

1 July 2014

## CAULDRON SECURES A FURTHER \$4M FROM CHINESE INVESTOR

### HIGHLIGHTS

- **Cauldron recently announced A\$11 million placement with Chinese investors;**
- **An additional A\$4 million has been secured via a placement agreement with another Chinese investor;**
- **Additional Chinese director to be appointed to the board; and**
- **General Meeting to approve placements, to be held in August 2014.**

### FURTHER A\$4M FUNDING FROM CHINESE INVESTOR

On 10 June 2014, Cauldron Energy Limited (ASX: CXU) (“Cauldron” or “the Company”) announced it had secured a total of A\$11 million in funding (“Placement Funds”) via a series of share placement agreements (“Placement Agreements”) with a range of Chinese investors (“Placements”).

Cauldron has secured an additional A\$4 million in funding (“Further Placement”) via a share placement agreement (“Further Placement Agreement”) with Chinese investor Starry World Investment Ltd.

Under the Further Placement Agreement the Company plans to issue 33,898,318 new fully paid ordinary shares (“Placement Shares”) at an issue price A\$0.118 per share (“Issue Price”) to raise A\$4 million. The Issue Price is consistent with that of the original Placement Agreements.

In accordance with the Further Placement Agreement, the A\$4 million subscription sums will be paid to the Company in four equal instalments as follows:

- A\$1 million on 31 March 2015;
- A\$1 million on 30 June 2015;
- A\$1 million on 30 September 2015; and
- A\$1 million on 31 December 2015.

ABN 22 102 912 783

32 Harrogate Street, West  
Leederville WA 6007

PO Box 1385, West  
Leederville WA 6901

ASX code: CXU

196,438,713 shares  
9,500,000 unlisted options

### **Board of Directors**

Tony Sage  
Executive Chairman

Brett Smith  
Executive Director

Qiu Derong  
Non-executive Director

Amy Wang  
Non-executive Director

Catherine Grant  
Company Secretary

The Further Placement Agreement also includes the offer of 16,000,000 unlisted options ("Options Offer") exercisable at:

- \$0.118 per option if exercised on or before 31 December 2015; or
  - \$0.138 per option if exercised on or before 31 December 2016
- (the placement to Starry World Investment Ltd is conditional on being granted these options).

Consistent with the previously announced Placements, this Further Placement and related Options Offer are subject to shareholder approval. The Company plans to hold a General Meeting in August 2014, where shareholder approval will be sought. The Company will issue a Notice of General Meeting in due course once the meeting date has been set.

## **PROPOSED USE OF FUNDS**

Completion of this placement will further enable the Company to undertake extensive additional exploration activities within the wider Yanrey region, in addition to accelerating the growing Bennet Well resource. Other project areas that will benefit from the funding includes the Company's South Australian Marree base metals project area, for which funding will allow Cauldron to perform geophysical work required to understand the potential of this project. As previously indicated this is intended to lead into drill programs for Mount Freeling, Ooloo and Ooloo south west as well as other anomalies.

As well as advancing its Western Australian and South Australian projects, Cauldron now has the financial resources to progress the Company's prominent and unique position in Argentina.

## **ADDITIONAL DIRECTOR TO BE APPOINTED**

The Company has agreed to appoint an additional Chinese director to the board upon entering into this Further Placement Agreement.

**End.**

For further information, visit [www.cauldronenergy.com.au](http://www.cauldronenergy.com.au) or contact:

**Simon Youds**

Cauldron Energy Limited

Ph: (08) 9380 9555

**David Tasker**

Professional Public Relations

Ph: (08) 9388 0944