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ANNUAL TECHNICAL REPORT

EL 24637

Eclipse Uranium Project

18/12/2011 to 17/12/2012

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1 Introduction

Eclipse Uranium Limited (EUL) listed with the ASX on the 17th February 2011 and upon listing became the owner and operator of a substantial package of tenements in the NT through the completion of an option agreement with Cauldron Energy Ltd. In November 2011 became holder of a second large tenement package again in the Northern Territory through the acquisition of Central Energy Pty. Ltd. together with its wholly owned subsidiary, Whitvista Pty. Ltd.

EL24637, EL24625, EL29563, & EL24808 constitute the Eclipse Uranium Project and were part of this newly acquired tenement package from Cauldron. In June 2012, the name of the company was changed from Eclipse Uranium Ltd. (EUL) to Eclipse Metals Limited (EPM).

2 Location, Access and Tenure

Exploration Licence 24637 is located about 180 km NW of Alice Springs and is easily accessed along the Tanami road.

Tenement Number	Area	Status	Start Date	End Date	Upcoming Year Expenditure Commitment
EL 24637	147 Blocks	Granted	08/12/2005	07/12/2013	\$267,250.00

Table 1: Tenement tenure details

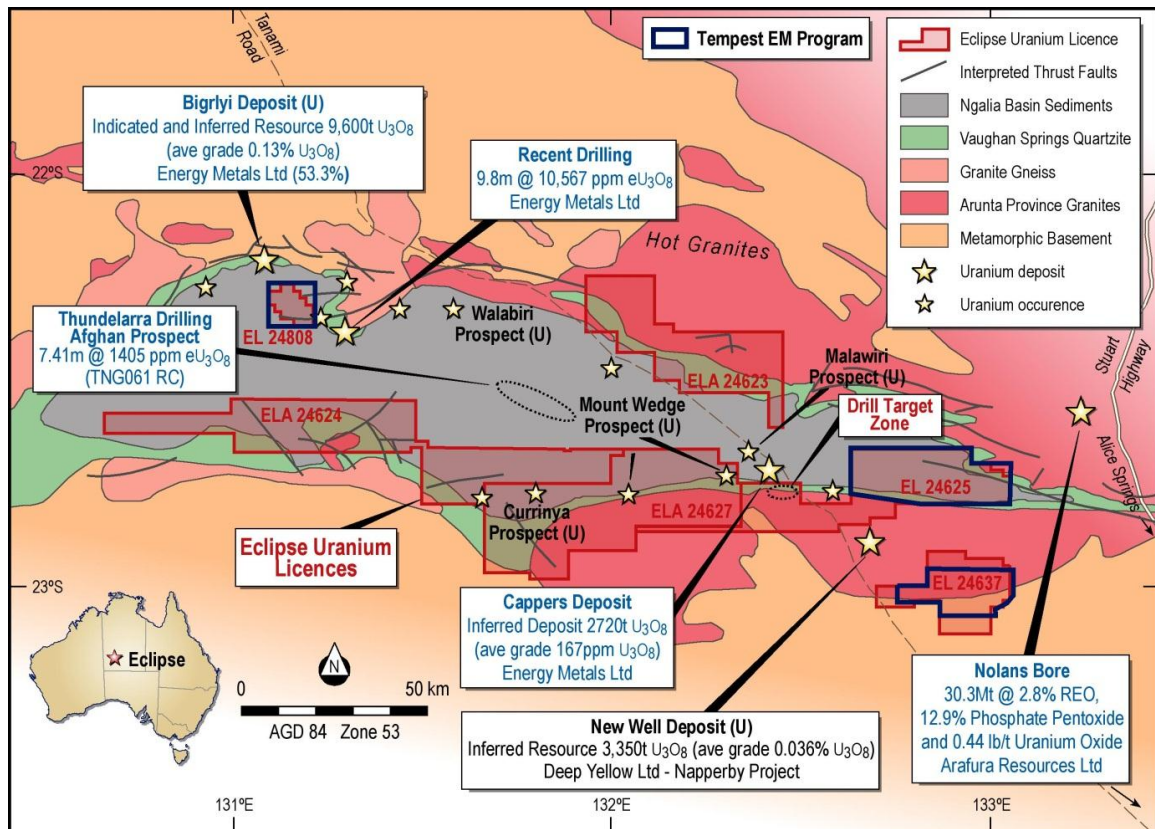


Fig 1: Location and geology map of the Eclipse Uranium Project incl EL 24637

3 Regional Geology

The Ngalia Basin is a large 300 km long by 70 km wide east west trending intra-cratonic basin, which contains up to 5000 metres of late Proterozoic to Carboniferous aged fluvial and marine sediments. These sediments were derived from the surrounding uranium enriched early to mid Proterozoic granites and metamorphic rocks of the Arunta Block. The basin sediments are predominantly comprised of arenaceous continental and marine sediments of Pre-Cainozoic age. Surrounding and underlying pre-Upper Proterozoic rocks include gneiss, granite and quartzite. These crystalline and metamorphic rocks are considered to be the source of the sediment and the uranium.

4 Project Geology

The project area is typified by flat sandy plains overlying granites of the Arunta Block in the south. The project area abuts and extends into the Ngalia basin to the north. The basin margin within the project area is marked by a pronounced quartzite ridge, the Stuart Bluff Range and the Reaphook Hills, which trend east west along the basin margin and dip gently to the north. Sandy and calcrete soils are found extensively within the basin and overlying the Arunta Block. A number of isolated granite hills emerge from the plain within the project area, especially in the east where granite hills, including Mount Harris, appear to flank a buried salt lake. The vegetation in the area consists of acacia scrubland associated with grasslands and minimally modified pastures in places. Taller eucalypts are present within and along the main drainage systems.

The project area includes the northern part of the Lake Lewis salt lake. This lake is fed by two large ephemeral creek systems, the Napperby and Day Creeks, which drain uranium enriched granites along the northern boundary of the Ngalia Basin. A number of smaller less continuous drainages feed the lake along its western margin.

Eclipse's Eclipse Uranium Project covers parts of the Ngalia Basin and Arunta Block granites, which are prospective for uranium mineralisation. The licences cover a number of active stream systems that drain uranium enriched granites to the north. Interpretation of airborne radiometric imagery indicates that these drainages are depositing uranium within their channels and around the margins of Lake Lewis. The New Well uranium deposit is located on one of these drainages in ground adjacent to and downstream of Eclipse's licences.

5 Previous Exploration

Exploration licence EL 24637 was granted to Scimitar Resources Limited which became Cauldron Energy Limited in December 2005. Cauldron has actively explored the licence and the project area for uranium mineralisation and Eclipse Uranium Limited has continued this work and with plans to further advance the project. Work has included data acquisition, data base compilation, research and interpretation and airborne geophysical surveys.

A. 2005-2006:

In the first year of tenure Scimitar spent a total of \$204,000 across the Eclipse Uranium Project which comprised EL24625, EL24637 and EL24636 (now relinquished). Expenditure covered a preliminary Aircore program and office based activities.

B. 2006-2007:

During the second year of tenure Scimitar expended \$155,211 within EL 24637. The expenditure covenant for this period was \$150,000. In this period Scimitar undertook office based studies. They also completed a broadly spaced airborne Fugro TEMPEST trial AEM survey. An airborne radiometric/magnetic survey was completed by UTS Geophysics in November which included over 4912 line km over the licence. An aircore drilling program was also completed in the Eclipse Project which included 552m within EL24637.

C. 2007-2008:

In the third year of tenure Scimitar spent \$197,517 which included another Aircore drilling program at the Eclipse Project, of which 179 holes for 3792m was on the tenement. Office work was ongoing and the licence was reduced by 30% in November 2008.

D. 2008-2009:

During the fourth year of tenure the company expended \$11,290 on the tenement which included geological research, interpretation, geophysical data acquisition and target generation. During this year the Scimitar undertook a friendly takeover/merger with Jackson Minerals Limited and the newly formed company changed its name to Cauldron Energy Limited. The purpose of this merger was to create a larger uranium focused entity.

During late 2009 the company become involved in the Joint Systems Uranium (JSU) Ngalia Basin Project being conducted by the CSIRO. The project, a collaboration between, CSIRO, the NT and SA governments and fellow uranium explorers Thunderlarra and Energy Metals aims to identify the geological, structural, mineralogical, alteration and fluid flow characteristics of uranium mineralisation within the Ngalia basin. The project is funded by all parties and is expected to provide a robust understanding and framework that will drive future uranium exploration and mineralisation discoveries in the area. The 18 month project commenced during December 2009.

E. 2009-2010:

Within the fifth tenement year the company spent \$42,460 on the tenement. Inclement weather restricted access to the tenement as it did for other companies in the area. However ongoing involvement with the JSU was continued.

F. 2010-2011:

In the sixth year of tenure Eclipse Uranium became owners and operators of the Eclipse Project after their successful listing on the ASX on February 17th. In this year Eclipse completed their first drilling program on the Eclipse Uranium Project. A Fugro TEMPEST AEM Program has also been flown for the project which is co –funded by the NTGS Bringing Forward Initiative scheme for EL24625. In conjunction with this Eclipse is also flying lines over the rest of the granted licences in the project which includes EL24637 (Fig 1).

In the sixth year of tenure field activities have again been constrained by unusual weather conditions. Works completed have included a project review updating of open file data once Eclipse became the operators. Work has also included reviewing all information and generating new targets based on new understanding from the JSU. It is anticipated that expenditure should be near to the covenant of \$105,000.

Eclipse Uranium has submitted an application for the renewal of licences EL24637 and EL24625 as it wanted to continue exploration within the project on a series of excellent targets.

6 Work Completed by EPM

A. 2011-2012 (EPM)

Eclipse Metals Limited became owners and operators of the Eclipse Uranium Project (including EL24637) in November 2011, a little more than a year from the present. Since the acquisition of the tenement, in mid-2012, a major managerial and staff change has taken place in the company.

In June 2012, a major managerial and geological staff change took part in the company with a completely new team taking over key positions. The new team was keen to explore the Ngalia Basin and has since taken office been involved in a thorough desktop geological analysis and re-assessment of all of EPM's tenements, including the Eclipse Uranium Project (& EL24637).

Due to time constraints, since taking office 8 months ago, no follow field work was feasible on the ground by the new technical team of EPM. This time has been used to start an in-depth desktop analysis of EL24637's geology and associated data. Though still in progress, the analysis to date has already provided the new team with a strong base on which to build the new exploration program planned for the upcoming year.

7 Proposed Work Program, Expenditure for Forthcoming Year & Conclusion

Due to an inability on the part of Eclipse Metals Ltd. to pay the scheduled annual rent in December of 2012, EPM has been issued by the Northern Territory Department of Resources a cancellation notice. EPM is awaiting cancellation of EL24637 by 08/02/2013 and as will cease to be the owner of EL24637. Hence, no further exploration work will be planned in 2013 for EL24637 by EPM.

EPM is planning to submit the final report for EL24637 within 60 days of the cancellation of the mineral licence.

9 References

Hayley M., 2011, Relief from 50% partial surrender, EL24637, Eclipse Uranium Project, Eclipse Uranium Ltd.