

18th December 2019

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

NEGOTIATIONS CONCLUDED UNDER THE ABORIGINAL LAND RIGHTS (NORTHERN TERRITORY) Act 1976 NOW RATIFIED BY NORTHERN LAND COUNCIL (NLC) ON THE DEVILS ELBOW URANIUM-GOLD-PGE PROSPECT (EL 27584)

The Directors of Eclipse Metals Limited (“**Eclipse Metals**” or the “**Company**”) (**ASX: EPM**) are pleased to announce the Company has now successfully concluded negotiations on a long-awaited Aboriginal Land Right Agreement on its Devil’s Elbow prospect (EL 27584) with the Traditional Owners in West Arnhem Land, Northern Territory. The terms of the Agreement negotiated under the *Aboriginal Land Rights (Northern Territory) Act 1976*, for the life of EL 27584, allows the Company to explore for and mine mineral deposits within the Company’s Devil’s Elbow uranium-gold-PGE prospect in its Liverpool Project area.

Under the Agreement, consent is granted by the Traditional Owners, for bilateral benefits, ratified by Northern Land Council (NLC) Executive Council, and now subject only to receiving Commonwealth Ministerial approval. On receipt of this approval, the NLC will submit the application to the Northern Territory Department of Mines and Energy for granting.

Commenting on the agreement, Company director Mr Carl Popal said “This bilateral agreement is certainly a great achievement for the Company. The terms of the agreement are quite viable in the current market economy, allowing us to develop the Devil’s Elbow’s full potential, and perhaps turning it into a world-class mining project. The Company looks forward to working closely with the traditional owners and the NLC in making the most of each exploration field season from 2020, with bilaterally benefits, in exploration progress on this highly prospective and geologically exciting project area, overlapping the Pine Creek Inlier and MacArthur Basin.”

BACKGROUND

The Devil’s Elbow prospect lies approximately 285 km east of Darwin, hosted within the world-class Alligator Rivers Uranium Field. The tenements are situated approximately 41 km southeast of the Nabarlek Uranium Mine and approximately 65km west of the Ranger Uranium Mine.

The Devil’s Elbow prospect was first discovered and explored by Uranerz Australia and subsequently further explored, mainly to the north of Ranger Fault, by Cameco between 2002 and 2008 (Figure 2). Samples from shallow trenching yielded high-grade uranium, gold and palladium assays including **3.2% U₃O₈**, **3.7% U₃O₈**, **4.40% U₃O₈** and **5.8% U₃O₈**, with **38.1g/t Au** and **28.02g/t Pd**, related to fractures within altered amygdaloidal basalt of the Nungbalgarri Volcanics.

Since early 2013, Eclipse Metals has conducted extensive and detailed historical data review over the Devil’s Elbow area and its surrounding tenements. Based on these results, the Company has delineated several new electromagnetic/gravity/radiometric targets,

Eclipse Metals Ltd is an Australian exploration Company focused on exploring the Northern Territory and Queensland for multi commodity mineralisation. The Company has an impressive portfolio of assets prospective for gold, manganese, base metals and uranium mineralisation. The Company’s mission is to increase Shareholder wealth through capital growth and ultimately, dividends. Eclipse plans to achieve this goal by exploring for and developing viable mineral deposits to generate mining or joint venture income.

BOARD

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untested highly anomalous structural zones and areas to the South of the Ranger Fault which warrant further significant follow-up exploration activity.

The Devil's Elbow exploration area and adjoining EL applications (Figure 1), covers 1,414 sq km of prospective geology. Major uranium explorers such as Rio Tinto, Cameco Australia, and Alligator Energy Ltd also hold significant exploration ground within the world-class Alligator Rivers Uranium Field together with several listed Australian companies.

Eclipse anticipates full access will be granted by the Northern Territory Department of Mines and Energy early in 2020 when planning for field exploration activities in the 2020 field season can commence on this geologically exciting project area in the mineral rich Alligator Rivers Uranium Field in Arnhem Land.

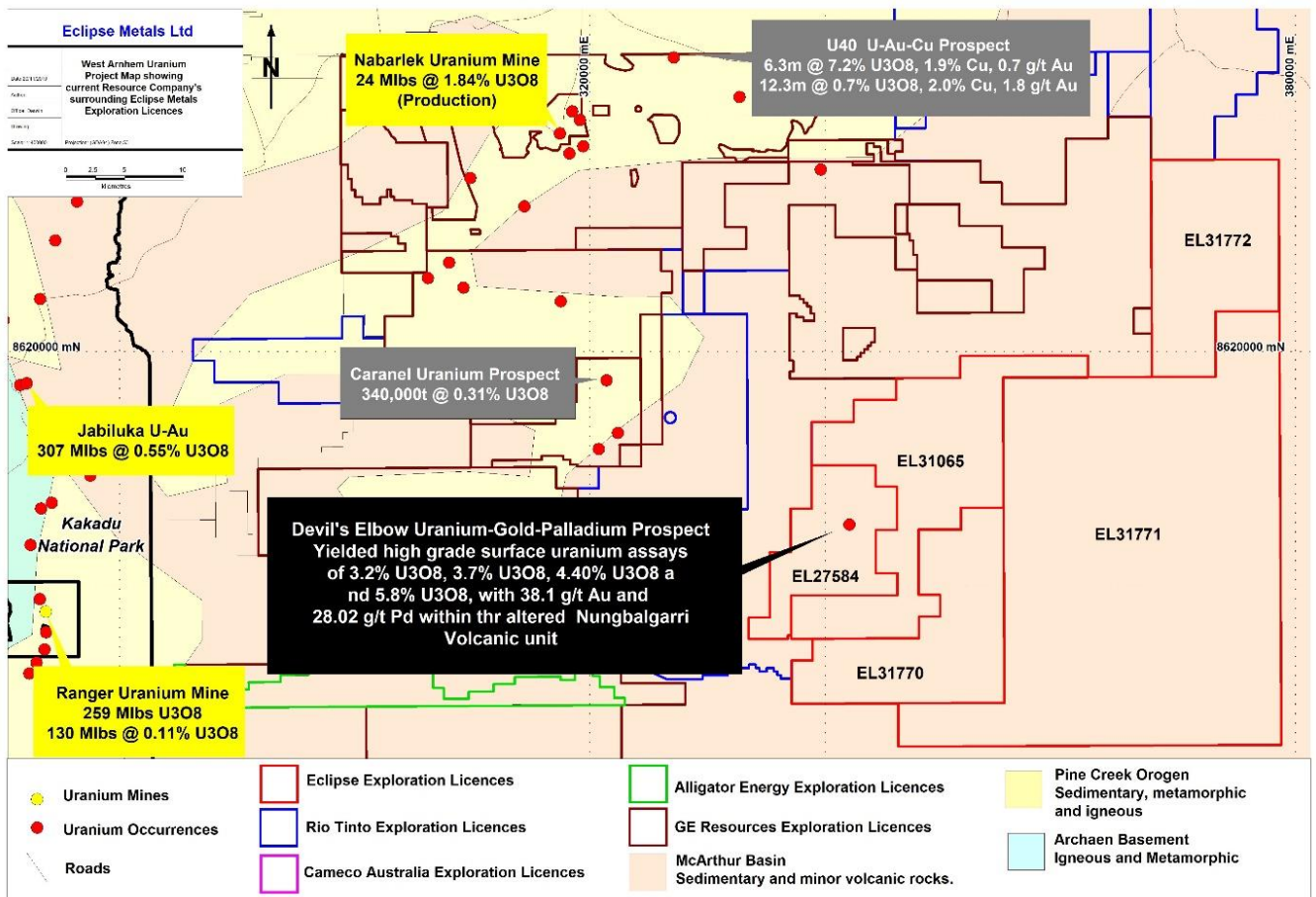


Figure 1. Liverpool Project, Eclipse and North Minerals Pty Ltd EL applications.

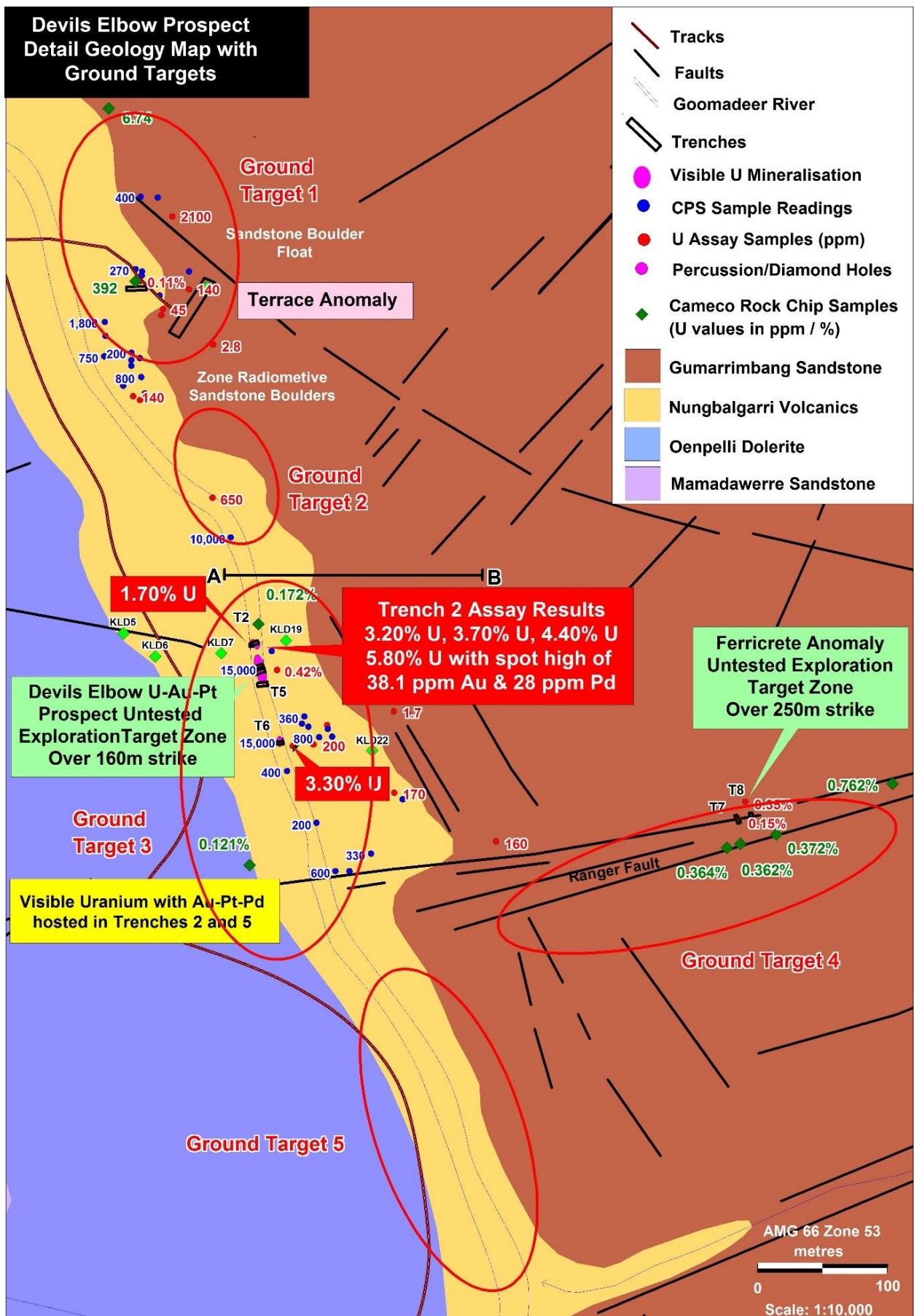


Figure 2. Cameco sampling of Devil's Elbow prospect.

This Announcement was authorised to be given to the ASX by the Eclipse Metals Board.

Rod Dale
Non-Executive Chairman

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Competent Person Statement

Geology *The information in this report that relates to Exploration Results together with any related assessments and interpretations is based on information compiled by Mr Pedro Kastellorizos (geological consultant) for Mr Rodney Dale, the Non-Executive Chairman of Eclipse Metals Limited. 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 Dale and Mr Kastellorizos have verified the data disclosed in this release and consent to the inclusion in this release of the matters based on the information in the form and context in which it appears.