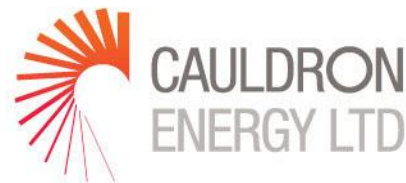


ASX Announcement

Quarterly Report for Period Ended 30 September 2014



30 October 2014

QUARTERLY REPORT – 30 SEPTEMBER 2014

Please find attached the Quarterly Activities Report and Appendix 5B for the period ended 30 September 2014.

Yours faithfully,

Brett Smith
Executive Director
Cauldron Energy Limited

Cauldron Energy Ltd

ABN 22 102 912 783

ASX Code CXU

225,680,527 shares

45,900,000 unlisted options

Board of Directors

Tony Sage
Executive Chairman

Brett Smith
Executive Director

Qiu Derong
Non-Executive Director

Anson Huang
Non-Executive Director

Management

Simon Youds
Operations Manager

Catherine Grant
Company Secretary

HIGHLIGHTS

CORPORATE

- Funding from Chinese Investors
- Legal Proceedings
- Board Changes
- Annual General Meeting to be held 27 November 2014

EXPLORATION & PROJECTS

- Yanrey Uranium Project
 - The updated JORC 2012 Bennet Well resource from 8 drill holes resulted in an 18% increase in the Bennet Well Resource
 - The Worley Parson's Bennet Well Approvals Pathway Study as a preliminary to a scoping study will be completed in October 2014
 - Heritage survey for the Bennet Well drilling program was completed as planned during the quarter
 - Camp at Yanrey established to allow all year round activity at Yanrey
 - Drilling commenced in early October
 - Geophysical survey in Yanrey region for exploration targets for next late 2014 / early 2015
 - Marree Base Metals Project
 - Technical re-appraisal of Maree completed by in-house geologists
 - Cauldron is planning to complete a geophysical survey by 31 December 2014 to identify drill targets
 - Funds budgeted for drilling at Ooloo, Mt Freeling and other targets
 - Marree Uranium Project
 - Planning for Marree JV meeting to review Uranium potential in South Australia
 - Argentina
 - Technical geologists report due next quarter from consultant geologists following a site visit
-

Cauldron Energy Ltd (**Cauldron** or the **Company**) is pleased to present its Quarterly Activities Report for the period ended 30 September 2014.

CORPORATE ACTIVITIES

General Meeting

Cauldron held a General Meeting on 30 September 2014 (**General Meeting**). The Company was pleased to report all resolutions put to the meeting were passed by a show of hands.

Funding

As previously announced, the Company has entered into a series of placement agreements (**Placement Agreements**) with a range of Chinese investors to issue a total of 127,18,756 Shares (**Placement Shares**) at an issue price of \$0.118 per share (**Issue Price**) to raise a total of A\$15 million (**Placement Funds**) (before capital raising costs) (**Placements**).

The Placement Shares are to be issued (and the Placement Funds received) in various tranches, with the final tranche due to be received in December 2015. ASX Listing Rule 7.3.2 requires the issue of securities approved by shareholders pursuant to Listing Rule 7.1 to be completed within 3 months of the relevant shareholder meeting. As such, the Company sought and received shareholder approval to issue Placement Shares in respect of the initial A\$11 million Placement Funds (received and to be received) at its recent General Meeting. Shareholder approval for the issue of future Placement Shares will be sought at a subsequent Shareholder meeting/s, as required.

In accordance with the Placement Agreements, the Company was due to receive A\$1 million from Beijing Joseph Investment Co. Ltd / Joseph Investment International Co. Ltd (**Joseph Investment**) on 2 October 2014, following receipt of shareholder approval. To date, these funds have not been paid to the Company (refer below for further details).

To date, the Company has received A\$5 million Placement Funds in cash, and has issued Placement Shares in respect of these funds.

For further details of the Placements, refer to the Notice of General Meeting dated 21 August 2014.

Legal Proceedings

On 14 October 2014, the securities of Cauldron were placed in trading halt at the request of the Company, pending an announcement to be made to the market in relation to the outcome of a court hearing scheduled at the Supreme Court of New South Wales.

The Company announced that on the afternoon of 15 October 2014, the Supreme Court of New South Wales discharged injunctive ex parte orders obtained by Joseph Investment and Guangzhou City Guangrong Investment Management Group Co. Limited without notice to Cauldron on Sunday 12 October 2014.

The legal proceedings followed on from a written demand Cauldron made to Joseph Investment on 3 October 2014 to pay \$1,000,000 for the subscription of shares due to the Company on 2 October 2014 pursuant to a Placement Agreement dated 6 June 2014.

The legal proceedings are listed for directions on 5 November 2014.

Cauldron believes that the legal proceedings are without merit and will vigorously defend the legal proceedings.

The Company will keep the market informed of further developments in this matter.

Cash at 30 September 2014

Cash available to the Company at the end of the September 2014 quarter was A\$3,200,551.

Board Changes

On 29 July 2014, the Company announced the appointment of Mr Anson Huang as a Non-executive Director of the Company with effect 29 July 2014.

On 2 October 2014, the Company announced the resignation of Non-Executive Director Dr Amy Wang effective from 1 October 2014.

Issue of shares

Following receipt of shareholder approval at the General Meeting on 30 September 2014, the Company issued the following:

- 3,345,538 fully paid shares at \$0.13 per share issued in satisfaction of loans previously provided to the Company totaling \$400,000 (plus interest) (**Converting Loan Shares**); and
- 25,896,276 fully paid shares at \$0.118 per share to raise A\$3,055,759 (before capital raising costs) (part of the Placement Shares).

Issue of options

The Company advised the following:

- 4,400,000 unlisted director options exercisable at \$0.138 each on or before 31 December 2015 were issued on 1 October 2014, and vest upon:
 - the Company achieving a JORC resource at the Company's Yanrey Project in Western Australia containing more than 30 million lbs of Uranium; or
 - the commencement of drilling by the Company at the Rio Colorado project in Argentina.
- 32,000,000 unlisted investor options were issued on 20 October 2014 (**Placement Options**), of which:
 - half of the Placement Options vest immediately exercisable at \$0.118 each on or before 31 December 2015 (the **Upfront Options**); and
 - the remaining half of the Placement Options (**Vesting Options**) vest on 1 January 2016 provided that the holder's Upfront Options are not exercised (in the event that only a portion of the holders Upfront Options are exercised by the holder, the number of Vesting Options that actually vest will be equal to the number of unexercised Upfront Options) exercisable at \$0.138 each on or before 31 December 2016.

Shareholder approval for the abovementioned options was received at the Company's General Meeting.

Annual General Meeting

The Company's Annual General Meeting will be held 27 November 2014 at 10:00am. For more information, refer to Notice of Annual General Meeting as dispatched to all shareholders and available on the Company's website www.cauldronenergy.com.au.

EXPLORATION ACTIVITIES: AUSTRALIA

In Australia, Cauldron has two project areas (Figure 1) covering more than 6,000km² in two known uranium provinces in South Australia and Western Australia. Projects include:

- **Yanrey Project (Yanrey) and Uaroo Joint Venture** in Western Australia. Yanrey comprises 14 granted exploration licences (2,991km²) and 3 applications for exploration licences (241km²). Uaroo Joint Venture comprises 2 granted exploration licences (114km²). Yanrey is prospective for large sedimentary hosted uranium deposits.
- **Marree Joint Venture** in South Australia comprising 5 granted exploration licences (2,794km²) prospective for sedimentary-hosted uranium deposits as well as base metal mineralisation.

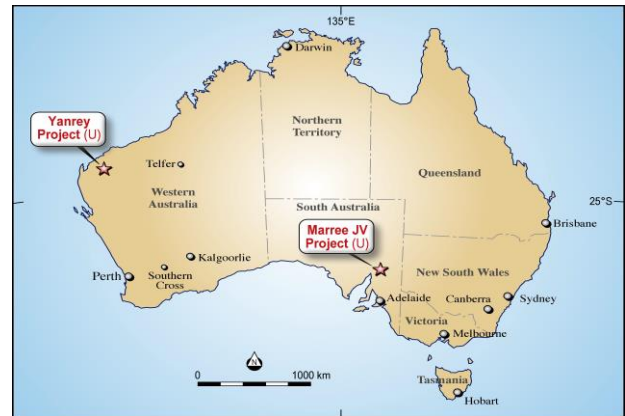


Figure 1: Major Project Locations in Australia

BENNET WELL (YANREY REGION)

The mineralisation at Bennet Well is a shallow accumulation of uranium hosted in unconsolidated sands located 130 km south of Onslow in the central north-western region of Western Australia.

The Bennet Well deposit is comprised of three spatially separate deposits; namely Bennet Well East, Bennet Well Central, and Bennet Well South (refer to Figure 2).

During the quarter, Ravensgate Mining Industry Consultants updated the Mineral Resource (JORC 2012) estimate using a new geological-stratigraphic model, which followed from the completion of eight diamond core holes (refer ASX announcement 22 September 2014). This resource modelling utilised a comprehensive revision of the stratigraphic and lithologic setting model completed in-house by Cauldron geologists.

The revised Mineral Resource (JORC 2012) estimate is:

- **Indicated Resource: 6.2Mlb eU₃O₈ (9.4 Mt) at 300ppm eU₃O₈ (DisEq); using a 150ppm eU₃O₈ cutoff**
- **Inferred Resource: 12.2Mlb eU₃O₈ (23.0 Mt) at 240ppm eU₃O₈ (DisEq); using a 150ppm eU₃O₈ cutoff**
- **Total Resource: 18.6Mlb eU₃O₈ (32.4 Mt) at 260ppm eU₃O₈ (DisEq); using a 150ppm eU₃O₈ cutoff**

The updated Mineral Resource estimate of 32.4 Mt at 260ppm eU₃O₈ (DisEq) or 18.6Mlb contained eU₃O₈ compares to the previous Inferred Resource (JORC 2004) estimate of 26.7 Mt at 265ppm eU₃O₈ (DisEq) or 15.7Mlb contained eU₃O₈. In addition the updated Mineral Resource (JORC 2012) improves the resource classification, now with 29% of the deposit in the Indicated category.

Bennet Well Uranium Deposits Mineral Resource Estimate

The Bennet Well deposit is comprised of three spatially separate deposits; namely Bennet Well East, Bennet Well Central, and Bennet Well South (refer ASX announcement 22 September 2014). The plan and sectional views of the sedimentary geological units were re-modelled from all historic data but most particularly the newly obtained diamond core. These units were digitised into a wire-frame used to constrain the generation of the grade block model. Also shown on figures in Cauldron's ASX announcement dated 22 September 2014 are the grade shells as determined by the block model.

The Mineral Resource estimate of each deposit, with their classification is shown in the table below. Variances in M lbs eU₃O₈ are a result of rounding.

Table 1: Bennet Well resource summary (Ravensgate Mineral Consultants 2014)

Deposit	Resource Category	Tonnes (kt)	Grade (ppm eU₃O₈)	Tonnes eU₃O₈ (t)	Pounds eU₃O₈ ('000 lbs)
Bennet Well East	Measured	-	-	-	-
	Indicated	678,333	325	220,929	486,044
	Inferred	7,098,189	252	1,788,744	3,935,236
	TOTAL	7,776,522	258	2,006,343	4,413,954
Bennet Well Central	Measured	-	-	-	-
	Indicated	8,716,604	297	2,586,331	5,689,927
	Inferred	9,343,210	214	2,001,218	4,402,681
	TOTAL	18,059,814	254	4,587,193	10,091,824
Bennet Well South	Measured	-	-	-	-
	Indicated	-	-	-	-
	Inferred	6,602,025	258	1,703,890	3,748,558
	TOTAL	6,602,025	258	1,703,890	3,748,558
Total Bennet Well Deposits	Measured	-	-	-	-
	Indicated	9,394,937	299	2,807,207	6,175,856
	Inferred	23,043,424	239	5,495,857	12,090,885
	TOTAL	32,438,361	256	8,304,220	18,269,285

YANREY PROJECT

The Yanrey Project comprises exploration tenements detailed in the Schedule of Tenements at the end of this document. The Bennet Well uranium deposit is within this project area.

Consultant geophysicist, Kim Frankcombe completed a comprehensive review of all geophysical data known to exist over the project area. This review included data levelling, image creation, and interpretation. Documenting the inter-relationship between datasets and with known geology obtained from drilling became the priority of this re-evaluation.

The review comprised re-interpretation of:

- aeromagnetic and radiometric surveys – historic data
- gravity – historic and Cauldron collected data
- airborne electromagnetic survey – historic and Cauldron collected data
- drilling data – historic and Cauldron collected data
- regional scale geological mapping – government data
- local geological interpretation – Cauldron information around Bennet Well

Gravity provided the most effective means at local scale to predict areas where uranium accumulation is likely; whereas airborne electromagnetic surveys are reasonably effective at tenement scale. Both techniques have the ability to map the location of the basement incised palaeochannel, which is a good general predictor of sites of accumulation for uranium mineralisation.

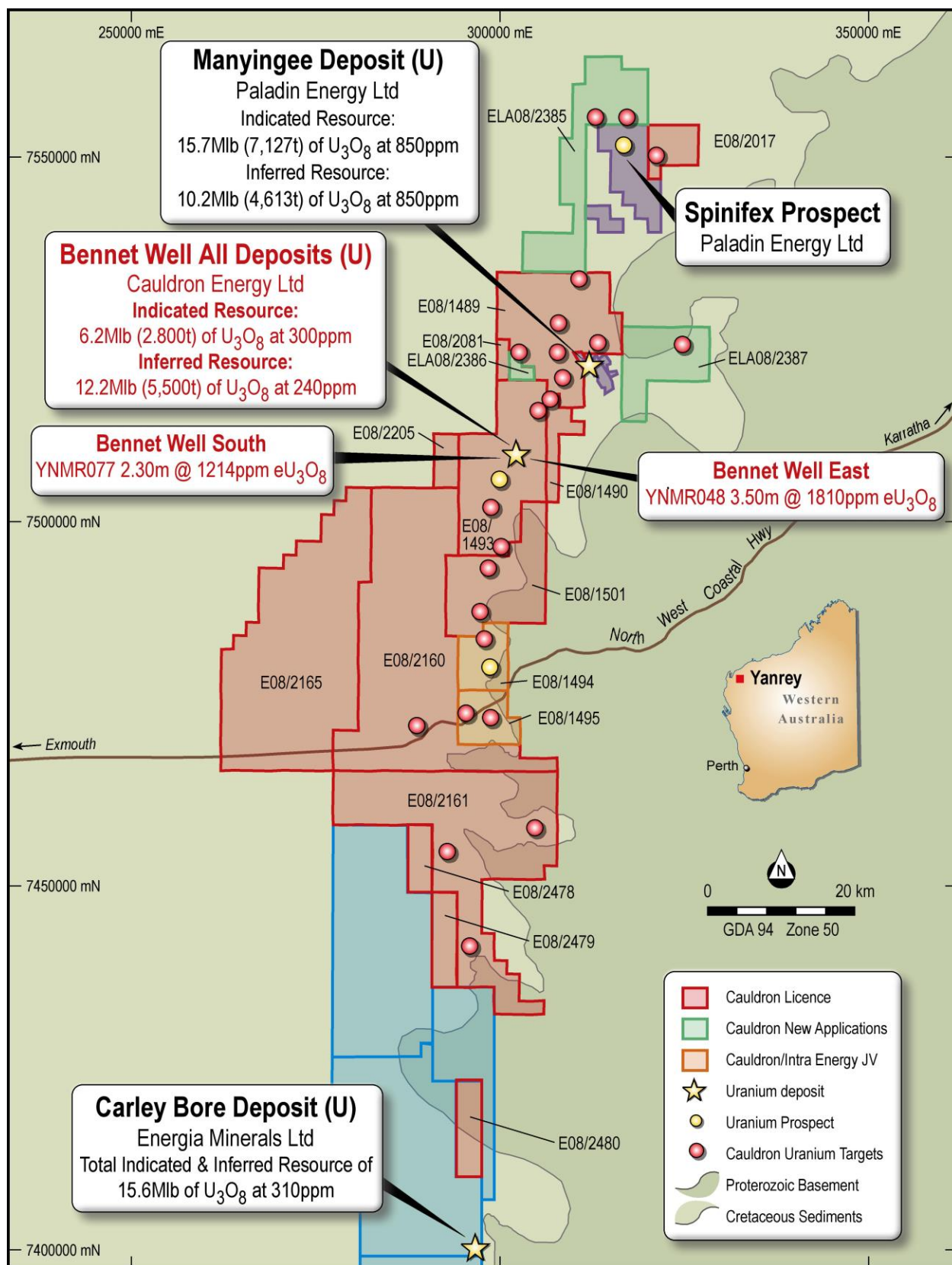


Figure 2: Yanrey Project – Deposit, Prospect and Target Locations.

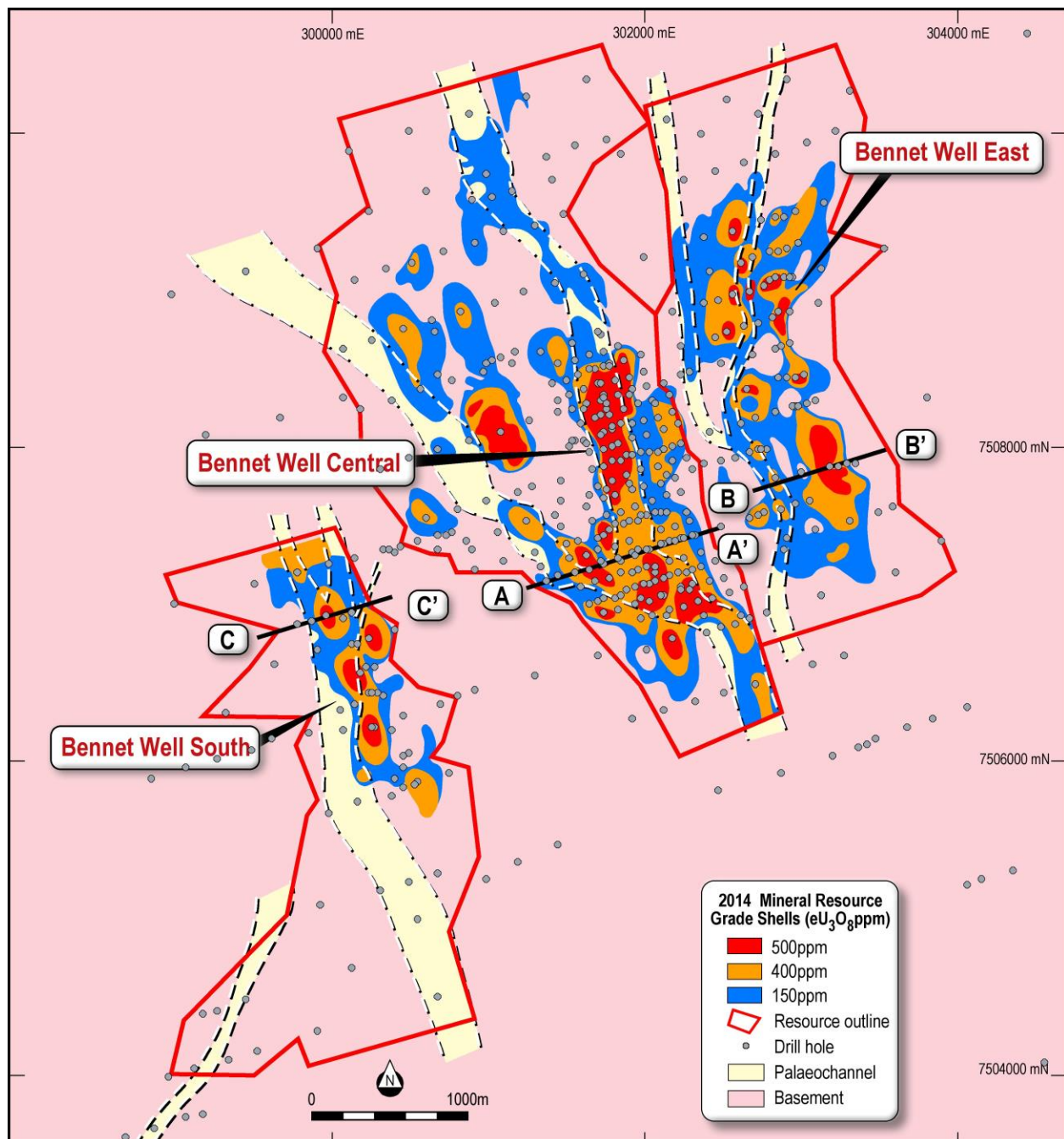


Figure 3: Bennet Well prospect location map on E08/1493 showing the location of the various Bennet Well resources and September 2014 JORC 2012 Resource upgrade showing the distinct grade shells.

MARREE BASE METALS PROJECT, SOUTH AUSTRALIA

Despite an initial desire to immediately drill test the geophysical anomaly beneath the historical Ooloo Mine, a review of Kim Frankcombe's (Frankcombe) interpretation report indicates that detailed regional structural information through mapping and more detailed geophysical surveys are required. Based on initial geological reconnaissance conducted in the June 2013 quarter, as well as the results of Frankcombe's IP and gravity reports, the currently developing hypothesis for Ooloo involves a regional structural control given the mineralisation at Ooloo and its similarities with Mount Freeling 20km to the south. This being the case, the collection of wider

and more detailed structural orientation data is highly critical for the design of drilling programs at Ooloo, Mount Freeling and other new prospective targets arising from the previously completed mapping (Figure 4).

During the June 2014 quarter Cauldron worked with geophysicist Kim Frankcombe in sourcing quotes for additional geophysical surveys over selected parts of the project area. No final decision has been made yet on what the preferred geophysical survey will be.

The selected geophysical survey is planned to be completed by 31 December 2014, following which a decision on what the next step for this project will be made, including the possibility of drilling.

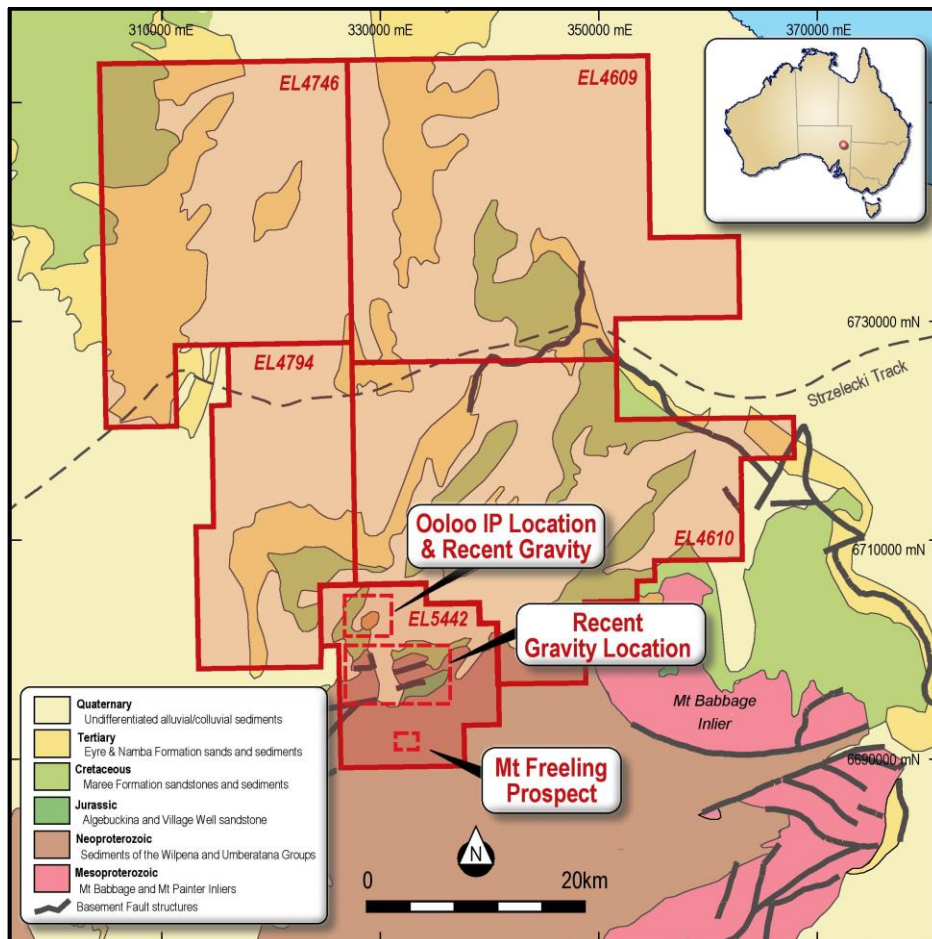


Figure 4 : Marree Project – Location of identified prospects.

TENEMENT ADMINISTRATION: AUSTRALIA

Objection to Cauldron's Applications for exploration licences 08/2385-2387

Cauldron has lodged applications for exploration licences 08/2385-2387 (**Exploration Licences**) to which Forrest & Forrest Pty Ltd has objected. The applications and objections were heard before the Perth Mining Warden over 9 to 12 December 2013. As announced on 14 February 2014, the Mining Warden recommended that the uranium exploration licences sought by Cauldron to conduct exploration on and adjacent to pastoral leases on the Minderoo pastoral station in Western Australia's Pilbara region be refused. The Warden will now recommend that

the Minister refuse to grant the exploration licences. The Minister is not bound to follow the Warden's recommendation and may grant the exploration licences irrespective of the Warden's recommendation. The Company awaits the Minister's decision on this matter.

Energia Mineral's Objection and Application for Forfeiture

On 14 August 2013 Energia lodged objections to applications for exemption from expenditure and applications for forfeiture affecting exploration licences 08/2160, 08/2161 and 08/2165 held by Cauldron (**Tenements**). The applications for exemption (and associated objections) and applications for forfeiture relate to the expenditure year ending 20 May 2013 (in relation to exploration licence 08/2160) and 14 June 2013 (in relation to exploration licences 08/2161 and 08/2165). The proceedings are administrative in nature and are commenced under the *Mining Act* 1978 (WA) (**Act**). In relation to the applications for exemption and objections, under the Act the Warden hears the applications and delivers a report and recommendation to the Minister for Mines and Petroleum as to the grant or refusal of certificates of exemption for the Tenements. Upon receipt of the Warden's report and recommendation, the Minister for Mines and Petroleum determines whether certificates of exemption are granted for the Tenements. If certificates of exemption are granted, Cauldron will have a complete defence to the applications for forfeiture. In relation to the applications for forfeiture, under the Act the Warden conducts a hearing of the applications and may recommend to the Minister the forfeiture of the Tenements, impose a penalty not exceeding \$10,000 per Tenement or dismiss the applications for forfeiture. If the Warden makes a recommendation for forfeiture of the Tenements, the Minister may declare the Tenements forfeited, impose a penalty not exceeding \$10,000 per Tenement or determine not to forfeit the Tenements or impose any penalty. The proceedings are currently at an early stage before the Perth Mining Warden.

EXPLORATION ACTIVITIES: ARGENTINA

In Argentina, Cauldron controls, through its wholly-owned subsidiary Cauldron Minerals Limited (**Cauldron Minerals**), and an agreement with Caudillo Resources S.A. (**Caudillo**) more than 3,400 km² of ground in 6 project areas (Figure 5) in 4 Provinces.

The focus for exploration in Argentina has recently changed from consolidation and cost saving measures to a focus on completing further exploration to add value to the current projects and define resources. This coincides with the announcement of the continued expansion of the Federal government's nuclear power generation capacity. During the September 2014 quarter consultant geologists conducted a site visit to the various projects in Argentina. The report arising from this evaluation will be used to develop a strategic plan and detailed exploration plan to be put before the Cauldron Board for approval.

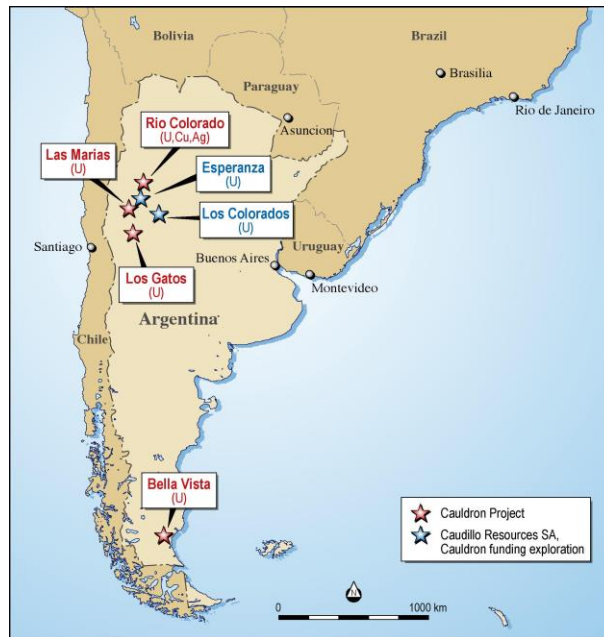


Figure 5: Argentina – Location of Prospects

Below is a summary of the Company's project areas in Argentina:

Caudron Minerals Ltd

- The Rio Colorado Project, Catamarca Province: covers an area of 454 km² and comprises 4 granted mining leases (minas), 6 granted exploration licences (cateos) and 4 mining lease applications. The deposit intermittently outcrops over a strike of 17 km with numerous small scale historical workings focused on the sandstone-hosted uranium-copper-silver mineralisation; and
- Las Marias, San Juan Province: comprises 2 granted exploration licences and 9 applications covering an area of 793 km². The project displays outcropping sandstone hosted uranium deposits, but is also prospective for copper, silver and gold.

Caudillo Resources S.A.

- Los Colorados Project, La Rioja Province: comprises 1 granted mining lease and 1 granted exploration licence. The project includes the old Los Colorados Uranium Mine, which has a quoted production of approximately 55 tonnes of uranium concentrate (1992 and 1996), from roll-front, sandstone-hosted uranium mineralisation.
- Esperanza Project, La Rioja Province: comprising 8 licences (756km²) prospective for sandstone hosted uranium deposits.

The Company also has several applications pending for exploration licences in the Catamarca, San Juan, La Rioja and Santa Cruz provinces.

End.

For further information, visit www.cauldronenergy.com.au or contact:

Simon Youds

Cauldron Energy Limited

Ph: (08) 9380 9555

David Tasker/ Colin Jacoby

Professional Public Relations

Ph: (08) 9388 0944

Disclosure Statements

Competent Person Statement

The information in this announcement to which this statement is attached that relates to Cauldron Energy Limited's exploration results is based on information compiled by Mr Brett Smith who is a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Smith is a part-time employee of Cauldron Energy Limited and has sufficient experience relevant to the styles of mineralisation and types of deposits under consideration. Mr Smith is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Smith consents to the inclusion in the announcement of the matters based on their information in the form and context in which it appears.

Schedule of Tenements

Mining tenements held at 30 September 2014, including tenements acquired and disposed of during the quarter:

Tenement reference	Project & Location	Acquired interest during the quarter	Disposed interest during the quarter	Interest at end of quarter
E08/1489	YANREY - WESTERN AUSTRALIA	-	-	100%
E08/1490	YANREY - WESTERN AUSTRALIA	-	-	100%
E08/1493	YANREY - WESTERN AUSTRALIA	-	-	100%
E08/1501	YANREY - WESTERN AUSTRALIA	-	-	100%
E08/2017	YANREY - WESTERN AUSTRALIA	-	-	100%
E08/2081	YANREY - WESTERN AUSTRALIA	-	-	100%
E08/2152	BOOLALOO - WESTERN AUSTRALIA	-	20%	-
E08/2160	YANREY - WESTERN AUSTRALIA	-	-	100%
E08/2161	YANREY - WESTERN AUSTRALIA	-	-	100%
E08/2165	YANREY - WESTERN AUSTRALIA	-	-	100%
E08/2205	YANREY - WESTERN AUSTRALIA	-	-	100%
E08/2244	YANREY - WESTERN AUSTRALIA	-	100%	-
E45/2405	BEADELL - WESTERN AUSTRALIA	-	-	20%
E08/2478	YANREY - WESTERN AUSTRALIA	-	-	100%
E08/2479	YANREY - WESTERN AUSTRALIA	-	-	100%
E08/2480	YANREY - WESTERN AUSTRALIA	-	-	100%
165/2008	Catamarca, Argentina	-	-	100%
571/2009	Catamarca, Argentina	-	-	100%

Tenement reference	Project & Location	Acquired interest during the quarter	Disposed interest during the quarter	Interest at end of quarter
393/2010	Catamarca, Argentina	-	-	100%
321/2008	Catamarca, Argentina	-	-	100%
322/2008	Catamarca, Argentina	-	-	100%
307/2008	Catamarca, Argentina	-	-	100%
312/2008	Catamarca, Argentina	-	-	100%
316/2008	Catamarca, Argentina	-	-	100%
317/2008	Catamarca, Argentina	-	-	100%
324/2008	Catamarca, Argentina	-	-	100%
1124-333-2008	Las Marias Project - San Juan, Argentina	-	100%	-
1124-546-2010	Las Marias Project - San Juan, Argentina	-	-	100%

Mining tenements with beneficial interest held in farm-in/farm-out agreements held at 30 September 2014, including interests acquired and disposed of during the quarter:

Farm-in Agreement and Tenement reference	Project & Location	Acquired interest during the quarter	Disposed Interest during the quarter	Interest at end of quarter
E08/1494	UAROO - WESTERN AUSTRALIA	-	-	70%*
E08/1495	UAROO - WESTERN AUSTRALIA	-	-	70%*
140/2007	Rio Colorado Project - Catamarca, Argentina	-	-	92.50%**
141/2007	Rio Colorado Project - Catamarca, Argentina	-	-	92.50%**
142/2007	Rio Colorado Project - Catamarca, Argentina	-	-	92.50%**
143/2007	Rio Colorado Project - Catamarca, Argentina	-	-	92.50%**
144/2007-581/2009	Rio Colorado Project - Catamarca, Argentina	-	-	92.50%**
176/1997	Rio Colorado Project - Catamarca, Argentina	-	-	92.50%**
232/2007	Rio Colorado Project - Catamarca, Argentina	-	-	92.50%**
270/1995	Rio Colorado Project - Catamarca, Argentina	-	-	92.50%**
271/1995	Rio Colorado Project - Catamarca, Argentina	-	-	92.50%**
43/2007	Rio Colorado Project - Catamarca, Argentina	-	-	92.50%**

*Rights to uranium only

**Cauldron has signed an exclusive option agreement through its wholly owned subsidiary Cauldron Minerals Ltd (formerly Jackson Global Ltd) with a private party (Dr Horacio Solis), to earn 92.5% in 230km² of the Rio Colorado uranium project in Argentina. The remainder of the project is (532km²) is held by Cauldron in the name of a related entity. Together, both areas will form the Rio Colorado Joint Venture. Cauldron will earn its Initial Interest of 51% in the project by completing a minimum work program, including 3,000 metres of drilling. The Company can earn 92.5% of the project by completing exploration expenditure of \$500,000 within three years following earning of the initial interest.

Farm-out Agreement and Tenement reference	Project & Location	Acquired interest during the quarter	Disposed Interest during the quarter	Interest at end of quarter
EL4609	MAREE - SOUTH AUSTRALIA	-	-	60% (increasing)
EL4610	MAREE - SOUTH AUSTRALIA	-	-	60% (increasing)
EL4746	MAREE - SOUTH AUSTRALIA	-	-	60% (increasing)
EL4794	MAREE - SOUTH AUSTRALIA	-	-	60% (increasing)
EL5442	MAREE - SOUTH AUSTRALIA	-	-	60% (increasing)

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

Cauldron Energy Limited

ABN

22 102 912 783

Quarter ended ("current quarter")

30 September 2014

Consolidated statement of cash flows

		Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(1,025)	(983)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(205)	(205)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	4	4
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other: reimbursement from JV partner	-	-
	Other: R&D tax refund	-	-
	Other: Legal	(116)	(116)
	Net Operating Cash Flows	(1,342)	(1,342)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(20)	(20)
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
	(d) controlled entity	-	-
1.10	Loans to other entities	(42)	(42)
1.11	Loans repaid by other entities	-	-
1.12	Other: Bonds refunded	-	-
	Net investing cash flows	(62)	(62)
1.13	Total operating and investing cash flows (carried forward)	(1,404)	(1,404)

+ See chapter 19 for defined terms.

Appendix 5B**Mining exploration entity and oil and gas exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(1,404)	(1,404)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	3,056	3,056
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other:		
	Repayment of convertible loan note	(325)	(325)
	Net financing cash flows	2,731	2,731
	Net increase (decrease) in cash held	1,327	1,327
1.20	Cash at beginning of quarter/year to date	1,874	1,874
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	3,201	3,201

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	69
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	
	Payments to the parties included in item 1.2 of \$69,084 relates to Directors fees.	

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Two major Cauldron shareholders, CFE and Director Mr Derong Qiu, previously advanced the Company A\$200,000 for operating expenses (**Loan 1** and **Loan 2**). The total of Loan 1 and Loan 2 funds of A\$400,000 was drawn down by the Company in the December 2013 quarter. These loans were either repayable or convertible into shares, subject to shareholder approval. Following receipt of shareholder approval at the General Meeting on 30 September 2014, the Company issued 3,345,538 fully paid shares at \$0.13 per share in satisfaction of Loan 1 and Loan 2 totaling \$400,000 (plus interest).

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	2,000
4.2 Development	-
4.3 Production	-
4.4 Administration	1,000
Total	3,000

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	3,201	1,874
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	3,201	1,874

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	E08/2152 E08/2244 1124-333-2008 (San Juan, Argentina)	Relinquished Relinquished Relinquished	20% 100% 100%	- - -
6.2 Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities (description)	-	-		
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	+Ordinary securities	225,680,527	225,680,527		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	29,241,814	29,241,814		
7.5	+Convertible debt securities (description)				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)	5,000,000 1,000,000 3,000,000 500,000		Exercise price \$0.20 \$0.20 \$0.20 \$0.45	Expiry date 30 June 2015 18 Sep 2015 30 Sep 2015 20 Oct 2015
7.8	Issued during quarter	-	-		
7.9	Exercised during quarter	-	-		
7.10	Expired during quarter	-	-		
7.11	Debentures (totals only)	-	-		
7.12	Unsecured notes (totals only)	-	-		

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:
(Company secretary)

Date: 30 October 2014

Print name: Catherine Julie Grant

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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