ASX ANNOUNCEMENT

17 March 2015

ASX: EPM

MARY VALLEY YIELDS MORE HIGH GRADE MANGANESE MINERALISATION FROM HISTORICAL MINE WORKINGS

Highlights

- Historical Amamoor manganese mine workings constitute a Brownfields project with potential for readily mineable mineralisation on or near surface.
- Old waste dumps and stockpiles could provide bulk samples and possibly saleable ore to evaluate potential for full-scale mining (more detail to follow when results available).
- Shallow exploration targets beneath and adjacent to historic workings have potential to contain more than **37,000t of mineralisation** with grades up to **52% Mn** to less than 15m depth.
- Based on a Cuban style model, the potential resource of manganese mineralisation available at Amamoor could be multiples of the above.
- Historical near surface production has been reported as up to nearly **20,000t at up to 53% Mn between 1920 and 1960.**
- Mineralisation style shows similarities to the Woodie Woodie deposit.
- First time that high grade manganese mineralisation has been geologically mapped and orientation determined.

The Directors of Eclipse Metals Limited (**"Eclipse Metals"** or the **"Company'**) **(ASX: EPM)** are pleased to provide an update of results of the third phase of exploration on the Company's Mary Valley Manganese Project.

The project tenements are centred on the small town of Amamoor, about 14km south of Gympie, a major regional town of southeast Queensland. An operating railway from Gympie, 138km north of the metropolitan area of Brisbane, provides ready transport infrastructure.

This update covers the results of fieldwork completed at the historical Amamoor mine site which contributed the majority of previous manganese production from the Mary Valley region, now within EPM 17938.

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.

REGISTERED OFFICE

C/-NKH Knight
Unit 19
Level 2, Spectrum
100 Railway Road
Subiaco WA 6008
Phone: +61 8 9367 8133
Fax: + 61 8 9367 8812

PRINCIPAL PLACE OF BUSINESS

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

AUSTRALIAN BUSINESS NUMBER

85 142 366 541

SHARE REGISTRY

Security Transfer Registrars
770 Canning Highway
Applecross WA 6153

ASX CODE

EPM

WEBSITE

www.eclipsemetals.com.au

Eclipse Metals is of the opinion that the third phase of exploration of their Mary Valley Project tenements has demonstrated:

1. The company's progressive, carefully staged exploration strategy in providing reliable information enabling the project to advance.
2. The historic Amamoor Manganese Mine-site has the potential to contain a significant amount of high-grade manganese mineralisation.
3. Further exploration of other prospects has potential to delineate additional mineralisation.

Commenting on these valuable results, Carl Popal, Executive Chairman of Eclipse Metals, said: *"The board is pleased to have received such positive confirmation of potentially minable manganese mineralisation, having a potential commercial value greater than the current market cap of the whole company. The company's outstanding uranium projects in NT, combined with the exciting Mary Valley Manganese project, need commercial evaluation to build on the current positive technical interpretation. Overall the news is very welcome and reflects positively on long term shareholder value."*

GEOLOGICAL MAPPING AND ASSAY RESULTS

The historical Amamoor Manganese Mine workings are on the top and eastern side of a ridge mostly composed of volcanic rock (most likely andesite), which overlies variably silicified shale or tuff referred to as jasperoid (Figure 1).

Figure 1: Exposure of layered sequence at the Southern Workings.

There are three groups of workings, referred to by the Company as the Northern Workings, Central Workings and Southern Workings. Each set of workings consists of a series of narrow, shallow excavations made sub-parallel to the ridge. These excavations enabled mining to follow the tabular lenses of manganese mineralisation down slope. Eclipse Metals has identified eight lenses of manganese mineralisation, as follows (Table 1):-

Table 1: Comparison of the eight lenses of mineralisation

Workings	Mineralised Lens	No. of Samples	Range % Mn	Mean % Mn	Mean % SiO_2	Mean % Fe_2O_3	Mean % Al_2O_3	Mean % CaO	Mean % BaO
Northern	North No. 1	2	10.75 to **26.59**	18.53	33.35	7.75	9.94	12.26	0.29
Northern	North No. 2	2	16.54 to **26.14**	**21.34**	33.96	7.75	9.1	11.81	0.24
Central	Central No. 1	3	35.86 to **36.80**	**36.48**	22.02	6.12	6.51	7.57	0.99
Central	Central No. 2	2	6.88 to 8.86	7.87	42.72	9.91	15.22	9.51	0.57
Central	Central No. 3	2	29.32 to **52.14**	**40.73**	14.16	3.88	7.08	8.1	1.25
Central	Central No. 4	2	19.98 to **45.07**	**32.52**	22.19	4.88	8.46	8.12	2.76
Southern	Southern No. 1	4	17.68 to **34.68**	**23.53**	29.16	7.48	8.5	13.01	1.19
Southern	Southern No. 2	4	13.34 to **52.49**	**31.00**	22.82	5.11	7.21	7.91	4.16

Note: Assays of all samples from this phase of exploration are listed in Table 2 at the end of this report.

The true orientation of lenses is discordant to bedding, with moderate dips (steeper than the slope of the ridge) towards the east (Figure 2). The orientation of each lens differs from others lenses. The mineralised lenses are fault-zones within which there has been variable replacement of jasperoid with manganese minerals. Historical ore-zones are those parts in which replacement proceeded toward completion.

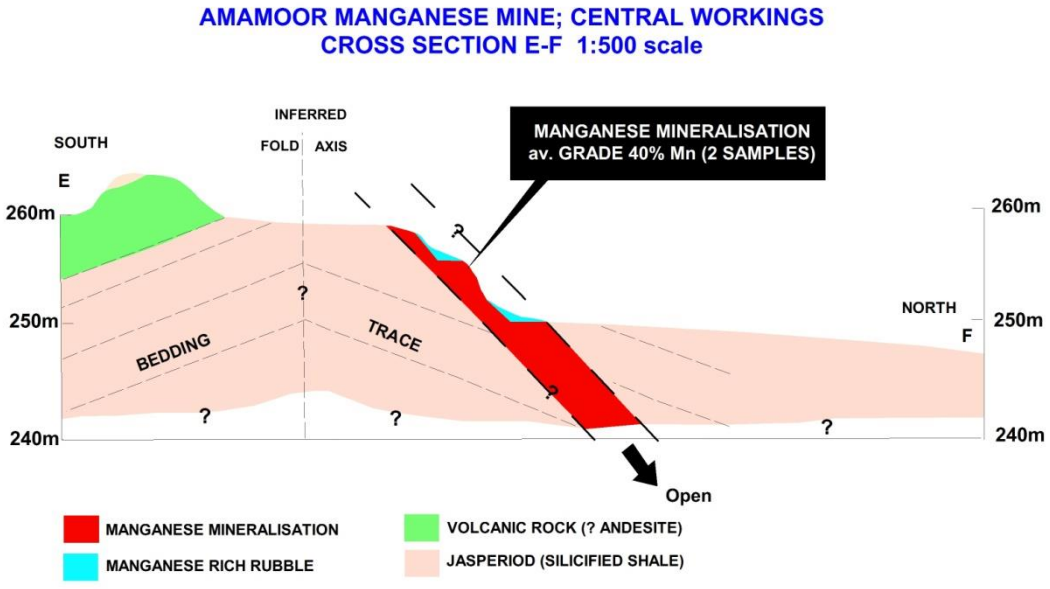

Figure 2: Cross-section showing relationship between mineralisation and host rocks.

Grade of all samples collected from the workings range from 6.88% Mn to 52.49% Mn.

The mineralisation style at the historical Amamoor workings is best classified as belonging to the Cuban-type subclass of volcanic-exhalative manganese deposits. This type of manganese mineralisation has similarities to the Woodie Woodie deposit in the East Pilbara of WA, but is quite different from sedimentary-type manganese deposits such as Groote Island and deposits associated with banded iron formation.

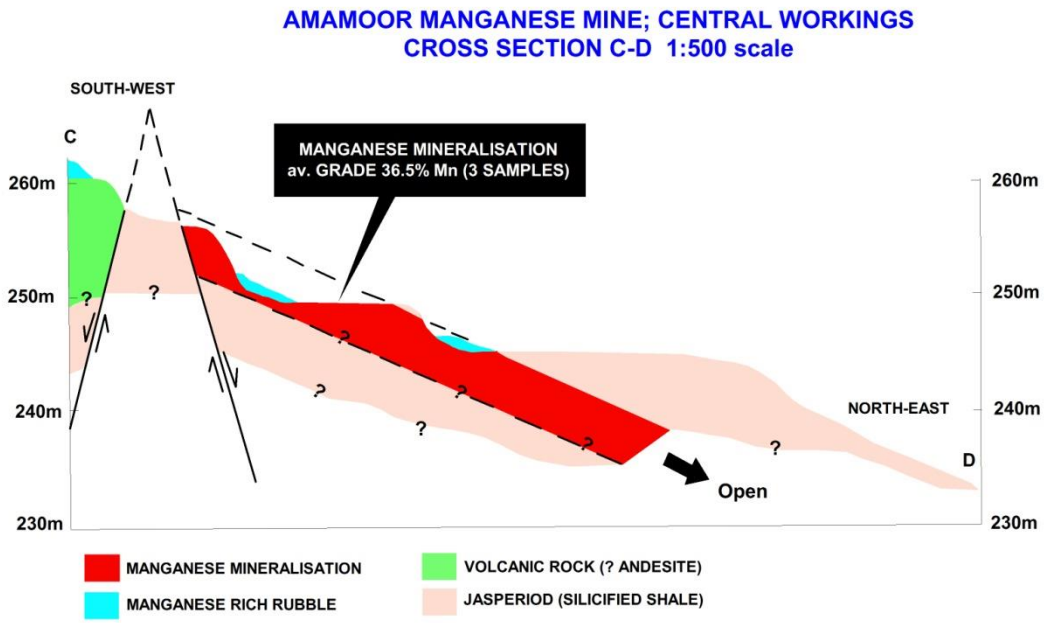

Figure 3: Central No. 1 Lens; minimal overburden

The thickness and orientation of the lenses of manganese mineralisation in the Amamoor mine workings, along with historic evidence and likelihood that mineralisation is of the Cuban-type, supports the idea that mineralisation continues down-dip, below and beyond the present workings. In most cases, there is likely to be only 5 to 10m overburden (Figure 3).

Figure 4: White sample bag at location from which sample PS070 (36.79% Mn) was collected. This sample was of remnant ore of the Central No.1 Lens, which dips toward the bottom-left of the image.

Eclipse Metals exploration targets at the historical Amamoor Manganese Mine are the continuation of the North No.2 Lens, Central No.1 Lens, Central No.3 Lens and the South No.2 Lens (Figure 5).

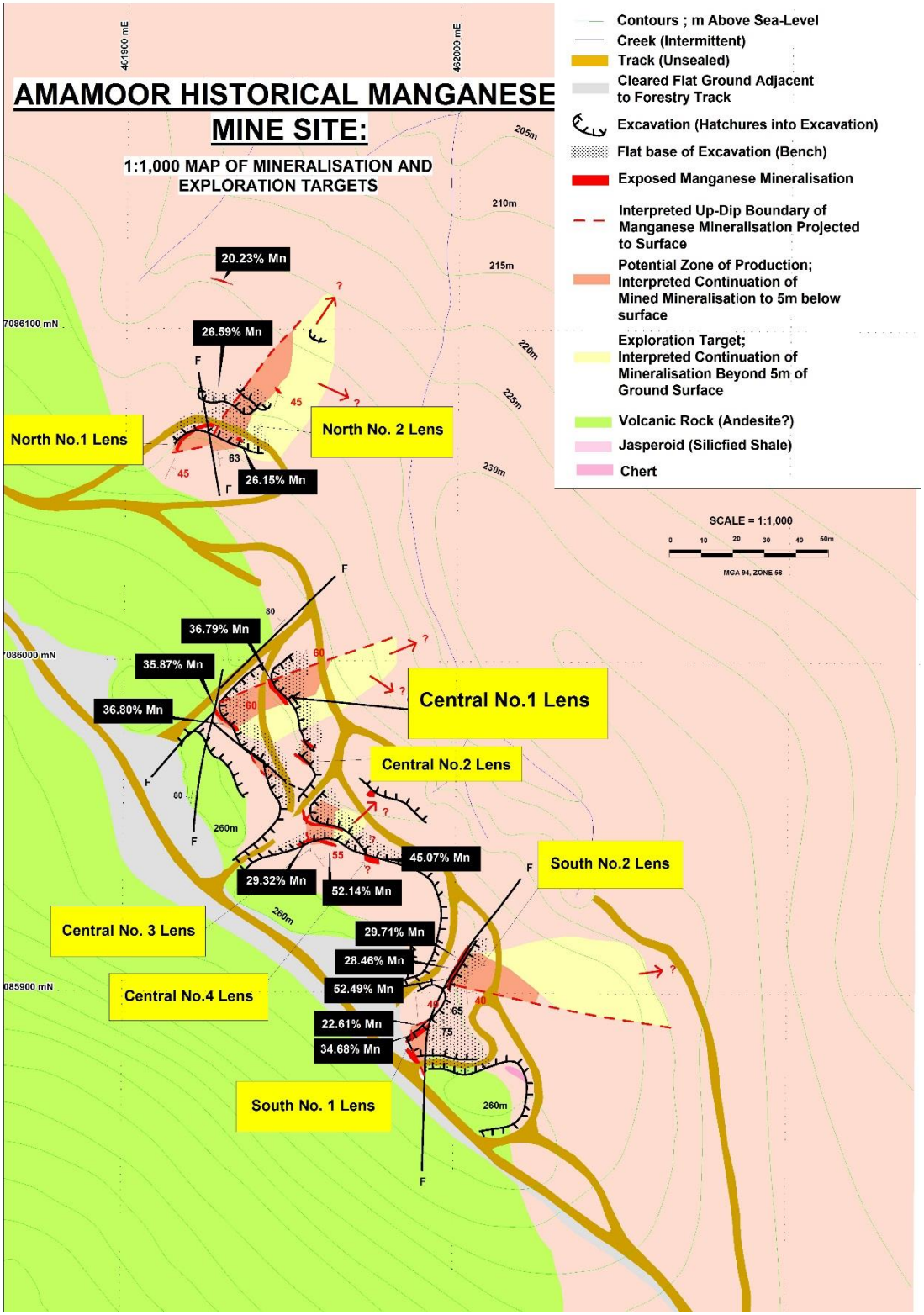

Figure 5: Interpreted Geology with Exploration Targets

The most important apparent target is the continuation of the Central No.1 Lens for the following reasons:

1. This is the thickest lens; reportedly up to 6m thick. (Smith, 1959).
2. It appears to be of very consistent higher grade; mean about 36% Mn.
3. It continues (along plunge) with a shallow dip, such that there would be minimal overburden (figure 3).
4. There is high confidence in the orientation and continuity of the lens, as the arrangement of workings and the location of remnant mineralisation provides reliable guidance (Figure 4).

Due to the amount of data generated by the recent fieldwork, this release is the first of several, describing different results. These releases are, of necessity, summative.

For and on behalf of the board.

Pedro Kastellorizos
Executive Director

For further information please contact:

Carl Popal
Executive Chairman
T: +61 8 9480 0420

Pedro Kastellorizos
Executive Director
T: +61 8 9480 0420

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.

Reference

Smith, K.G. (1959) Mary Valley Manganese Deposits; Report of an inspection, February 1959. Department of National Development, Bureau of Mineral Resources Geology and Geophysics Records 1959/30

Spitalny, P. (2014) Mary Valley Manganese Project. Internal Report for Eclipse Metals Ltd of fieldwork completed June 2014.

Spitalny, P. (2015) Mary Valley Manganese Project; Amamoor Historical Mine Workings. Internal Report for Eclipse Metals Ltd of fieldwork completed January 2015.

Table 2: Mary Valley Rock Chip Sample Assay Results

Sample I.D.	Easting (mE)	Northing (mN)	PROSPECT	Mn%	MnO%	Al2O3%	BaO%	CaO%	Cr2O3%	Fe2O3%	K2O%	MgO%	Na2O%	P2O5%	SO3%	SiO2%	TiO2%	Total%	LOI%
PS061	461914.92	7086063.08	Amamoor; north workings	10.75	13.88	13.4	0.11	16.42	0.04	8.58	0.07	0.76	0.2	0.51	0.01	38.39	1.6	100.15	4.58
PS062	461927.84	7086079.42	Amamoor; north workings	**26.59**	**34.33**	5.85	0.22	7.58	0.02	6.29	0.11	0.77	0.3	0.16	0.01	33.35	0.55	99.68	7.25
PS063	461944.59	7086081.03	Amamoor; north workings	16.535	**21.35**	11.42	0.37	15.72	0.05	8.76	0.05	1.17	0.06	0.27	0.01	33.55	1.33	100.65	4.6
PS064	461928.08	7086114.84	north of Amamoor workings	**20.23**	**26.12**	9.93	0.24	16.16	0.06	7.6	0.07	1.78	0.06	0.37	0.01	30.38	1.45	100.8	4
PS070	461945.35	7085991.06	Amamoor; central workings	**36.79**	**47.51**	6.61	0.61	10.17	0.03	4.65	0.03	0.57	0.05	0.17	0.01	21.12	0.7	99.58	3.13
PS071	461954.83	7085975.63	Amamoor; central workings	6.885	8.89	15.52	0.6	9.4	0.05	9.91	0.71	1.39	3.03	0.31	0.02	43.34	1.99	100.65	4.41
PS072	461953.14	7085971.13	Amamoor; central workings	8.86	11.44	14.91	0.54	9.62	0.03	9.91	0.51	1.05	2.51	0.24	<0.01	42.11	1.81	100.3	4.36
PS073	461955.69	7085945.98	Amamoor; central workings	**29.32**	**37.86**	10.46	0.3	13.48	0.02	6.02	0.07	0.38	0.09	0.22	<0.01	19.71	1.17	100.65	7.74
PS074	461973.53	7085941.75	Amamoor; central workings	19.98	**25.8**	12.13	0.46	11.2	0.03	7.56	0.06	0.72	1.66	0.23	0.01	32.66	1.36	99.91	3.55
PS075	461975.39	7085940.44	Amamoor; central workings	**45.07**	**58.2**	4.78	5.05	5.05	0.02	2.19	0.27	0.33	0.06	0.1	0.19	11.72	0.42	100.45	7.27
PS076	461990.18	7085879.26	Amamoor; southern workings	19.145	**24.72**	10.05	0.75	15.09	0.03	7.53	0.04	0.93	0.08	0.25	0.1	31.84	1.28	100.25	5.49
PS077	461985.93	7085885.40	Amamoor; southern workings	17.68	**22.83**	10.88	0.95	16.18	0.03	7.25	0.03	1.24	0.03	0.35	0.01	31.61	1.49	99.97	4.96
PS078	461989.62	7085888.39	Amamoor; southern workings	**34.68**	**44.78**	3.43	1.59	8.7	0.01	8.79	0.03	0.57	0.05	0.13	0.13	23.92	0.14	99.95	4.08
PS079	461991.82	7085889.71	Amamoor; southern workings	**22.61**	**29.19**	9.62	1.47	12.08	0.03	6.37	0.15	1.32	0.4	0.3	0.02	29.27	1.36	100.2	6.07
PS080	461998.27	7085901.41	Amamoor; southern workings	13.335	17.22	12.42	3.19	6.32	0.04	7.74	0.86	0.96	2.45	0.44	0.74	39.03	1.65	100.55	5.94
PS081	461999.02	7085904.21	Amamoor; southern workings	**52.49**	**67.78**	1.06	9.6	1.11	<0.01	0.53	0.23	0.18	0.13	0.22	0.1	4.74	0.05	101.15	9.99
PS082	462000.30	7085907.00	Amamoor; southern workings	**28.46**	**36.75**	7.92	2.31	12.46	0.02	6.87	0.06	0.76	0.03	0.15	0.02	22.75	1.09	99.84	5.29
PS083	462001.64	7085909.52	Amamoor; southern workings	**29.71**	**38.36**	7.43	1.56	11.76	0.03	5.31	0.05	1.24	0.04	0.23	0.03	24.77	0.95	100.25	5.11

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 3 kg and 5kg in weight with the sample 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).*	• No 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.*	• No 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*	• No applicable as no drilling was undertaken

Criteria	JORC Code explanation	Commentary
	studies. • *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.*	• No 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 in Brisbane for XRF to determine content 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.*	• No applicable as no drilling was undertaken.

Criteria	JORC Code explanation	Commentary
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.* • *Quality and adequacy of topographic control.*	• 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.
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.*	• No applicable as no drilling was undertaken
Sample security	• *The measures taken to ensure sample security.*	• Samples were labelled/bagged and taken straight 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.

Criteria	JORC Code explanation	Commentary
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Manganese ore has been mined intermittently from deposit 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-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:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *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.*	• No 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	• *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*	• Samples collected are only from the surface and any potential depths of mineralisation can only be observed on the surface and hence are speculative in nature.

Criteria	JORC Code explanation	Commentary
intercept lengths	*should be a clear statement to this effect (eg 'down hole length, true width not known').*	
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
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 the lower and higher grade mineralisation observed to determine an average over the different mineralised lens observed and mapped in the field.
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.