ANNUAL & FINAL REPORT OVER THE
NORTH MOLINE URANIUM & GOLD
PROJECT

07/09/2009 to 13/09/2013

PINE CREEK MINERAL FIELD,
NORTHERN TERRITORY

North Moline Project
Exploration Licence: 25943

BY

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DISTRIBUTION

1. Northern Territory Department of Minerals & Energy
2. Eclipse Metals Limited
PROJECT NAME: NORTH MOLINE

TENEMENTS: Exploration Licences 25943

MINERAL FIELD: Money Shoal Basin

LOCATION: PINE CREEK SD5208 1:250 000
            McKinlay River 5271 1:100 000

COMMODITIES: Uranium and Gold
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1.0 NORTH MOLINE PROJECT

1.1 Copyright Statement:

The owned information acquired by Eclipse Uranium Ltd includes all information under the previous work by Eclipse Uranium Ltd and work during reporting year sections. The rest of the information has been sourced from open reports and data through the Department of Mines and Energy. The Minister has authority to publish the copyrighted information accordingly.

2.0 INTRODUCTION

The North Moline tenement (EL25943) covers 3.07 km² of ground within the Palaeoproterozoic rocks of the Pine Creek Orogen. The project is prospective for uranium and gold. The tenement is situated on the south western portion of the Pine Creek Geosyncline.

During April 2013 consulting geologists Kastellco Geological Consultancy (“KGC”) conducted a review of existing historical exploration data within the Northern Territory Geological Survey Database. This was conducted for over the Project area to identify any potential for uranium and gold.

Work during this term included literature searches and data base compilation. Open file company reports were obtained from the Northern Territory Geological Survey and a review of past exploration data and geological concepts undertaken. The targeting was undertaken at a high level to identify areas of interest that stand out in the regional re-interpreted geophysical data. Historical prospects were reviewed to determine the effectiveness of the previous exploration and evaluate remaining potential within the Exploration Licence area.

Very small order magnetic/radiometric targets were identified that do not warrant further investigation. The results were too greenfields in nature with very little to no exploration targets identified. Based on the review, it was recommended the exploration licence area was to be relinquished upon very little to no mineral prospectivity.

3.0 LOCATION AND ACCESS

The North Moline project is located approximately 170 km southeast of Darwin. The project comprises one Exploration Licence (EL 25943) which covers a total area of 3.07 km². Access to the area is through the main road (Stuart Highway) to Pine Creek and thereafter approximately 50 kilometres northwards on minor roads and tracks via Esmeralda and Frances Creek.

4.0 TENEMENTS

The project is comprised of one granted exploration licence (EL) with the tenement details summarised in Table 1 and their locations are shown in Figures 1 and 2.

<table>
<thead>
<tr>
<th>Project</th>
<th>Tenement Number</th>
<th>Status</th>
<th>Current Area (sq km)</th>
<th>Current Holder</th>
<th>Renewal Date</th>
<th>Expenditure Covenant ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Moline</td>
<td>EL25943</td>
<td>Granted</td>
<td>1</td>
<td>3.07 km²</td>
<td>Whitvista Pty Ltd</td>
<td>07/09/2012</td>
</tr>
</tbody>
</table>
5.0 REGIONAL GEOLOGY MINERALISATION

The North Moline prospect is located within the Pine Creek Inlier, which on a regional scale, hosts a number of major gold deposits. Regional deformation and metamorphism took place during the craton scale Barramundi Orogeny (1860-1850 Ma). Widespread felsic intrusive activity (Cullen Event) occurred after the Barramundi Orogeny. Granite batholiths were emplaced in the period 1850-1820 Ma and produced thermal metamorphic aureoles in country rocks overprinting regional metamorphic mineral assemblages. Synchronous with the waning of this event in the South Alligator Valley region was the development of two consecutive rift-controlled volcanic and clastic sedimentary graben-fill successions, the El Sherana and Edith River Groups (1830 Ma and 1822 Ma respectively). They are bounded by unconformities and were folded prior to deposition of McArthur Basin sediments.

Some 8 Mt of ore grading 59% Fe has been produced from southern deposits in the Frances Creek iron field, which contains a series of discontinuous, stratabound, massive haematite lenses over a 40 km strike length. Thick ore intersections (up to 110 m @ 63% Fe) are present in synclinal structures. Small resources exist in the southern (1.4 Mt @ 64% Fe and 0.08% P) and northern (2.4 Mt @ 54% Fe and 0.12% P) areas. Detailed gravity surveys over selected areas in the southern part of the field could be used to detect 1-5 Mt lenses in gently plunging synclinal structures under shallow cover.
Distal hydrothermal iron deposits are massive, tabular to podiform, stratabound haematite/magnetite bodies formed by the enrichment of an iron-rich protolith. Hydrothermal fluids derived from magmatic or connate brines during orogenic activity have remobilised sedimentary iron in the host sequence into adjacent stratigraphic and structural trap sites. Iron-rich pods in the Frances Creek iron field (Pine Creek Orogen),

Mineral deposits in Pine Creek can be grouped in three proviences which broadly follow the tectono-stratigraphic sub-division. The Central Region (Eastern Pine Creek Project) contains the majority of gold, base-metal, uranium and tin deposits. The Rum Jungle Region (Rum Jungle Project) contains stratabound uranium and base-metal deposits. The Litchfield Province (Western Pine Creek Project) and surrounding region contains the bulk of the tin-tantalum bearing pegmatites, base-metals and uranium. This sub-division is apparently the result of granite generation processes. The Litchfield Province granitoids, because of their reduced state, were deficient in base metals and gold but could generate late tin and tantalum bearing fluids. The Central Region granitoids are predominantly I-types and because of a higher oxidation state, could generate fluids which carried gold and base metals. The role of granite and gneisses in the Rum Jungle Region is not clear but Berkman (1986) proposed that the initial source of uranium was probably in the Archaean basement complexes.

With the exception of deposits in the Rum Jungle Region, the majority of mineral occurrences in Pine Creek are confined to the contact aureole of the late orogenic granitoids.

There are basically two styles of mineralisation in Pine Creek: structurally controlled and stratigraphy controlled. The structural controlled deposits are predominantly vein type and include gold, base metal and tin veins and tin-tantalum pegmatites. The stratigraphic controlled deposits follow certain specific lithological units and include stratiform gold and stratabound polymetallic deposits, as well as volcanogenic massive sulphides, uranium, iron, phosphate and magnesite deposits.

6.0 LOCAL GEOLOGY & MINERALISATION

EL 25943 is underlain by the metamorphosed Palaeo-Proterozoic Pine Creek Geosyncline (pre-1800 Ma). This provides several complex structures and suitable host sites for gold and base metal mineralization.

The area lies on the southern end of a large inlier of Proterozoic rocks surrounded by Quaternary alluvium and recent soils. It is believed that the rock succession at EL 25943 is part of the Lower Proterozoic Masson Formation and this is unconformably overlain to the east and west of the tenements by the Mt Partridge Group arenaceous sediments

The Palaeo-Proterozoic sequence of the Pine Creek Geosyncline is represented by the following sequence seen at EL 25943;

- Soil and alluvial cover (usually thin)
- Laterite and clay
- Dolerite dykes and sills (probably of Oenpelli age)
- Green Mudstone or Tuff (pelitic units, mainly massive and poorly stratified)
- Carbonaceous Siltstone, large grey bands or intercalated light and dark beds
- Graded Sandstone or quartzite
7.0 PREVIOUS EXPLORATION

Various companies have conducted exploration on and around the present tenement EL 25943. Most of the earlier activities involved soil traversing, rock-chip and stream sediment sampling, with the emphasis on gold exploration.

Whitvista Pty Ltd completed an airborne survey over the entire Exploration Licence 25943 during a previous expenditure year. The survey was conducted for radiometric and TMI magnetics. Various site and lease surveys have been conducted during the expenditure year. These activities were pursued in order to regulate tenement admittance, along with geological and topographical mapping. These generated maps have been analysed with further assessment to be conducted in the future.

A historical review of geological data and literature has been conducted in order to cross reference current information with past reviews. While this review has yielded significant conclusions, a wider analysis of historical documents is still required.

Whitvista has identified targets and anomalies for follow-up ground geophysics. It was envisioned that exploration program will be conducted using hand held scintillometers. Once ground geophysics has been completed along with rock chip and soil sampling, it is expected that a drilling program be
planned. Whitvista’s geologist has interpreted the airborne survey data. Based on this interpretation the southern area has been determined to be less prospective than the northern.

8.0 ECLIPSE METALS LTD EXPLORATION

During April 2013 consulting geologists Kastello Geological Consultancy ("KGC") conducted a review of existing historical exploration data within the Northern Territory Geological Survey Database. This was conducted for all the Project areas to identify any high potential gold, base metal and uranium exploration targets and resulted in the identification of several targets that warrant further work.

Work during this term included literature searches and data base compilation. Open file company reports were obtained from the Northern Territory Geological Survey and a review of past exploration data and geological concepts undertaken.

The targeting was undertaken at a high level to identify areas of interest that stand out in the regional re-interpreted geophysical data. Historical prospects were reviewed to determine the effectiveness of the previous exploration and evaluate remaining potential within the Exploration Licence area.

Through detail interpretation of airborne magnetic and radiometric images from the Northern Territory Geological Survey, no magnetic or radiometric target anomalies were identified.

9.0 CONCLUSIONS AND RECOMMENDATIONS

Very small order magnetic/radiometric targets were identified that do not warrant further investigation. The results were too greenfields in nature with very little to no exploration targets identified. Based on the review, it was recommended the exploration licence area was to be relinquished upon very little to no mineral prospectivity.