclipseuranium.com.au/corporate/corporate-governance</a></p>	<p><input checked="" type="checkbox"/> <b>an explanation why that is so in our Corporate Governance Statement</b></p>
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>	<p><input checked="" type="checkbox"/> <b>an explanation why that is so in our Corporate Governance Statement</b></p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed....	We have NOT followed the recommendation in the whole of the period above. We have disclosed...
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	<p>[If the entity complies with paragraph (a):]</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>	<p><input checked="" type="checkbox"/> <b>an explanation why that is so in our Corporate Governance Statement</b></p>
7.4	<p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<p>... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>	

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed....	We have NOT followed the recommendation in the whole of the period above. We have disclosed...	
<b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b>			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>[If the entity complies with paragraph (a):]</p> <p><input checked="" type="checkbox"/> located within the Corporate Governance Policies – <b>Remuneration and Nomination Committee Charter</b> at <a href="http://www.eclipseuranium.com.au/corporate/corporate-governance">www.eclipseuranium.com.au/corporate/corporate-governance</a></p> <p>Not applicable</p> <p>Not applicable</p> <p>... the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>	<p><input checked="" type="checkbox"/> <b>an explanation why that is so in our Corporate Governance Statement</b></p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed....	We have NOT followed the recommendation in the whole of the period above. We have disclosed...
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	<p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b></li> <li><input checked="" type="checkbox"/> in the Remuneration Report within the Directors' Report in the 2020 Annual Report at <a href="http://www.eclipseuranium.com.au/investors/announcements">www.eclipseuranium.com.au/investors/announcements</a></li> </ul>	
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>... our policy on this issue or a summary of it:</p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b></li> <li><input checked="" type="checkbox"/> located within Corporate Governance Policies – <b>Securities Dealing Policy</b> at <a href="http://www.eclipseuranium.com.au/corporate/corporate-governance">www.eclipseuranium.com.au/corporate/corporate-governance</a></li> </ul>	

**Eclipse Metals Limited**  
**2020 CORPORATE GOVERNANCE STATEMENT –**  
**Compliance with ASX Principles**

This Corporate Governance Statement (**CGS**) is provided by the Board of Eclipse Metals Limited (ASX:EPM) (**the Company**) pursuant to ASX Listing Rule 4.10.3 and reports against the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations' 3<sup>rd</sup> Edition (**Recommendations**) and supplements the Appendix 4G which, together with the CGS is lodged with the ASX.

The CGS incorporates the disclosures required by the Recommendations under the headings of the eight core principles as they applied for the financial year ended 30 June 2020 and the Company's adherence to these principles.

The Board have implemented policies and practices that are considered appropriate for the Company given its current size and operations. Where the Board considers the Company is not of sufficient size and/or operations are not at a stage to warrant adoption of all the recommendations or where the recommendation was not adopted for the entire year, these instances have been highlighted

The Company maintains information about its Corporate Governance Policies on the Company's website at [www.eclipseuranium.com.au/corporate/corporate-governance](http://www.eclipseuranium.com.au/corporate/corporate-governance)

It is noted the current version of the ASX Corporate Governance Council's Principles and Recommendations (the 4th Edition) was released on 27 February 2019 and will apply to Eclipse for its financial year commencing 1 July 2020. The Board will measure its and report against these as part of its annual reporting for the financial year ended 2021.

The table below provides a summary of Eclipse's compliance with the Recommendations during the financial year ended 2020.

Corporate Governance Recommendation		Is the Recommendation followed
<b>Principle 1 Lay solid foundations for management and oversight</b>		
1.1	Disclose roles and responsibilities of board and management	Yes
1.2	Undertake appropriate checks before appointing or electing a person as director	Yes
1.3	Written agreement with each director and senior executive	Yes
1.4	Company Secretary accountable directly to Board	Yes
1.5	Diversity Policy disclosures reported	No
1.6	Board performance evaluation undertaken	Yes
1.7	Senior executive performance evaluation undertaken	Yes
<b>Principle 2 Structure the Board to add value</b>		
2.1	Nomination committee requirements met	No
2.2	Board skills matrix disclosed	Yes
2.3	Director Independence and tenure disclosed	Yes
2.4	Majority of the board are independent directors	Yes
2.5	Chair of the board is an independent director and not the same person as the MD	Yes
2.6	Director induction and ongoing training program	Yes
<b>Principle 3 Act ethically and responsibly</b>		
3.1	Code of conduct available on website	Yes
<b>Principle 4 Safeguard integrity in corporate reporting</b>		
4.1	Audit committee requirements met	No
4.2	MD and CFO financial statement declarations received	Yes
4.3	External auditors attend AGM and available to answer questions from shareholders	Yes
<b>Principle 5 Make timely and balanced disclosure</b>		
5.1	Continuous Disclosure Policy available on website	Yes
<b>Principle 6 Respect the rights of shareholders</b>		
6.1	Corporate and governance information available on website	Yes
6.2	Investor relations program	Yes
6.3	Processes to facilitate and encourage participation at shareholder meetings	Yes
6.4	Electronic shareholder communications functionality	Yes
<b>Principle 7 Recognise and manage risk</b>		
7.1	Risk committee requirements met	No
7.2	Annual review of risk management framework	Yes
7.3	No internal audit function but internal control processes in place	No

7.4	Disclosure of material exposure to and management of economic, environmental and social sustainability risk	<b>Yes</b>
<b>Principle 8 Remunerate fairly and responsibly</b>		
8.1	Remuneration committee requirements	<b>No</b>
8.2	Remuneration practices disclosed	<b>Yes</b>
8.3	Remuneration Policy disclosures regarding equity-based remuneration	<b>Yes</b>



**Principle 1:**

***Lay solid foundations for management and oversight***

**Establish and disclose the respective roles and responsibilities of the board and management and how their performance is monitored and evaluated**

- 1.1 The Company should disclose
- (a) the respective roles and responsibilities of the board and management; and
  - (b) those matters expressly reserved to the board and those delegated to management

**The main roles of the Eclipse Board are to govern the Company, act on behalf of its shareholders, identify areas of risk for the Company's operations, mitigate and manage the risks, in addition to other regulatory and ethical roles.**

**The principal responsibility of the Eclipse Board is to monitor performance on behalf of the shareholders.**

**A Board Charter has been adopted which ensures the Board fulfills its roles and discharges its responsibilities in an effective and capable manner.**

**For a complete list of the roles reserved for the Board and a copy of the Charter, please refer to the Company's website.**

**The role of management is to take responsibility for the day-to-day operations, administration, management and strategic direction of the Company in accordance with the delegated authority of the Board to the Managing Director and the executive team.**

**Due to the stage of the Company's operations, Eclipse has neither a Managing Director and/or executive team but the Executive Chairman currently fulfills the functions reserved for management.**

- 1.2 The Company should
- (a) undertake appropriate checks before appointing a person, or putting forward to shareholders a candidate for election as a director; and
  - (b) provide shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director

**It is the Eclipse Board, that oversees the appointment, selection and induction process for directors. The Board sets the parameters around character, education, experience, qualification, the ability to make independent judgement and the ability to commit to the Board's activities.**

**Eclipse ensures all candidates for directorship are well known to the Company but appropriate background checks are undertaken by the Company prior to election to the Board.**

**Newly appointed directors must stand for election at the next general meeting of shareholders, following their appointment.**

**A profile of each director is disclosed in the Company's Annual Report and when directors are due for election/re-election, the Company discloses the information to shareholders in the Notice of Meetings including qualifications, experience and skills to enable them to make an informed decision about the election/re-election of that director.**

**No new Directors were appointed during the 2020 financial year.**

- 1.3 The Company should have a written agreement with each director and senior executive setting out the terms of their appointment.

**New Non-Executive Directors, appointed to the Board, are provided with a written letter of appointment including their remuneration details, duties, roles and responsibilities together with a copy of the Company's share trading policy and Indemnity and Insurance Deed.**

**Copies of Company policies and the Constitution are also provided to both Executive and Non-Executive Directors together with prior Board minutes, if requested.**

**Executive directors are engaged subject to the terms of a written service contract, key details of which are published in the Company's annual report.**

**No new Executive and/or Non-Executive Directors were appointed during 2020.**

1.4 The Company Secretary should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.

**The Company Secretary is appointed and removed by the Board; although reporting directly to the Executive Chairman, accountable directly to the Board.**

**For Eclipse, the Company Secretary is responsible for supporting the proper functioning of the Board which includes, but is not limited to, providing advice on governance matters, ASX policy and procedural issues, preparing detailed minutes and working with the Chairman to co-ordinate the Board agenda.**

**In addition to these responsibilities, the Company Secretary is responsible for oversight of the share registry services provided by Automic Group and communications with the ASX.**

1.5 The Company should:

- (a) Have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the Company's progress in achieving them;
- (b) Disclose that policy or a summary of it; and
- (c) Disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the Company's diversity policy and its progress towards achieving them, and either
  - The respective proportions of men and women on the board, in senior executive positions and across the whole organization; or
  - The most recent "Gender Equity Indicators" as defined in the Workplace Gender Equality Act

**Whilst Eclipse has not established a gender diversity policy at present, the Company has established and adopted a Diversity Policy designed to promote a culture of equal opportunity, fairness and contribution to the Company's commercial success.**

**The Board are acutely aware of the benefits of a diverse workforce with a blend of skills, styles and attitudes and will apply this awareness when the Company's operations are at a stage of where a workforce is engaged.**

**Each year, the Board considers whether to set measurable objectives to achieve workplace diversity outcomes, including a balance representation of women in the Company's business. Workplace diversity will include but not limited to gender, age, and cultural background.**

**The Board resolved for the 2020 financial year, the measurable objectives would not include specific numerical targets for gender diversity due to the limited nature of operations. Eclipse currently does not have an engaged workforce the nature of operations can be attended to by contract 3<sup>rd</sup> parties.**

**Pursuant to the ASX Principles, the Company discloses the following information for the 2020 financial year:**

Representation	Portion of Females / Total Number	Portion of Females / Total Number
	2020	2019
Board	0 / 0	0 / 0
Key management personnel	0 / 0	0 / 0
Contract service providers	2/2	2/2

**The Company is not a "relevant employer" under the Workplace Gender Equality Act 2012 (Cth) because it is not a registered higher education provider or an employer of 100 or more employees in Australia. The Company is not part of the S&P/ASX 300 Index at the commencement of the reporting period.**

1.6 The Company should

- (a) Have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and
- (b) Disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process

**The Board has adopted a policy for evaluating the performance of the Board and Directors, a copy of which is available on the website.**

**The process of evaluation and self-assessment takes the form of a questionnaire completed by each of the directors. Following collation, the results and the adequacy and appropriateness of the self-assessment process are considered and discussed by the directors at the next Board meeting, and follow-up actions will be determined.**

**The Chairman of the Board is responsible for performing the collation and review of individual directors' responses and presents the results to the Board for discussion and action.**

**In 2020, the Board performed the annual evaluation process in accordance with the process described above.**

1.7 The Company should

- (a) Have and disclose a process for periodically evaluating the performance of its senior executives; and
- (b) Disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period on accordance with that process

**Given the current low level of complexity of the Company's operations, the organisational structure is flat with only the Board in place, there are no senior executives engaged and administration functions are out-sourced to 3<sup>rd</sup> party service providers who have consultancy service agreements that clearly set out the roles and responsibilities together with the Company's expectations of performance.**

**The performance of 3<sup>rd</sup> party service providers is completed by the Executive Chairman who reviews the Company's expectations of performance against actual performance, on an annual basis and provides feedback if required.**

**The Board considers an appropriate and adequate process for the evaluation of non-board members is in place, given where the Company is currently at in terms of structure and activity. A more structured process of assessment will be considered in the future as projects develop.**

**Principle 2:**

**Structure the board to add value**

**The Board should be of an appropriate size, composition, skills and commitment to enable it to discharge its duties effectively.**

**2.1 The Company should**

(a) Have a nomination committee

- With a least three (3) members, a majority of who are independent directors;
- Chaired by an independent director

And discloses:

- The charter of the committee;
- The members of the committee; and
- The number of times the committee met throughout the period and the individual attendance of the members at those meetings

(b) If the Company has no nomination committee, there must be disclosure of that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience independent and diversity to enable it to discharge its duties and responsibilities effectively.

**The Board recognises the importance of Recommendation 2.1 which suggests the establishment of a Nomination Committee. In view of the small size of the Eclipse Board, the Board in its entirety effectively acts as a Nomination Committee and at this time, no efficiencies will be achieved by subdividing the Board to establish a separate Committee.**

**The Eclipse Board considers the structure and composition of the Board together with the appointment of new Directors. Given the full Board is only comprised of 3 Directors, it is appropriate that all Directors of the Board partake in these key decisions.**

**The Company has adopted a Nomination Committee Charter, setting out responsibilities and terms of reference which enables the Board to discharge its duties effectively as a Nomination Committee. The Charter is available for review on the Company's website.**

**2.2 The Company should have and disclose a board skills matrix of skills and diversity that the board currently has or is looking to achieve in its membership.**

**At all times during the 2020 financial year, the Board comprised 3 Directors and their detailed biographies are set out in the Directors' Report of the Company's 2020 Annual Report.**

**Messrs Popal, Dale and Idrees, the Directors who comprised the Board during 2020 have the range of skills, knowledge, experience and expertise which are necessary and appropriate to direct Eclipse to achieve its objectives, deliver on the strategic priorities and ensure the interests of Shareholders are well met.**

**Collectively they contribute exploration, geology and financial experience, an understanding of the industry in which Eclipse operates and the matters that are important to the Company.**

**The composition of the Board is reviewed regularly by the Board to ensure the Directors between them bring the range of skills, knowledge and experience necessary to direct Company operations.**

**The Board skills matrix is set out below:**

<b>Industry knowledge / experience</b>	<b>Requirements</b>	<b>Carl Popal</b>	<b>Rodney Dale</b>	<b>Ibrar Idrees</b>
Industry Knowledge	The Board should have a range of experience in various professions, including but not limited to accounting/finance, capital raising, communications and exploration and mining.	√	√	√
Director duty knowledge	Understand role as director and continue to self-educate on legal responsibility, ability to maintain board confidentiality, declare any conflicts.	√	√	√
Corporate governance knowledge	Commitment to the highest standards of governance including experience with rigorous governance standards and an ability to assess the effectiveness of senior management.	√	√	√

Crisis management	Ability to constructively manage crisis, provide leadership around solutions.	√	√	Has an understanding
<b>Technical skills / experience</b>		<b>Carl Popal</b>	<b>Rodney Dale</b>	<b>Ibrar Idrees</b>
Accounting and Finance	Experience in accounting and finance to analyse statements, assess financial viability, contribute to financial planning, oversee budgets, oversee funding arrangements.	√	Has an understanding	√
Policy Development	Ability to identify key issues for the organisation and develop appropriate policy parameters within which the organization should operate	√	√	Has an understanding
Capital raising	Experience working with projects involving medium-scale capital input and long-term investment view.	√	Has an understanding	√
Equity markets		√	Has an understanding	√
Strategic planning	<ul style="list-style-type: none"> <li>Track record in developing asset or business portfolio over the long term that remains resilient to systemic risk.</li> <li>Able to probe and challenge management on the delivery of agreed strategic planning objectives and assessing threats to the Company.</li> <li>Identify key risks to the organisation related to each key area of operations.</li> <li>Ability to monitor risk and compliance and knowledge of legal and regulatory requirements</li> </ul>	√	√	Has an understanding
Risk management and compliance		√	√	Has an understanding
Remuneration	Remuneration Committee membership or management experience in remuneration, incentive programs, superannuation and contractual framework governing remuneration	√	Has an understanding	√
Health and safety	Experience related to workplace health and safety, environmental, social responsibility and community	√	√	√
Technology	Knowledge of IT governance including data management, security and privacy	√	Has an understanding	√
Environmental	Experience combined with an understanding of the corporate purpose to create long term, shareholder value through the discovery, acquisition, development and marketing of natural resources.	√	√	Has an understanding
Exploration		√	√	Has an understanding
Mining		√	√	Has an understanding
Metallurgy and processing		Has an understanding	√	Has an understanding
Production		Has an understanding	√	Has an understanding
CEO / senior management experience	Experience in evaluating performance of senior management and oversee strategic human capital planning. Experience in industrial relations and organizational change management programs.	√	-	Has an understanding
Director – small organisation (< than 10 employees)		√	-	√
Director – medium organisation (10 to 99 employees)		-	-	Has an understanding
Director – large organisation (100+ employees)		-	-	Has an understanding

2.3 The Company should disclose:

- (a) The names of the directors considered by the board to be independent;
- (b) If a director has an interest, position, association or relationship that might cause doubts about the independence of a director but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and explanation of why the board is of that opinion; and
- (c) The length of service of each director

**Eclipse's Constitution provides that the number of directors is to be determined by the Board shall not be less than three. As a matter of policy, the Board is comprised of 3 Directors.**

The Board has adopted a charter to give formal recognition to a detailed definition of independence and within that definition, the Board is comprised of a majority of independent non-executive directors, who are not parties to any interests, positions, associations or relationships that would compromise their status as independent directors. The independent Directors are Rodney Dale and Ibrar Idrees and 1 executive Director, Mr Carl Popal.

The directors' status including their length of service is disclosed in the table below:

Director	Position on the Board	Status	Non-Executive	Appointment Date	Term in Office
Carl Popal	Executive Chairman and Director	Not Independent	No	19 March 2013	7 years
Rodney Dale	Non-Executive Director	Independent	Yes	7 October 2013	6.5 years
Ibrar Idrees	Non-Executive Director	Independent	Yes	29 May 2018	2 years

2.4 A majority of the board should be independent directors

The Board has assessed the independence of its Non-Executive Directors in office during the 2020 financial year according to the definition contained within the ASX Corporate Governance Guidelines and has concluded the majority of the Board of Eclipse are independent Non-Executive Directors who meet the recommended independence criteria.

A determination with respect to independence is made by the Board on an annual basis. In addition, the Directors are required on an ongoing basis to disclose relevant personal interests and conflicts of interest which may in turn trigger a review of a director's independent status.

2.5 The chair of the board should be an independent director and, in particular should not be the same person as the CEO.

The Chairman of the Board is not independent.

The Company believes that an independent Chairman, under Recommendation 2.5 does not necessarily improve the function of the Board - when the Chairman is a significant driver behind the business and is a Shareholder, it adds value to the Company as the Chairman has a vested interest to develop a cohesive Board which operates effectively in protecting shareholders' interests and maintaining strong relationships with the other Directors and the senior team (if applicable). So there is no objection that the Chairman is not an independent director.

Mr Popal is able to and does bring impartial judgement to all relevant issues.

In keeping with the objective of diversification of Board representatives, the roles of Chairman and Chief Executive Officer are segregated (please note, Eclipse did not employ/engage a Chief Executive Officer during the 2019 financial year).

2.6 The Company should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.

Eclipse Directors are chosen for their specialist knowledge of the industry acquired through their education, professions, experience, positions held and ongoing exposure to the sector. As a result, the induction process is of an informal nature - new directors are fully briefed about the nature of the business, current issues, the corporate strategy and the expectations of the Company concerning performance of Directors.

#### Education

All Directors are encouraged to attend professional education courses relevant to their roles. Current Board policy is for the cost of approved professional development activities to be fully paid for by the Company.

#### Independent Professional Advice and Access to Information

Each Director has the right to access all relevant information in respect of the Company and to make appropriate enquiries. Each Director has the right to seek independent professional advice at the

Company's expense, subject to the prior approval of the Non-Executive Chairman, which shall not be unreasonably withheld.

**Principle 3:**

***Act ethically and responsibly***

**The Company should act ethically and responsibly**

3.1 The Company should:

- (a) Have a code of conduct for its directors, senior executives and employees; and
- (b) That discloses that code or a summary of it.

**At Eclipse, it is expected all who are associated with the internal workings to act honestly, with integrity and accountability, in the Company's best interests and in accordance with the law at all times. This expectation is enshrined in the *Code of Conduct for Directors and the Code of Conduct*, which are foundation documents of Eclipse's corporate policy framework**

**The Board must adhere to the principles of the Board Charter and maintain a high standard of independence and objectivity in all dealings and relationships together with ethical and responsible decision making.**

**It is important for the Board to lead by example and show respect for relevant Company policies and responsibilities, try to avoid conflicts of interest and where a conflict is not able to be managed, the Board collectively must be consulted and find a way through the conflict, in the best way possible for the Company and the individual.**

**A Code of Conduct for Directors is in place which forms a solid foundation for ethical conduct which is expected to be followed at all times as a minimum standard of practice. The Code is included on the Company's website.**

**Principle 4:**

***Safeguard integrity in corporate reporting***

**The Company should have formal and rigorous processes that independently verify and safeguard the integrity of its corporate reporting**

4.1 The Company should:

(a) Have an audit committee

- With a least three (3) members, all of whom are non-executive directors and the majority of who are independent directors;
- Chaired by an independent director who is not the chair of the board

And discloses:

- The charter of the committee;
- The relevant qualifications and experience of the members of the committee; and
- The number of times the committee met throughout the period and the individual attendance of the members at those meetings

(b) If the Company has no audit committee, there must be disclosure of that fact and the processes it employs to independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.

**During the 2020 financial year, the full Board undertook the roles and responsibilities normally reserved for the Audit and Risk Committee, the Company is not of a sufficient size to warrant a separate committee and the full Board is able to meet objectives of best practice recommendations and discharge its duties in this area.**

**The Company has adopted an Audit and Risk Committee Charter.**

**The Board ensures there exists an effective internal control framework which includes internal financial controls for the safeguarding of assets, the maintenance of accounting records and the reliability of financial information, audit and risk management systems.**

4.2 Before the board approves the reviews the statements for a financial period, it should receive from its CEO and CFO a declaration that, in their opinion the financial records have been properly maintained and that the financial statements comply with the appropriate accounting standards and gives a true and fair view of the financial position and performance of the Company which has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

**On an annual and half-yearly basis, the Board receives written confirmation in the form of a Declaration that the Company's Financial Report presents a true and fair view, in all material respects of the Company's financial condition and operational results are in accordance with relevant accounting standards.**

**The Declaration confirms the Company's accounting system is founded on a sound system of risk management, internal compliance and controls.**

**The Declaration is signed by the contract Accountant and Chairman in accordance with Section 286 of the Corporations Act.**

4.3 The external auditors are to attend the Company's AGM and are available to answer questions from shareholders relevant to the audit.

**The Company's Annual General Meeting is conducted in accordance with the Corporations Act and the Constitution of the Company.**

**The external auditor receives a copy of the Notice of Annual General Meeting in accordance with section 249K of the Corporations Act.**

**In accordance with section 250RA, the Company ensures the external auditor is represented at the Annual General Meeting to answer questions from Shareholders, which are relevant to the audit. The external auditor's presence is made known to Shareholders during the Meeting.**

**In the absence of a formal Audit Committee, Non-Executive Directors of the Company are available for correspondence with the auditors of the Company.**



**Principle 5:**

***Make timely and balanced disclosure***

**The Company should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities**

5.1 The Company should

- (a) Have a written policy for complying with its Continuous disclosure obligations under the Listing Rules; and
- (b) Disclose that policy or a summary of it

**The Board is very aware of releasing material information about the Company's activities on a timely basis to all Shareholders and market participants which ensures compliance with the continuous disclosure requirements contained in the Corporations Act 2001 and the ASX Listing Rules.**

**The Company has established written policies and procedures, encapsulated in a Continuous Disclosure Policy, which is located on the Company's website.**

**The understanding is any information which is not subject to the exceptions in Rule 3.1A of the ASX Listing Rules is to be notified immediately to the market as it may have a material effect on the price or value of Eclipse's Securities.**

**The Company Secretary is charged with ensuring any disclosure which needs to be made by Eclipse is brought before the Board for discussion and if required is released efficiently and consistently. Events such as trading halts, when occur will be arranged by the Company Secretary. ASX Announcements are released and communications with the ASX are managed by the Company Secretary.**

**Principle 6:**

***Respect the rights of shareholders***

**The Company should respect the rights of its shareholders by providing them with appropriate information and facilities to allow them to exercise those rights effectively**

6.1 The Company should provide information about itself and its governance to investors via its website.

**Eclipse provides Shareholders with information about its operations through a variety of mediums. The Company operates in accordance with its Communication Strategy which promotes communications that are adequate, appropriate, transparent and based on sound corporate governance principles.**

**The Company has a comprehensive website (www. <http://eclipseuranium.com.au/>) which provides information about its history, strategy, vision, vales, key addresses, Board of Directors, portfolio of assets, corporate governance, financial performance, strategy and prospects.**

**ASX announcements, quarterly reports, presentations, notices of meetings and explanatory material are posted to the Eclipse's website regularly.**

**The website provides the opportunity for shareholders to interact with the Company electronically**

6.2 The Company should design and implement an investor relations program to facilitate effective two-way communication with investors.

**The Board understands the importance of two-way communication between the Company and Shareholders and have in place a number of processes to ensure communication is maintained.**

**The Board does not believe a documented or formal investor relations program is required but operates in accordance with its Communication Strategy which aims to actively engage with shareholders by keeping them fully informed by communicating to them through:**

- **Continuous disclosure reporting to the ASX;**
- **Quarterly, half yearly and annual reports; and**
- **Media releases and provision of information on the Company's website.**

6.3 The Company should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of shareholders.

**The Board fully supports Shareholder participation at Annual and General Meetings. Questions from Shareholders, whether or not present at Meetings, are encouraged and the responses to these questions to be addressed through disclosure relating to that Meeting.**

**From time to time, the Executive Chairman meets with Shareholders and analysts with any presentation made being published on the Company website.**

6.4 The Company should give shareholders the option to receive communications from and send communications to the Company and its share registry electronically.

**Eclipse's register of shareholders is maintained by Automic Group. Those Shareholders with internet access can view and update their holding, change their address details or elect to receive Company communications by logging on to the Registry's website and accessing the Investor Centre.**

**Alternatively, Shareholders can contact the Registry by mail, phone, fax and email.**

**Principle 7:**

***Recognise and manage risk***

**The Company should establish a sound risk management framework and periodically review the effectiveness of that framework**

7.1 The Company should:

- (a) Have a committee or committees to oversee risk, each of which
- Has at least three (3) members, a majority of who are independent directors; and
  - Chaired by an independent director

And discloses:

- The charter of the committee;
  - The members of the committee; and
  - The number of times the committee met throughout the period and the individual attendance of the members at those meetings
- (b) If the Company has no risk committee or committees, that satisfy (a) above, disclose that fact and the processes it employs to oversee the Company's risk management framework.

**In view of the small size of the Eclipse Board, the Board in its entirety acts as the committee which oversees the Company's risk profile.**

**Eclipse is a listed, junior exploration entity and as such the risks associated with the exploration and mining industry include geological, technical, political and commodity prices but as the Company is not an economic producer at this present time, there is no material exposure to these risks.**

**The Board knows the identification and management of risk, including calculated risk taking, is an essential part of creating long term shareholder value so areas of risk are outlined in the Company's management policy which assists with the effective management of risk by the Board.**

**The Board is responsible for supervising the framework of control and accountability systems to enable risk to be assessed and managed.**

7.2 The board or a Committee of the board should:

- (a) Review the Company's risk management framework at least annually to satisfy itself that, it continues to be sound; and
- (b) Discloses, in relation to each reporting period, whether such a review has been taken.

**The Company's risk management strategy is evolving and will be an ongoing process and it is recognised that the level and extent of the strategy will develop with the growth and change in the Company's activities.**

**The Board believes that it is sufficiently aware of the significant and material risks the Company currently faces however, its affairs are not of sufficient complexity to justify the implementation of a more formal system for identifying, assessing, monitoring and managing risk in the Company in the form of a detailed risk identification matrix.**

**Internal controls are in place to mitigate against operational/business risks, with threats being managed by the Board.**

**Risks of a strategic, financial and operational nature (such as ability to raise capital to fund exploration, commodity price and currency fluctuations, adequate levels of insurance, contract documentation, maintaining tenements in good standing and meeting financial reporting and compliance obligations) are reviewed on a regular basis by the Board.**

**The Board has reviewed the Company's risk management framework in the last 12 months and has satisfied itself that it continues to be sound.**

7.3 The Company should disclose:

- (a) If it has an internal audit function, how the function is structured and what role it performs; or
- (b) If it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.

**The Company does not have an internal audit function. Financial and operating risks are addressed through individual approved policies and procedures covering financial, contract administration and safety and environmental activities of the Company.**

**The Board are responsible for establishing and maintaining an internal control system. Internal control procedures which are set out in its Risk Management Policy have been adopted.**

**An internal audit function will be established after the setup of the Audit and Risk Management Committee and in consultation with the external auditors as to when the Company is at the stage where such a function is warranted.**

7.4 The Company should disclose whether it has any material exposure to economic, environmental and social sustainability risks and if it does, how it manages or intends to manage those risks.

**The Company has a material exposure to financial, economic, environmental and social sustainability risks through its exploration activities.**

**The Company mitigates these risks by ensuring there is adequate funding to ensure that it can meet its operating commitments and ensuring that it applies best practice procedures to ensure compliance with all relevant legal obligations.**

**As the Company's activities progresses towards the production stage, the Company has increasing material exposures to a variety of additional risks. The Board is aware of this change in risk profile as the Company's activities change over time and will assess all development opportunities with consideration to these additional risks**

## Principle 8

### *Remunerate fairly and responsibly*

**The Company should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for Shareholders.**

8.1 The Board should

- (a) Have a remuneration committee which
- Has at least three (3) members, a majority of who are independent directors;
  - Chaired by an independent director

And discloses:

- The charter of the committee;
- The members of the committee; and
- The number of times the committee met throughout the period and the individual attendance of the members at those meetings

- (b) If the Company has no remuneration committee disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.

**A Remuneration Committee has not been formed under Recommendation 8.1. Due to the small size of the Board, the Board believes a separate Remuneration Committee at the moment would not serve to protect or enhance the Company.**

**The Board on an annual basis reviews director remuneration together with approving the audited annual remuneration report set out in the Directors' Report.**

**Furthermore, the Constitution stipulates that the aggregate remuneration available for division amongst the non-executive directors is determined by the shareholders in meeting.**

**The Board, where necessary, consults external consultants and specialists.**

**An indemnity agreement has been entered into between the Company and each of the Directors. Under the agreement, the Company has agreed to indemnify those Directors against any claim or for any expenses or costs which may arise as a result of work performed in their respective capacities to the extent permitted by law.**

**There is a \$1 million monetary limit to the extent of this indemnity**

8.2 The Company should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.

**The Board distinguishes the remuneration of non-executive directors from that of executive directors.**

**The Company's Constitution provides that the remuneration of non-executive directors is fixed, they do not participate in any incentive plans and do not receive any retirement benefits. For information about non-executive director remuneration practice, reference can be made to the audited remuneration report set out in the Directors' Report of the 2019 Annual Report.**

**The Board is responsible for determining the remuneration of any director or senior executive without the participation of the concerned director or executive.**

**Furthermore, the information provided in the Remuneration Report is audited as required by Section 308(3C) of the Corporations Act 2001.**

8.3 The Company if it has an equity-based remuneration scheme should

- (a) Have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and
- (b) Disclose that policy or a summary of it

**The Company's policy on Dealing in Securities prohibits participants from entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme.**

**A copy of the Dealing Policy is on the Company's webpage.**

**Furthermore, there is no scheme to provide retirement benefits to non-executive directors.**