

6 February 2019

COMPANY UPDATE

The Board and management of Cauldron Energy Limited (ASX: **CXU**) (**Cauldron** or the **Company**) acknowledges the work of founding chairman, Mr Tony Sage, who recently resigned as a director of the Company. Mr Tony Sage was involved in positioning Cauldron as a uranium developer with a first-class project in northwestern Western Australia.

The Board is committed to steadily evolving its corporate strategy and developing a clear path forward. The Company intends to:

- search and recruit an experienced chairperson with the requisite skills and experience to fill the vacant position of board chairperson;
- accelerate its project acquisition strategy and maintain a sector focus on uranium, battery metals, and commodities associated with energy metals;
- steadily advance the Yanrey Project along with the Bennet Well Uranium deposit; and
- substantially reduce its corporate costs.

The Company is fully committed to establishing a highly functional and capable board: rich in experience, achievement, professional skill, and energy; and with an appropriate balance between independent and non-independent director representation on the board. The Company is confident that with these qualities the best interests of shareholders will be served.

A large body of work (by Cauldron and other companies) shows the Yanrey exploration project may be the embryo of potentially a world-significant uranium mineral field. Within the province, and owned separately by a few companies, there is a known mineral inventory of 70 Mlb of contained uranium oxide, and importantly a very strong potential for discovery of more mineralisation. Furthermore, these deposits possess characteristics that allows a very low cost and environmentally friendly extraction process; mining by in-situ recovery methods.

The current uranium policy of the Western Australian government does not allow for the easy and controlled growth of this mineral field. This policy has affected the value of Cauldron's flag-ship project. And now occurring at a time when uranium price recovery is building due to growing world demand for energy and reduced production from Canada and Kazakhstan. That said, Cauldron is committed to steadily advancing project development at Yanrey in line with allowable policy frameworks. This will allow potential extraction from the project sooner than otherwise possible if there is a complete hiatus of work.

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ASX code: CXU

329,289,708 shares

Board of Directors

Jess Oram
Executive Director &
Chief Executive Officer

Qiu Derong
Non-executive Director

Judy Li
Non-executive Director

Nicholas Sage
Non-executive Director

Chenchong Zhou
Non-executive Director

Management

Catherine Grant-Edwards
Company Secretary

Project generation activity has matured to levels where we could soon vend a new project aligned to Cauldron's strategy of building a highly successful energy metals development company; an endeavour that has great potential to quickly realise shareholder value.

The Board changes of recent times have caused a re-assessment of Company strategy. With renewed focus, the Board pledge that we will work as hard and as sensibly as possible to bring value for all shareholders and future investors.

Yours faithfully

Jess Oram
Executive Director & Chief Executive Officer
Cauldron Energy Ltd