

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Eclipse Metals Limited

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For the financial year ended 30 June 2019

The Company's corporate governance statement for the above period above can be found at:

- ☐ These pages of our annual report
- ☒ This URL on our website www.eclipseuranium.com.au/corporate/corporate-governance

The Corporate Governance Statement is accurate and up to date as at 27 September 2019 and has been approved by the Board.

The annexure includes a key to where our corporate governance disclosures can be located.



Eryn Kestel
Company Secretary

27 September 2019

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ²
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement AND ☒ located within Corporate Governance Policies - Board Charter at www.eclipseuranium.com.au/corporate/corporate-governance	
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement AND ☒ located in the Notices of Annual General Meetings www.eclipseuranium.com.au/investors/announcements	
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement	
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement	

² If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ²
1.5	A listed entity should: (a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary of it; and (c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either: (1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or (2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.	... the fact that we have a diversity policy that complies with paragraph (a): ☒ in our Corporate Governance Statement <u>AND</u> ☒ located within corporate governance policies – <i>Diversity Policy</i> at www.eclipseuranium.com.au/corporate/corporate-governance ☒ in our Corporate Governance Statement Not Applicable	☒ an explanation why that is so in our Corporate Governance Statement
1.6	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	... the evaluation process referred to in paragraph (a): ☒ in our Corporate Governance Statement	☒ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ²
1.7	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	... the evaluation process referred to in paragraph (a): ☒ in our Corporate Governance Statement	☒ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ²
PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE			
2.1	The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	[If the entity complies with paragraph (a):] ☒ located within the Corporate Governance Policies – Remuneration and Nomination Committee Charter at www.eclipseuranium.com.au/corporate/corporate-governance Not applicable Not applicable ... the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively: ☒ in our Corporate Governance Statement	☒ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ²
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	... our board skills matrix: ☒ in our Corporate Governance Statement	
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	... the names of the directors considered by the board to be independent directors: ☒ in our Corporate Governance Statement ... and, where applicable, the information referred to in paragraph (b): ☒ in our Corporate Governance Statement ☒ located within the Directors' Report in the 2018 Annual Report at www.eclipseuranium.com.au/investors/announcements	
2.4	A majority of the board of a listed entity should be independent directors.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement	
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement	
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement	

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ²
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	... our code of conduct or a summary of it: ☒ in our Corporate Governance Statement AND ☒ located within the Corporate Governance Policies – Directors and Executive Officers Code of Conduct Policy and Code of Business Conduct at www.eclipseuranium.com.au/corporate/corporate-governance	

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ²
PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING			
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	[If the entity complies with paragraph (a):] ☒ located within the Corporate Governance Policies – Audit and Risk Management Committee Charter www.eclipseuranium.com.au/corporate/corporate-governance Not applicable Not applicable ... the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner: ☒ in our Corporate Governance Statement	☒ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ²
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement AND ☒ located within Corporate Governance Policies – Risk Management Policy at www.eclipseuranium.com.au/corporate/corporate-governance	
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement	
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	... our continuous disclosure compliance policy or a summary of it: ☒ in our Corporate Governance Statement AND ☒ located within Corporate Governance Policies – Disclosure Policy at www.eclipseuranium.com.au/corporate/corporate-governance	

PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	... information about us and our governance on our website: ☒ located at the Company's website at www.eclipseuranium.com, particularly the Corporate Governance section at www.eclipseuranium.com.au/corporate/corporate-governance	
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement AND ☒ located within the Corporate Governance Policies – Shareholder Communication Policy at www.eclipseuranium.com.au/corporate/corporate-governance	
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: ☒ in our Corporate Governance Statement AND ☒ located within the Corporate Governance Policies – Shareholder Communication Policy at www.eclipseuranium.com.au/corporate/corporate-governance	
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement	

PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	[If the entity complies with paragraph (a):] ☒ located within the Corporate Governance Policies – Audit and Risk Management Committee Charter www.eclipseuranium.com.au/corporate/corporate-governance Not applicable Not applicable ... the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework: ☒ in our Corporate Governance Statement AND ☒ located within Corporate Governance Policies – Risk Management Policy at www.eclipseuranium.com.au/corporate/corporate-governance	☒ an explanation why that is so in our Corporate Governance Statement
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound: ☒ in our Corporate Governance Statement	☒ an explanation why that is so in our Corporate Governance Statement

7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	[If the entity complies with paragraph (a):] ☒ in our Corporate Governance Statement	☒ an explanation why that is so in our Corporate Governance Statement
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks: ☒ in our Corporate Governance Statement	

PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	[If the entity complies with paragraph (a):] ☒ located within the Corporate Governance Policies – Remuneration and Nomination Committee Charter at www.eclipseuranium.com.au/corporate/corporate-governance Not applicable Not applicable ... the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively: ☒ in our Corporate Governance Statement	☒ an explanation why that is so in our Corporate Governance Statement
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives: ☒ in our Corporate Governance Statement AND ☒ in the Remuneration Report within the Directors' Report in the 2018 Annual Report at www.eclipseuranium.com.au/investors/announcements	

8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	... our policy on this issue or a summary of it: ☒ in our Corporate Governance Statement AND ☒ located within Corporate Governance Policies – Securities Dealing Policy at www.eclipseuranium.com.au/corporate/corporate-governance	
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Eclipse Metals Limited
2019 CORPORATE GOVERNANCE STATEMENT –
Compliance with ASX Principles

Eclipse Metals Limited (**the Company**) has adopted the recommendations set out in the Australian Securities Exchange Corporate Governance Council's Corporate Governance Principles and Recommendations 3rd Edition (**the ASX Principles**).

This Statement incorporates the disclosures required by the ASX Principles under the headings of the eight core principles as they applied for the financial year ended 30 June 2019. The Company has followed each Recommendation where the Board has considered the Recommendation to be an appropriate benchmark for corporate governance practices, taking into account factors such as the size of the Company, the Board, resources available and activities of the Company. Where, after due consideration, the Company's corporate governance practices depart from the Recommendations, the Board has offered full disclosure of the nature of, and reason for, the adoption of its own practice

The Company maintains information about its Corporate Governance Policies on the Company's website at www.eclipseuranium.com.au/corporate/corporate-governance

Corporate Governance Recommendation		Is the Recommendation followed
Principle 1 Lay solid foundations for management and oversight		
1.1	Disclose roles and responsibilities of board and management	Yes
1.2	Undertake appropriate checks before appointing or electing a person as director	Yes
1.3	Written agreement with each director and senior executive	Yes
1.4	Company Secretary accountable directly to Board	Yes
1.5	Diversity Policy disclosures reported	No
1.6	Board performance evaluation undertaken	No
1.7	Senior executive performance evaluation undertaken	No
Principle 2 Structure the Board to add value		
2.1	Nomination committee requirements met	No
2.2	Board skills matrix disclosed	Yes
2.3	Director Independence and tenure disclosed	Yes
2.4	Majority of the board are independent directors	Yes
2.5	Chair of the board is an independent director and not the same person as the MD	Yes
2.6	Director induction and ongoing training program	Yes
Principle 3 Act ethically and responsibly		
3.1	Code of conduct available on website	Yes
Principle 4 Safeguard integrity in corporate reporting		
4.1	Audit committee requirements met	No
4.2	MD and CFO financial statement declarations received	Yes
4.3	External auditors attend AGM and available to answer questions from shareholders	Yes
Principle 5 Make timely and balanced disclosure		
5.1	Continuous Disclosure Policy available on website	Yes
Principle 6 Respect the rights of shareholders		
6.1	Corporate and governance information available on website	Yes
6.2	Investor relations program	Yes
6.3	Processes to facilitate and encourage participation at shareholder meetings	Yes
6.4	Electronic shareholder communications functionality	Yes
Principle 7 Recognise and manage risk		
7.1	Risk committee requirements met	No
7.2	Annual review of risk management framework	No
7.3	No internal audit function but internal control processes in place	No
7.4	Disclosure of material exposure to and management of economic, environmental and social sustainability risk	Yes
Principle 8 Remunerate fairly and responsibly		
8.1	Remuneration committee requirements	No
8.2	Remuneration practices disclosed	Yes
8.3	Remuneration Policy disclosures regarding equity-based remuneration	Yes

Principle 1:

Lay solid foundations for management and oversight

Establish and disclose the respective roles and responsibilities of the board and management and how their performance is monitored and evaluated

1.1 The Company should disclose

- (a) the respective roles and responsibilities of the board and management; and
- (b) those matters expressly reserved to the board and those delegated to management

The Board of Eclipse Metals Limited is responsible for monitoring progress and performance on behalf of the shareholders.

The Board has adopted a Board Charter which ensures the Board discharges its responsibilities in an effective and capable manner. The Charter (as per the Company's webpage) discloses the specific responsibilities of the Board including being a custodian for its Shareholders, identifying areas of risk and opportunity and acting accordingly.

The Eclipse Board has identified the role of management is to take responsibility for the day-to-day operation, administration, management and strategic direction of the Company in accordance with the delegated authority of the Board.

1.2 The Company should

- (a) undertake appropriate checks before appointing a person, or putting forward to shareholders a candidate for election as a director; and
- (b) provide shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director

It is the Eclipse Board, that oversees the appointment, selection and induction process for directors. The Board sets the parameters around character, education, experience including any other directorships, qualification, the ability to make independent judgement and the ability to commit to the Board's activities.

Each appointed director of the Company has undergone appropriate background checks before being elected to the Board.

Newly appointed directors must stand for election at the next general meeting of shareholders, following their appointment.

A profile of each director is disclosed in the Company's Annual Report and when directors are due for re-election, the Company discloses the information to shareholders in the Notice of Meetings at which directors will be elected or re-elected in order for them to make an informed decision about the election/re-election of that director.

No new Directors were appointed during the 2018/2019 year.

1.3 The Company should have a written agreement with each director and senior executive setting out the terms of their appointment.

New Non-Executive Directors, appointed to the Board, are provided with a written letter of appointment including their remuneration details, duties, responsibilities, share trading policy and indemnity and insurance

Copies of Company, Board policies and the Constitution are also provided to both Executive and Non-Executive Directors together with prior Board minutes, if requested.

Executive directors are engaged subject to the terms of written service contracts, key details of which are published in the Company's annual report.

No new Executive and/or Non-Executive Directors were appointed during 2019.

1.4 The Company Secretary should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.

The Company Secretary is appointed and removed by the Board; reporting directly to the Non-Executive Chairman.

For Eclipse, the Company Secretary is responsible for supporting the proper functioning of the Board which includes, but is not limited to, providing advice on governance matters, ASX policy and procedural issues, preparing detailed minutes and working with the Chairman to co-ordinate the Board agenda.

In addition to these responsibilities, the Company Secretary is responsible for oversight of the share registry services provided by Security Transfer Registrars and communication with the ASX.

1.5 The Company should:

- (a) Have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the Company's progress in achieving them;
- (b) Disclose that policy or a summary of it; and
- (c) Disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the Company's diversity policy and its progress towards achieving them, and either
 - The respective proportions of men and women on the board, in senior executive positions and across the whole organization; or
 - The most recent "Gender Equity Indicators" as defined in the Workplace Gender Equality Act

The Company has established and adopted a Diversity Policy designed to broaden the employee recruitment pool, encourage employee retention and promote equality and fairness.

Each year, the Board considers whether to set measurable objectives to achieve positive diversity outcomes, including a balance representation of women in the Company's business.

The Board resolved for the 2019 financial year, the measurable objectives would not include specific numerical targets for gender diversity and unlikely to be set until the workforce reaches a size that justifies such a policy. The size of the Company is currently a part-time employee.

Pursuant to the ASX Principles, the Company discloses the following information for the 2019 financial year:

	Portion of females / total number
Females employed in the Company as a whole	0.5 / 0.5
Females employed/appointed in the Company in senior positions (Company Secretary and Accountant)	1.5 / 1.5
Females appointed as a Director of the Company	0 / 0

The Company is not a "relevant employer" for the purposes of the Workplace Gender Equality Act.

1.6 The Company should

- (a) Have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and
- (b) Disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process

The Company does recognise the importance of Board performance evaluation but to date has not implemented a formal process. The small scale of the Board and the nature of the Company's activities has resulted in the Board prioritising the formal establishment of a performance evaluation strategy as not essential as this stage.

Until such time as a formal process is developed, the Non-Executive Chairman will assess the performance of the Board and individual directors on an informal basis.

Board performance evaluation for the year ended 30 June 2019 was completed on an informal basis as a collaborative group discussion.

The Company's Corporate Governance Policies includes a Performance Evaluation Process Policy.

Whilst this represents a variance to ASX Recommendation 1.6, the directors consider that an appropriate and adequate process for the evaluation of the Board and directors is in place, given where the Company is currently at in terms of structure and activity.

1.7 The Company should

- (a) Have and disclose a process for periodically evaluating the performance of its senior executives; and
- (b) Disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period on accordance with that process

Given the current low level of complexity of the Company's operations, the organisational structure is flat with only the Board in place and administration functions are out sourced to third party service providers, furthermore, it is difficult for quantitative measures of performance to be established; as a result there are no senior executives within the Company and therefore, no process to assess and evaluate the performance of senior executives.

If required, the evaluation of the performance of non-board members would be completed by the Non-Executive Chairman.

Whilst this represents a variance to the ASX Principles, the Directors consider that an appropriate and adequate process for the evaluation of non-board members is in place, given where the Company is currently at in terms of structure and activity. A more structured process of assessment will be considered in the future as projects develop.

Principle 2:**Structure the board to add value**

The Board should be of an appropriate size, composition, skills and commitment to enable it to discharge its duties effectively.

2.1 The Company should**(a) Have a nomination committee**

- With a least three (3) members, a majority of who are independent directors;
- Chaired by an independent director

And discloses:

- The charter of the committee;
- The members of the committee; and
- The number of times the committee met throughout the period and the individual attendance of the members at those meetings

(b) If the Company has no nomination committee, there must be disclosure of that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience independent and diversity to enable it to discharge its duties and responsibilities effectively.

A Nomination Committee has not been formed under Recommendation 2.1. The Board has decided that at this time, no efficiencies will be achieved by establishing a nomination committee.

The full Board considers the composition of the Board and appointment of new Directors. Given the full Board is only comprised of 3 Non-Executive Directors, it is appropriate that all Directors of the Board partake in such decision making.

Each Board member is responsible for assessing the necessary competencies of Board members to add value to the Company, achieve optimal mix of skills and diversity, reviewing Board succession plans and evaluating the Board's performance. The current composition and structure are appropriate for the activities and operations that the Company is presently undertaking.

The Company has adopted a Nomination Committee Charter, which is available for review on the Company's website.

2.2 The Company should have and disclose a board skills matrix of skills and diversity that the board currently has or is looking to achieve in its membership.

During the 2019 financial year, the Board comprised 3 Non-Executive Directors and their detailed biographies are set out in the Directors' Report of the Company's 2019 Annual Report.

Collectively the current Non-Executive Directors have the skills, knowledge and experience necessary and desirable to direct Eclipse. Collectively they contribute exploration, geology and financial experience, an understanding of the industry in which Eclipse operates and an understanding of the matters that are important to the Company.

The Non-Executive Directors possess an appropriate mix of skills, experience and expertise to enable the Board to discharge its responsibilities, deliver on the Company's strategic priorities and to ensure that the interests of the Company and Shareholders are well met.

The Board recognises that opportunities exist to consider diversity upon future retirements of non-executive directors.

The Board skills matrix sets out below the combined skills and expertise presently represented on the Board and the number of Directors with a required skill set.

Skills and Experience	Board representation (out of 3 Directors)
Non-Executive Experience	3 – Messrs Dale, Popal and Idrees
Industry experience and knowledge	2 – Messrs Dale and Popal
Leadership	3 – Messrs Dale, Popal and Idrees
Corporate Governance	3 – Messrs Dale, Popal and Idrees
Strategic Thinking and risk management	3 – Messrs Dale, Popal and Idrees
Acquisitions	3 – Messrs Dale, Popal and Idrees
Human resources and remuneration	3 – Messrs Dale, Popal and Idrees
Public company experience	2 – Messrs Dale and Popal
Financial acumen	2 – Messrs Popal and Idrees
Negotiation	2 – Messrs Dale and Popal
Subject matter expertise	
• Mineral Exploration and Geology	1 – Mr Dale
• Mining	2 – Messrs Dale and Popal

• Metallurgy and processing	1 – Mr Dale
• Resource definition	1 – Mr Dale
• Environmental and sustainability	1 – Mr Dale
• Accounting and Audit	2 – Messrs Popal and Idrees
• Capital Management	3 – Messrs Dale, Popal and Idrees
• Corporate financing	3 – Messrs Dale, Popal and Idrees
• Industry Taxation	2 – Messrs Popal and Idrees

2.3 The Company should disclose:

- (a) The names of the directors considered by the board to be independent;
- (b) If a director has an interest, position, association or relationship that might cause doubts about the independence of a director but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and explanation of why the board is of that opinion; and
- (c) The length of service of each director

Eclipse's Constitution provides that the number of directors is to be determined by the Board shall not be less than three. As a matter of policy, the Board is comprised of 3 Non-Executive Directors.

The Board has adopted a charter to give formal recognition to a detailed definition of independence and within that definition, all Non-Executive Directors are independent – none are parties to any interests, positions, associations or relationships that would compromise their status as independent directors.

The directors' status including their length of service is disclosed in the table below:

Name	Status	Appointment Date	Term in Office
Rodney Dale (Non-Executive Chairman)	Independent	7 October 2013	6 years
Carl Popal	Independent	19 March 2013	6.5 years
Ibrar Idrees	Independent	29 May 2018	16 months

2.4 A majority of the board should be independent directors

The Board has assessed the independence of its Non-Executive Directors in office during the 2019 financial year according to the definition contained within the ASX Corporate Governance Guidelines and has concluded that all Non-Executive Directors meet the recommended independence criteria.

A determination with respect to independence is made by the Board on an annual basis. In addition, the Directors are required on an ongoing basis to disclose relevant personal interests and conflicts of interest which may in turn trigger a review of a director's independent status.

2.5 The chair of the board should be an independent director and, in particular should not be the same person as the CEO.

The Chairman of the Board is an independent Non-Executive Director.

Mr Dale was appointed as Non-Executive Chairman, effective June 2018 because he is independent of management, has no interest, position, association or relationship that would compromise his independence directly or indirectly and individually holds less than 5% of the issued ordinary shares of the Company.

In keeping with the objective of diversification of Board representatives, the roles of Chairman and Chief Executive Officer are segregated (please note, Eclipse did not employ/engage a Chief Executive Officer during the 2019 financial year).

2.6 The Company should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.

Eclipse Directors are chosen for their specialist knowledge of the industry acquired through their education, professions, experience, positions held and ongoing exposure to the sector, therefore, the Board induction process is of an informal nature.

New directors are fully briefed about the nature of the business, current issues, the corporate strategy and the expectations of the Company concerning performance of Directors.

Education

All Directors are encouraged to attend professional education courses relevant to their roles.

Independent Professional Advice and Access to Information

Each Director has the right to access all relevant information in respect of the Company and to make appropriate enquiries. Each Director has the right to seek independent professional advice at the Company's expense, subject to the prior approval of the Non-Executive Chairman, which shall not be unreasonably withheld.

Principle 3:

Act ethically and responsibly

The Company should act ethically and responsibly

3.1 The Company should:

- (a) Have a code of conduct for its directors, senior executives and employees; and
- (b) That discloses that code or a summary of it.

The Board actively promotes ethical and responsible decision making.

A Directors and Executive Officers' Code of Conduct Policy is in place and provides a framework for decisions and actions in relation to ethical conduct in employment and all employees and directors are expected, at a minimum, to follow.

The Board itself must adhere to the principles of its Code and uphold a high standard of independence, objectivity and openness in its dealings and relationship with Shareholders and the management team

The Code is included on the Company's website.

Principle 4:

Safeguard integrity in corporate reporting

The Company should have formal and rigorous processes that independently verify and safeguard the integrity of its corporate reporting

4.1 The Company should:

(a) Have an audit committee

- With a least three (3) members, all of whom are non-executive directors and the majority of who are independent directors;
- Chaired by an independent director who is not the chair of the board

And discloses:

- The charter of the committee;
- The relevant qualifications and experience of the members of the committee; and
- The number of times the committee met throughout the period and the individual attendance of the members at those meetings

(b) If the Company has no audit committee, there must be disclosure of that fact and the processes it employs to independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.

The Company does not have a separate Audit Committee with a composition as suggested by Recommendation 4.1 of the Corporate Governance Council recommendations. The full Board carries out the function of an Audit Committee.

The Board believes that the Company is not of a sufficient size to warrant a separate committee and that the full Board is able to meet objectives of the best practice recommendations and discharge its duties in this area.

The Company has adopted an Audit and Risk Committee Charter.

The Board monitors the form and content of the Company's financial statements and maintains an overview of the Company's internal financial control, audit system and risk management systems.

4.2 Before the board approves the financial statements for a financial period, it should receive from its CEO and CFO a declaration that, in their opinion the financial records have been properly maintained and that the financial statements comply with the appropriate accounting standards and gives a true and fair view of the financial position and performance of the Company which has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

On an annual and half-yearly basis, the Board receives written confirmation in the form of a Declaration that the Company's Financial Report presents a true and fair view, in all material respects of the Company's financial condition and operational results are in accordance with relevant accounting standards.

The signed Declaration confirms the Company's accounting system is founded on a sound system of risk management, internal compliance and controls.

4.3 The external auditors are to attend the Company's AGM and are available to answer questions from shareholders relevant to the audit.

The Company's Annual General Meeting is conducted in accordance with the Corporations Act and the Constitution of the Company.

The auditor receives a copy of the Notice of Annual General Meeting in accordance with section 249K of the Corporations Act.

In accordance with section 250RA, the Company ensures that a representative from the external auditor attends the Annual General Meeting to answer questions concerning the conduct of the audit, the preparation and content of the auditor's report, accounting policies adopted by the Company and the independence of the auditor in relation to the conduct of the audit.

The auditor's presence is made known to Shareholders during the Meeting and Shareholders are provided with an opportunity to put forward questions to the auditor.

In the absence of a formal Audit Committee, Non-Executive Directors of the Company are available for correspondence with the auditors of the Company.

Principle 5:

Make timely and balanced disclosure

The Company should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities

5.1 The Company should

- (a) Have a written policy for complying with its Continuous disclosure obligations under the Listing Rules; and
- (b) Disclose that policy or a summary of it

The Board is very aware of providing full and timely information to all Shareholders and market participants about the Company's activities to comply with the continuous disclosure requirements contained in the Corporations Act 2001 and the ASX Listing Rules.

The Company has established written policies and procedures, designed to ensure compliance with the ASX Listing Rule Requirements, in accordance with Recommendation 5.1 of the Corporate Governance Council requirements. The Board ensures that all activities are reviewed with a view to the necessity for disclosure to the market.

The Continuous Disclosure Policy is available on the Company's website.

The Company Secretary is charged with ensuring any disclosure which needs to be made by the Company is brought before the Board for discussion and subject to amendment, approved and then released to the market accordingly. The Company Secretary is responsible for disclosures to the market, in addition to communicating with the ASX.

Principle 6:

Respect the rights of shareholders

The Company should respect the rights of its shareholders by providing them with appropriate information and facilities to allow them to exercise those rights effectively

6.1 The Company should provide information about itself and its governance to investors via its website.

The Company maintains a website where Shareholders and Investors can find Information regarding the Company's management, corporate governance, projects and other relevant information.

ASX announcements, quarterly reports, presentations, notices of meetings and explanatory material are posted to the Eclipse's website.

6.2 The Company should design and implement an investor relations program to facilitate effective two-way communication with investors.

The Company does not have a formal investor relations program per se but has established a Shareholder Communications Policy which aims to ensure that Shareholders are fully informed by communicating to them through:

- Continuous disclosure reporting to the ASX;
- Quarterly, half yearly and annual reports; and
- Media releases and provision of information on the Company's website.

The Company principally engages with its Shareholder at the Annual General Meeting.

6.3 The Company should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of shareholders.

The Company has not adopted a formal policy regarding participation at Shareholder meetings.

The Board fully supports Shareholder participation at Annual and General Meetings as well as ensuring that communications with Shareholders are effective and clear. This has been incorporated into a formal shareholder communication strategy, in accordance with Recommendation 6.1 of the Corporate Governance Council.

A copy of the policy is available on the Company's website.

Questions from Shareholders, whether or not present at Meetings, are encouraged and the responses to these questions to be addressed through disclosure relating to that Meeting.

6.4 The Company should give shareholders the option to receive communications from and send communications to the Company and its share registry electronically.

Eclipse's register of shareholders is maintained by Security Transfer Registrars. Those Shareholders with internet access can view and update their holding, change their address details or elect to receive Company communications by logging on to the Registry's website and accessing the Investor Centre. Alternatively, Shareholders can contact the Registry by mail, phone, fax and email.

Principle 7:

Recognise and manage risk

The Company should establish a sound risk management framework and periodically review the effectiveness of that framework

7.1 The Company should:

- (a) Have a committee or committees to oversee risk, each of which
 - Has at least three (3) members, a majority of who are independent directors; and
 - Chaired by an independent director

And discloses:

- The charter of the committee;
- The members of the committee; and
- The number of times the committee met throughout the period and the individual attendance of the members at those meetings

- (b) If the Company has no risk committee or committees, that satisfy (a) above, disclose that fact and the processes it employs to oversee the Company's risk management framework.

The Company has not established a committee to oversee risk.

The Company has a management policy in place for the identification, reporting and effective management of risk by the Board.

The Board is responsible for supervising the framework of control and accountability systems to enable risk to be assessed and managed. Significant and material risks are communicated to the Board.

7.2 The board or a Committee of the board should:

- (a) Review the Company's risk management framework at least annually to satisfy itself that, it continues to be sound; and
- (b) Discloses, in relation to each reporting period, whether such a review has been taken.

As the Board has responsibility for the monitoring of risk management there is not preparation of a formal report regarding the material risks and whether those risk are managed effectively.

The Company's risk management strategy is evolving and will be an ongoing process and it is recognised that the level and extent of the strategy will develop with the growth and change in the Company's activities.

The Board believes that it is sufficiently aware of the significant and material risks the Company currently faces however, its affairs are not of sufficient complexity to justify the implementation of a more formal system for identifying, assessing, monitoring and managing risk in the Company.

To the extent possible in a Company with minimal staffing levels, internal controls are in place to mitigate against any material business risks.

Risks of a strategic, financial and operational nature (such as ability to raise capital to fund exploration, commodity price and currency fluctuations, adequate levels of insurance, contract documentation, maintaining tenements in good standing and meeting financial reporting and compliance obligations) are reviewed on a regular basis by the Board.

Potential operational risks involved in running the Company are managed by the Board.

The Company did not undertake a formal review of the risk management framework at Board level during the 2019 financial year.

7.3 The Company should disclose:

- (a) If it has an internal audit function, how the function is structured and what role it performs; or
- (b) If it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.

The Company's affairs are of such a size and complexity as to not merit the establishment of an internal audit function.

This function is currently completed by the Board, who are responsible for establishing and maintaining an internal control structure. The Company has adopted internal control procedures which are set out in its Risk Management Policy.

An internal audit function will be established after the setup of the Audit and Risk Management Committee and in consultation with the external auditors as to when the Company is at the stage where such a function is warranted.

7.4 The Company should disclose whether it has any material exposure to economic, environmental and social sustainability risks and if it does, how it manages or intends to manage those risks.

The Company recognises that it has exposure to economic, environmental and social sustainability risks which are managed through a series of internal and publicly available policies including but not limited to the Board Charter and the Code of Conduct.

The Company seeks to ensure that risks relating to exploration and mining activities are monitored and mitigated with reference to generally accepted industry practice recommendations and by adherence to laws and recommendations provided by regulatory bodies.

Principle 8

Remunerate fairly and responsibly

The Company should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for Shareholders.

8.1 The Board should

- (a) Have a remuneration committee which
 - Has at least three (3) members, a majority of who are independent directors;
 - Chaired by an independent director

And discloses:

- The charter of the committee;
- The members of the committee; and
- The number of times the committee met throughout the period and the individual attendance of the members at those meetings

- (b) If the Company has no remuneration committee disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.

A Remuneration Committee has not been formed under Recommendation 8.1. The Board believes that such a committee would not serve to protect or enhance the interests of the shareholders. The Board as a whole considers the issue of remuneration.

The Board on an annual basis reviews director remuneration together with approving the audited annual remuneration report set out in the Directors' Report.

Furthermore, the Constitution stipulates that the aggregate remuneration available for division amongst the non-executive directors is determined by the shareholders in meeting.

The Board, where necessary, consults external consultants and specialists.

An indemnity agreement has been entered into between the Company and each of the directors of the Company. Under the agreement, the Company has agreed to indemnify those officers against any claim or for any expenses or costs which may arise as a result of work performed in their respective capacities to the extent permitted by law.

There is a \$1 million monetary limit to the extent of this indemnity

8.2 The Company should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.

The Board distinguishes the remuneration of non-executive directors from that of executive directors but currently the Board is comprised of only non-executive directors.

The Company's Constitution provides that the remuneration of non-executive directors is fixed, they do not participate in any incentive plans and do not receive any retirement benefits. For information about non-executive director remuneration practice, reference can be made to the audited remuneration report set out in the Directors' Report of the 2019 Annual Report.

The Board is responsible for determining the remuneration of any director or senior executive without the participation of the concerned director or executive

Furthermore, the information provided in the Remuneration Report is audited as required by Section 308(3C) of the Corporations Act 2001.

8.3 The Company if it has an equity-based remuneration scheme should

- (a) Have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and
- (b) Disclose that policy or a summary of it

The Company's policy on Dealing in Securities prohibits participants from entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme.

A copy of the Dealing Policy is on the Company's webpage.