ASX ANNOUNCEMENT

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POSITIVE PETROLOGICAL/PETROPHYSICAL TEST RESULTS MARK ANOTHER STEP FORWARD FOR MARY VALLEY MANGANESE PROJECT

Highlights

- Results of petrophysical testing from the historical Amamoor and Upper Kandanga manganese mines suggest that primary mineralisation continues at depth for both areas.
- Results also point to most effective techniques for further exploration
- Testing suggests that ground based IP/ Resistivity surveys will be an effective, precise geophysical exploration method to delineate blind mineralisation along strike from and at depth below known mineralised zones.
- Testing also suggests that a detailed low-level airborne magnetic survey could be an effective tool to indicate zones of potential manganese mineralisation in areas of rugged terrain with dense vegetation.
- Petrological examination supports classification of the mineralisation style as Cuban-type of Volcanogenic Manganese Deposits.
- Most of the mineralisation consists of primary manganese minerals (e.g. hausmannite).
- The results mark another solid step forward following:
  - granting of West Mary Valley exploration permit for minerals (EPM) bringing total tenement area to 209.8 km^2
  - mapping of geological control of mineralisation
  - identification of potential for at least 167,000t of high grade manganese mineralisation

The Directors of Eclipse Metals Limited (**"Eclipse Metals"** or the **"Company'**) **(ASX: EPM)** are pleased to announce results from petrological and petrophysical testing of samples from the Mary Valley Manganese Project.

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, iron ore, 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.

The petrological and petrophysical testing follows a succession of positive steps to understand and measure manganese mineralisation in the area of historic workings.

BACKGROUND

Located about 15 km south of the town of Gympie in southeast Queensland, the Company's tenements cover areas of high grade outcropping manganese mineralisation which hosted small-scale mining during the 1920s and 1960s.

Within the three tenements comprising Eclipse's Mary Valley Manganese Project there are at least 22 occurrences of known manganese mineralisation.

The Company holds the Amamoor and Upper Kandanga tenement which, with the granting this month of West Mary Exploration Mineral Permit (EPM25698), has now extended its tenement holdings over the Mary Valley Manganese Field to 209.8 km2.

There is substantial exploration upside with geological evaluation of old reports over historic workings indicating the potential for significant tonnages of siliceous manganese ore. Recent rock-chip samples from the Amamoor workings returned assays up to 52% Mn and from the Upper Kandanga prospect up to nearly 41% Mn.

There has been no previous systematic modern exploration for manganese deposits within the project area and the Company has now advanced the project significantly.

To date Eclipse has only examined a small part of the high grade mineralised areas within the overall Project. Another six historic mined areas are yet to be geologically assessed with the objective of delineating larger potential resources of manganese mineralisation than apparent from historical production.

This year, a greater understanding of mineralisation in the Amamoor and Upper Kandanga prospects has been achieved through geological mapping, sampling and petrophysical / petrological testing.

Currently within the two areas, geological evaluation by Eclipse has indicated the potential for at least 167,000t of high grade manganese mineralisation with grades of 40% Mn or greater.

Historical ore and waste dumps will provide bulk samples and may constitute an initial source of saleable "ore." With a cost effective beneficiation process, the company would have an immediate cash flow.

Further exploration techniques are being determined on the basis of the petrological and petrophysical testing and programs to include 12 vertical diamond drill-holes at Amamoor and 11 holes at Upper Kandanga have been designed to test projected exploration targets.

Gympie is a major regional centre and a gold mining area with associated infrastructure and services including 138km road and rail links south to the port of Brisbane.

PETROPHYSICAL AND PETROLOGICAL TESTWORK

Seven samples of rocks, representing mineralisation and barren host rocks were submitted to Southern Geoscience Consultants for comprehensive petrophysical testing. An additional eight samples were tested for magnetic susceptibility and conductivity.

Three of the samples subjected to comprehensive petrophysical testing were also sent to Townend Mineralogy Laboratory for petrological investigation (table below). These samples were selected to represent low to high grade manganese mineralisation from the Amamoor and Upper Kandanga historical mine areas.

Samples submitted for Petrophysical & Petrological investigation

Test Sample I.D	Description
PP04	Equivalent to PS055 (18.2% Mn) Northern Working Amamoor
PP05	Equivalent to PS060 (52.1% Mn) Central Workings Amamoor
PP07	Equivalent to PS039 (40.9% Mn) Upper Kandanga

Main findings of Petrophysical testing:

1. Mn mineralisation is significantly more magnetic than the surrounding country rocks.
2. Mn mineralisation is non-conductive, in contrast to the country rocks.
3. Mn mineralisation is significantly more dense than the surrounding country rocks.

Implications for exploration:

1. Magnetic surveys, gravity surveys and I.P./resistivity surveys would be effective geophysical exploration methods. Both gravity and I.P./resistivity are ground-based and would present logistical difficulties and greater expense.
2. A low-level, close line-spaced air-borne magnetometer survey by fixed-wing aircraft is likely to be the most cost-effective initial method of remote sensing exploration.
3. Follow-up IP/resistivity surveys, which recognise robust contrasts between low to average and high grade Mn mineralisation, could be highly effective for mapping mineralised systems in areas indicated by the airborne magnetic survey.
4. The fact that some Mn mineralisation is strongly magnetic will be of great assistance in evaluating the potential of some prospects such as Amamoor West, Skyring Creek and Eel Creek.

Main findings of Petrological investigation:

1. The mineralisation and host rocks have been metamorphosed which is evident from textures with well-developed triple-point intersections of grain boundaries and mineralogy (i.e. presence of garnet, piemontite, tephroite).
2. Mineralisation definitely pre-dates folding and metamorphism.
3. The mineralogy supports a Cuban classification as the style of mineralisation.
4. Most of the mineralisation consists of primary manganese minerals (e.g. hausmannite). Supergene manganese mineralisation is mostly present as amorphous material and comprises only a small proportion of the whole.
5. The compositional contrast between PP05 and PP07, i.e. dominant hausmannite vs dominant braunite, may indicate a difference between mineral compositions at different prospects (Amamoor vs Upper Kandanga) or may reflect different mineral composition related to grade.

Note - The observed mineralogy confirms many observations made by Oswald (1992).

Implications of Petrological investigation:

1. It appears that the exposed remnant mineralisation is mostly primary which is supported by field observations.
2. The Mn grade range of samples collected from the workings are likely to be representative of the grade of mineralisation continuing at depth at both Amamoor and Upper Kandanga.

3. Although hausmannite is essentially non-magnetic, it can be altered by hydrothermal fluids (addition of Fe) and become very magnetic; the strong magnetic response of some samples submitted to additional testing may be due to the presence of altered hausmannite. This characteristic can be exploited in future geophysical exploration.

END

For and of behalf of the board.

Pedro Kastellorizos
Executive Director

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The information in this report that relates to Exploration Results together with any related assessments and interpretations is based on information compiled by Mr Peter Spitalny on behalf of Mr Pedro Kastellorizos and Mr Giles Rodney (Rod) Dale, both Directors of Eclipse Metals Limited. Mr Spitalny is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience relevant to the styles of mineralisation under consideration and to the activity which he has undertaken to qualify as a Competent Person

Mr Dale is a Fellow of the Australasian Institute of Mining and Metallurgy and has 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 Kastellorizos is a geologist with over 17 years of experience relevant to the styles of mineralisation under consideration and to the activity which he is undertaking as Executive Director.

Mr Peter Spitalny consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. The Company is not aware of any new information or data that materially affects the information in this report and such information is based on the information compiled on behalf of company Geologists, Executive director Mr Pedro Kastellorizos and Non-Executive Director Mr Giles Rodney (Rod) Dale.

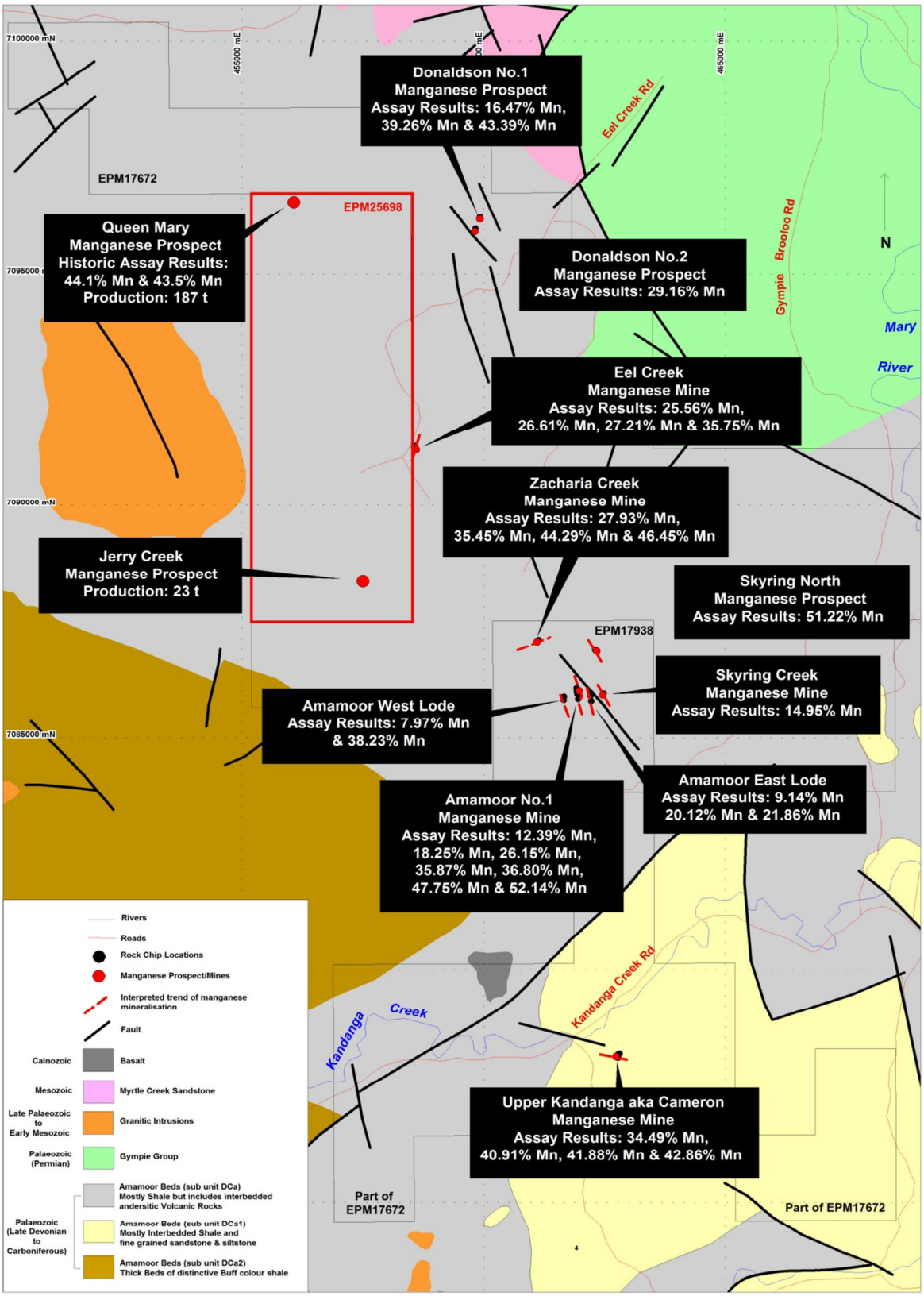

Figure 1: Regional Interpreted Geology Map showing Eclipse sample locations and Mn% with new granted EPM25698 Area (outlined in red boundary)

Reference

Ostwald, J. (1992) Mineralogy, paragenesis and genesis of the braunite deposits of the Mary Valley Manganese Belt, Queensland, Australia. Mineralium Deposita 27, p326-335

JORC Code, 2012 Edition – Table 1 report

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *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.*	• Rock chip samples were collected as part of the field reconnaissance program. Samples were collected when visible mineralisation was identified in the field. • Each rock chip sample was approximately 3kg to 5kg in weight with the samples numbered from PS061 to PS083, totalling 18 rock chips from outcrop.
Drilling techniques	• *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).*	• Not applicable as no drilling was undertaken
Drill sample recovery	• *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.*	• Not applicable as no drilling was undertaken
Logging	• *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.*	• Not applicable as no drilling was undertaken

Criteria	JORC Code explanation	Commentary
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	
Sub-sampling techniques and sample preparation	• *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.*	• Not applicable as no drilling was undertaken.
Quality of assay data and laboratory tests	• *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.*	• Rock Chip samples were sent to ALS Laboratory in Brisbane for XRF content determination of CaO%, BaO%, Al_2O_3%, Cr_2O_3%, Fe_2O_3%, K_2O%, MgO%, MnO%, Mn%, Na_2O%, P_2O_5%, SO_3%, SiO_2%, TiO_2% & LOI
Verification of sampling and assaying	• *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.*	• Not applicable as no drilling was undertaken.
Location of data points	• *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.*	• All coordinate information was collected using a hand held GPS using MGA Zone 56 (GDA 94). Coordinates of the samples are present within Tables 1 and 2 of the announcement and within the map.

Criteria	JORC Code explanation	Commentary
	• *Quality and adequacy of topographic control.*	
Data spacing and distribution	• *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 Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• The locations of samples is shown in the map as **Figure 4**
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *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.*	• Not applicable as no drilling was undertaken
Sample security	• *The measures taken to ensure sample security.*	• Samples were labelled at the point of collection. A secure chain of custody was maintained at all stages including delivery to the analytical laboratory
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Not applicable as not audits were conducted

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *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.* • *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.*	• EPM17938 is held beneficially for Eclipse Metals Limited in its subsidiary Walla Mines Pty Ltd. Eclipse holds 56% of the current securities within Walla Mines Pty Ltd.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Manganese ore has been mined intermittently from deposits in the Mary Valley since 1920's, with the bulk of the output occurring from 1957-1960.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The mineralisation style at the historical Amamoor workings is best classified as belonging to the Cuban-type subclass of volcanic-

Criteria	JORC Code explanation	Commentary
		exhalative manganese deposits
Drill hole Information	• *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:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *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.*	• Not applicable as no drilling was undertaken
Data aggregation methods	• *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.* • *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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Not applicable as no data averaging has been used
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *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').*	• Samples collected are only from the surface and any potential depths of mineralisation have only been interpreted from inspection of exposed mineralisation and are therefore speculative in nature.
Diagrams	• *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.*	• Refer to Maps and Figures within the release

Criteria	JORC Code explanation	Commentary
Balanced reporting	• *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.*	• Several samples were collected from mineralisation that , from visual inspection in the field, appeared to represent lower and higher grade mineralisation, such that the range of grades and possible average grades for the different mineralised lenses could be estimated more reliably.
Other substantive exploration data	• *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.*	• Not applicable
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• The fourth phase of exploration will concentrate on petro-physics studies to determine if airborne gravity or electro-magnetic surveys to delineate blind manganese mineralisation.