

## Blackwood Update – Commencement of Drilling



**Figure 1:** Kempe Drill set-up for drilling in Tyrconnel Access Adit, Blackwood Gold Exploration Project

### Highlights

- Drilling has now commenced underground at Cauldron's Blackwood Gold Project
- Cauldron has used the Tyrconnel underground access to position the drill platform in the centre of the areas of interest
- Cauldron's initial rehabilitation work established access and equipped the Tyrconnel Access adit ahead of plan enabling drill mobilisation before its mid-month target
- Core Prospecting mobilised their Kempe compressed air drilling equipment underground and started drilling over the weekend
- Cauldron is targeting historical high-grade gold mineralisation
- Multiple targets include material left by historical miners as 'low grade' and down dip extensions of extreme high grades mined in 1800's

Cauldron Energy Limited (**Cauldron** or the **Company**) (ASX: CXU) is pleased to advise of the commencement of exploration drilling at its Blackwood Gold Project. Drilling will be undertaken from inside the mine workings and targeting the up and down plunge extensions of mineralisation accessed by historical miners. The age-old miners extracted the very high-grade ore leaving behind what for them was low grade.

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### ASX Code

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### Securities on Issue

455,999,512 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  
Executive Chairman

Jess Oram  
Non-executive Director

Qiu Derong  
Non-executive Director

Judy Li  
Non-executive Director

Chenchong Zhou  
Non-executive Director

Michael Fry  
Company Secretary

This 'low grade material' contains gold of the order of greater than fifteen grams per tonne, which for modern day times is considered high grade. This is just one of the target areas for the exploration drilling program materials that Cauldron has been able to place the drill, 'close to target', minimising drilling through waste rock. The other target material is the modelled down dip extensions of high-grade material that the older miners wouldn't have had the pumping and hoisting technology to reach.

Cauldron has completed its first stage of mining rehabilitation work which allows the commencement of drilling. Being able to drill from the underground tunnel system provides great advantages in exploration design and cost. Firstly, the exposures of the reef system in the tunnels is far greater than those seen at surface, which allows for much more accurate prediction of the direction of extensions to mineralisation. Secondly, the drillholes are much shorter in length when started from inside the mine tunnel systems which reduces the cost of drilling and the risk of missing targets due to drillhole drift being less pronounced in short holes.

The Tyrconnel access drive provides multiple drill positions to target the down-plunge extensions of up to eight reef structures (see Figure 2) with short diamond holes. The east-west trending Tyrconnel adit that is 1.5 km long transects many of the north-south striking reef systems.

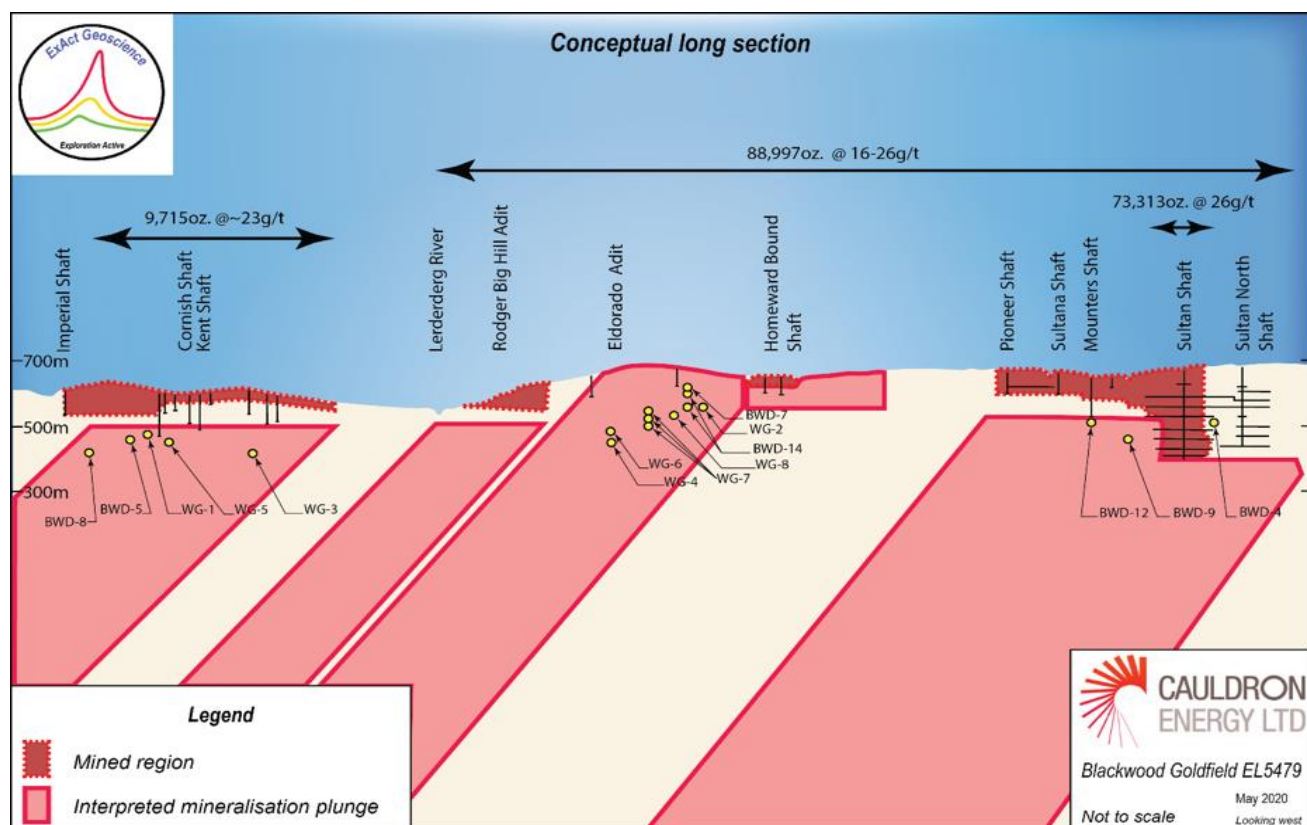


Figure 2: Long Section showing historical shafts and mine areas and with reef systems





**Figure 3: Tyreconnel Adit and inside the drive**



**Figure 4: Drill rig anchored in place ready to drill**

Commenting on commencement of drilling at Blackwood, Executive Chairman Simon Youds stated: *“it is pleasing to see the culmination of a lot of behind-the-scenes work that allows us to commence drilling. We are finally able to drill test this very exciting project. Being able to walk in the 150-year-old footsteps of many who have made a fortune in this goldfield is humbling. We are about to drill-test a portion of the prematurely closed Blackwood Goldfields, where economic depression, war and water combined to close down the field in the early 1900’s. We aim to evolve our exploration activity by reviving the techniques of the old timers and mixing it with recent advances in science. We are pleased to announce the commencement of that journey and aim to bring the community along with us on that ride.”*

The Blackwood Gold Project is located in Victoria’s highly productive ‘Golden Triangle’ having exceptional opportunity to extend the ore shoots abandoned by past miners. In addition, there is potential to discover new ore shoots lying proximal to the underground tunnel system left by historical mining activity.

**END**

Authorised for release by Mr Simon Youds, Executive Chairman.

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## Competent Person Statement

The information in this report that relates to exploration results for the **Blackwood Gold Project** is based on information compiled by Mr Jess Oram, Non-Executive Director of Cauldron Energy Limited and a Member of the Australasian Institute of Geoscientists.

Mr Oram 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 consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

The information in this report that relates to exploration results for the **Blackwood Gold Project** also incorporates information extracted from reports released to the Australian Securities Exchange (ASX) on 31 August 2020 titled "Victoria's Blackwood - Cauldron's Golden Opportunity", on 15 March 2021 titled "Blackwood Goldfield Project Update", on 25 June 2021 titled "Green Light for Exploration at Blackwood", on 5 July 2021 titled "Blackwood Gold Project Update – Drilling Contractor Engaged" and on 12 July 2021 titled "Highly Experienced Geologist joins Blackwood Team" and are available to view at [www.cauldronenergy.com.au](http://www.cauldronenergy.com.au) and for which Competent Persons' consents were obtained. Each Competent Person's consent remains in place for subsequent releases by the Company of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent.

The Company confirms that is not aware of any new information or data that materially affects the information included in the original ASX announcements released on 31 August 2020, 15 March 2021, 25 June 2021, 5 July 2021 and 12 July 2021.

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