

Blackwood Goldfield Project Update

Cauldron's team to visit site to organise logistics ahead of high priority drilling program



Figure 1 North Sultan Shaft Headframe - rehabilitated 1990s

Highlights

- **Cauldron's team of exploration specialists and experienced mining personnel will arrive on site on Monday next to organise logistics for an upcoming high-priority exploration drilling program.**
- **The Cauldron team is expected to be on site for 5 to 7 days**
- **The exploration program was recently approved by Earth Resource Regulation (the regulator associated with the Victorian Department of Jobs, Precincts and Regions).**
- **The Company will access the underground tunnel system via the Tyreconnel Adit and utilise the 1.5 km level drive to target projected high-grade plunges below the Sultana, Sultan and North Sultan shafts.**
- **Whilst at site, Cauldron's team will also undertake community engagement programs aimed at outlining Cauldron's work approach and objectives.**
- **The Company's community based approach will be published on local forums and communicated both verbally and in writing.**
- **The planned underground drilling and sampling can be expected to have minimal surface impact.**

ABN

22 102 912 783

Address

Unit 47,
Level 1
1008 Wellington Street
WEST PERTH WA 6005

PO BOX 1024
West Leederville WA 6007

ASX Code

CXU

Securities on Issue

451,999,512 shares
6,833,395 Options (exercise price: \$0.03; expiry 31 Dec 2021)
16,666,666 Options (exercise price: \$0.03; expiry 31 Mar 2022)
10,000,000 Unlisted Options (exercise: \$0.03; expiry 16-Sep-22)
6,000,000 Unlisted Options (exercise: \$0.05; expiry 16-Sep-23)
45,354,839 Options (exercise price: \$0.05; expiry 30 Nov 2023)
9,000,000 Performance Rights (expiring 10 August 2025)

Board of Directors

Simon Youds
Non-Executive Chairman

Jess Oram
Executive Director & Chief Executive Officer

Qiu Derong
Non-executive Director

Judy Li
Non-executive Director

Chenchong Zhou
Non-executive Director

Michael Fry
Company Secretary

Cauldron Energy Limited (**Cauldron** or the **Company**) (ASX: CXU) provides the following update.

Following the recent approval of its Work Plan, Cauldron's team of exploration specialists and experienced mining personnel has commenced mobilisation to site with the team to be on site on Monday, 29 March 2021, to organise logistics and make plans for the upcoming high-priority drill program which aims to target the projected high-grade plunges below historical mine shafts and workings at the Pioneer, Sultana, Sultan and North Sultan shafts; refer Figure 2 below.

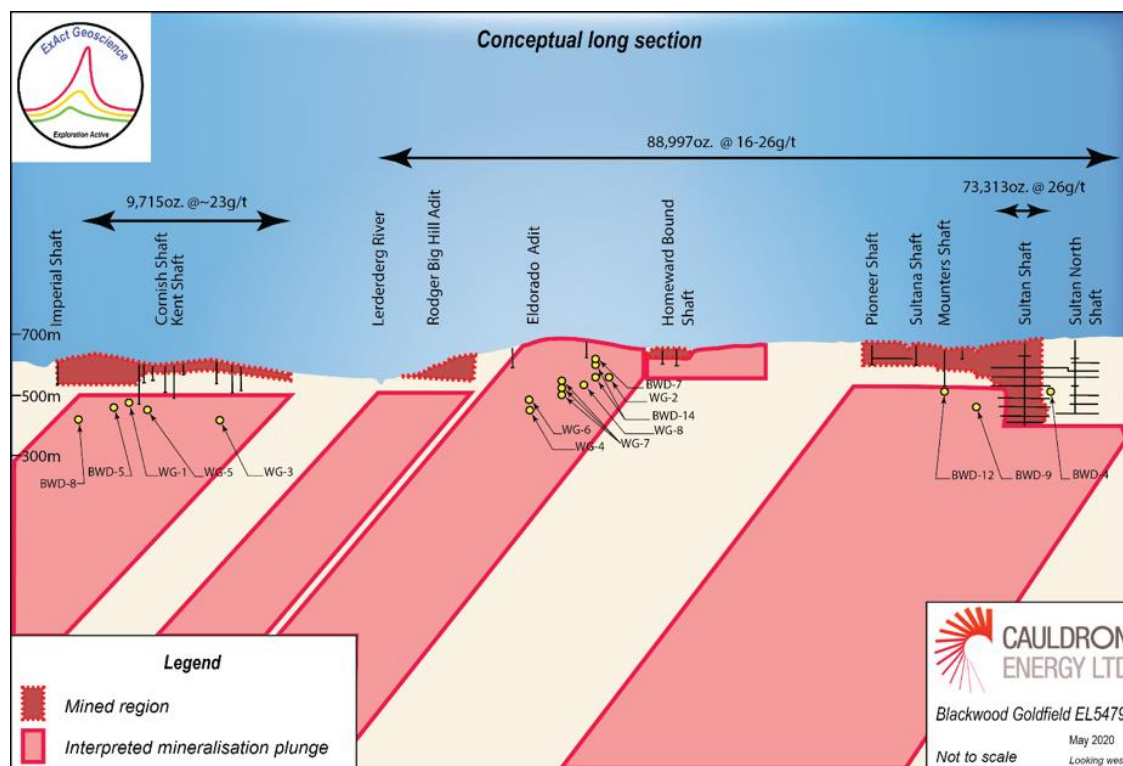


Figure 2: South-North Long Section showing historical shafts & production

Cauldron's team's objective will be to set in place plans to quickly establish site facilities and development of the underground drill platforms; and to outline plans with community stakeholders.

The approved Work Plan allows Cauldron access to ~1.5km walk-in level drive directly underneath historically mined areas via the Tyreconnel Adit. The drive crosses the Eastern lodes including the Annie Laurie and Grace Edgerton reefs into and across the Western lode system, hosting the Pioneer, Mounters and Sultan reefs.



Figure 3: Picture of the Tyreconnel Adit and inside the drive

The Company's exploration strategy and development plans revolve around minimising impacts to the surface environment. This low impact approach for both community and environment is fundamental to our exploration plans. In achieving these aims Cauldron's personnel will form an integral part of the community.

In order to minimise impact, Cauldron's vision at Blackwood is to combine the best of traditional and modern mining methods. The invention of the airleg sprung from the district in the late 1800's, a handheld narrow vein mining system using compressed air. This traditional mining method can be combined with modern battery driven transport systems to reduce carbon emissions to the environment. The aspiration driving this mining system is to be a low carbon using 'green' mine with the advantage of mining lesser but better tonnes at higher cutoff grades (that is, should the development work allow mining lower mass for higher grade).

The Company plans to bring miners experienced in the older handheld rail and shaft mining systems to help achieve this more environmentally sensitive mining approach. The high grade bonanza type mineralisation found historically at Blackwood lends itself to this mining system, because it reduces the dilution of ore by waste material and lessens the requirement to use a highly mechanised style of mining. The small-scale handheld mining techniques will be used to open access for drilling, mapping and sampling.

A critical part of this visit will be to communicate the low impact to the built and natural environment that this work entails. The Company is sensitive to the concerns of community groups and has met with them previously. It is important to Cauldron that its goals of minimal surface impact and reduction in harm to the pristine life-style of this are communicated directly to residents.

Competent Person Statement

The information in this report that relates to exploration results is based on information compiled by Mr Stewart Govett, Principal Geologist of ExAct Geoscience Pty Ltd and Mr Jess Oram, Executive Director of Cauldron Energy Limited. Mr Oram and Mr Govett are Members of the Australasian Institute of Geoscientists.

Mr Oram and Mr Govett has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Oram and Mr Govett consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

END

Authorised for release by Mr Jess Oram,
Executive Director and Chief Executive Officer.

For further information please contact:

Jess Oram
Chief Executive Officer
Cauldron Energy Limited
T: (08) 6270 4693
M: +61 448 110 009
jess.oram@cauldronenergy.com.au

Michael Fry
Company Secretary
Cauldron Energy Limited
T: (08) 6260 4693
M: +61 417 996 454
michael.fry@cauldronenergy.com.au