

ASX Announcement

2 December 2022

ASX: CXU



Clarification Announcement

Cauldron Energy Limited (ASX:CXU) (**Cauldron** or the **Company**) provides the following clarification in respect of its announcement of earlier today headed “Cauldron Receives Firm Commitments for Placement and Fully Underwritten Rights Issue to Raise Circa \$2.268 Million”.

Where it was stated that the New Options to be issued to subscribers to the Rights Issue are subject to Shareholder Approval this is not the case. Only the New Options being issued to the Underwriter and sub-underwriters require Shareholder Approval.

Accordingly, the wording “The New Options will be subject to Shareholder Approval” appearing under the heading Rights Issue on page 2 has now been deleted.

Amended announcement with this deletion is attached.

An updated Appendix 3B will follow.

This announcement has been authorised for release by Michael Fry, the undersigned.

For further information please contact:

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Cauldron Receives Firm Commitments for Placement and Fully Underwritten Rights Issue to Raise circa \$2.268 Million

Highlights

- Cauldron has received firm commitments to raise up to \$637,922 via a Placement at \$0.007 per share
- Placement supported by sophisticated and professional investors
- Cauldron has entered into an underwriting agreement to raise an additional \$1,630,244 via a fully Underwritten Rights Issue also at \$0.007 per share
- Cauldron has appointed Mr Jonathan Fisher as Chief Executive Officer – refer separate ASX announcement of earlier today
- Cauldron has refreshed its management team and will concentrate on executing a strategy focussed around its Yanrey Uranium Project which is host to the Bennet Well Uranium Deposit, the fifth largest undeveloped uranium deposit in Western Australia, and which is amenable to ISR leaching.

Cauldron Energy Limited (ASX: CXU) (**Cauldron** or the **Company**) is pleased to announce that it has received firm commitments from sophisticated and professional investors to raise \$637,922 via a share Placement at \$0.007 per share (**Placement**).

Cauldron will raise an additional \$1,630,244 via a fully underwritten non-renounceable Rights Issue on the basis of one (1) New Share for every three (3) Shares held at the Record Date at the same price of A\$0.007 per Share (**Rights Issue**).

Canaccord Genuity (Australia) Limited (**Canaccord Genuity**) has been appointed as Lead Manager to the Placement and Lead Manager and Underwriter to the Rights Issue

Commenting on the success of the Placement, Cauldron's Chairman, Ian Mulholland stated:

"Cauldron is delighted with the support from Canaccord Genuity and its clients for Cauldrons' refreshed management team and renewed focus on its uranium project."

Placement

Under the Placement, Cauldron will issue up to 91,131,652 new fully paid ordinary shares in the Company at an issue price \$0.007 (**New Shares**) to raise up to \$637,922 (before costs) to sophisticated and professional investors.

The issue price of \$0.007 per share represents a discount of:

- 30% to the last closing price of \$0.01 on 29 November 2022; and
- 30% to the 21-day volume weighted average price of \$0.01 per share.

The New Shares under the Placement will be issued under the Company's existing placement capacity under ASX Listing Rule 7.1. An Appendix 3B in relation to the New Shares issued as part of the Placement follows this announcement.

Canaccord Genuity will receive a fee of 6% for acting as Lead Manager to Placement

Placement Indicative Timetable

Event	Date
Announcement of Placement	Friday, 2 December 2022
Settlement of Placement	Tuesday, 6 December 2022
Expected date of ASX Quotation of Placement Shares	Wednesday, 7 December 2022

Rights Issue

In addition to the Placement, Cauldron will raise \$1,630,244 via a non-renounceable Rights Issue where Eligible Shareholders will have the right to subscribe for one (1) new ordinary fully paid Share for every three (3) Shares held at the Record Date at a price of \$0.007 per Share.

In addition, subscribers to the Rights Issue will receive one (1) free attaching option for every four (4) new shares subscribed for, exercisable at \$0.015 on or before 30 November 2025 (**New Options**).

Shareholders will also have the opportunity to apply for any shortfall shares under the Rights Issue (the 'Shortfall') before the offer is closed. Shares issued under the Rights Issue will rank equally with existing ordinary shares from the date of issue.

A Rights Issue prospectus will be prepared and lodged with ASIC and ASX in the coming days (refer below) and available to Shareholders.

Canaccord Genuity will receive a fee of 6% for acting as Lead Manager and Underwriter to the Rights Issue, comprising a management fee of 2% and an underwriting fee of 4%, plus a corporate advisory fee of \$30,000. In addition, sub-underwriters to the Rights Issue will receive one (1) New Option for every four (4) Shares sub-underwritten. The New Options will be subject to Shareholder Approval.

The anticipated timeline for the Rights Issue is set out below:

Rights Issue Indicative Timetable

Event	Date
Announcement of Rights Issue & Appendix 3B	Friday, 2 December 2022
Lodgement of Prospectus with ASIC	Tuesday, 6 December 2022
Lodgement of Prospectus & Appendix 3B with ASX	Tuesday, 6 December 2022
Ex-date	Thursday, 8 December 2022
Record Date for determining Entitlements	Friday, 9 December 2022
Offer opening date, prospectus sent out to Shareholders and Company announces this has been completed	Monday, 12 December 2022
Last day to extend the Closing Date	Thursday, 16 December 2022
Closing Date as at 5:00pm*	Wednesday, 21 December 2022
Securities quoted on a deferred settlement basis	Thursday, 22 December 2022
ASX and Underwriter notified of under subscriptions	Friday, 23 December 2022
Underwriter subscribes for Shortfall under terms of Underwriting / Sub-Underwriting Agreement	Friday, 23 December 2022
Issue date and lodgement of Appendix 2A with ASX applying for quotation of the Securities	Wednesday, 28 December 2022
Expected date of ASX Quotation of Securities issued under the Offer**	Thursday, 29 December 2022

*The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. Accordingly, the date the Securities are expected to commence trading on ASX may vary**.

This Rights Issue gives shareholders at the Record Date with a registered address in Australia, New Zealand or Hong Kong the opportunity to participate (**Eligible Shareholders**).

Use of Funds

Funds raised from the Placement and Rights Issue are to be used principally to advance the Company's Yanrey Uranium Project, new project opportunities and working capital.

The Company intends upon undertaking a drilling program at Yanrey in the early part of 2023 calendar year targeting high grade uranium targets identified in historical work.

This announcement has been authorised for release by the Company's Board of Directors.

For further information please contact:

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