



18 October 2023

Dear Shareholder

**CAULDRON ENERGY LIMITED
PRO-RATA RENOUNCEABLE RIGHTS ISSUE**

As announced on 6 October 2023, Cauldron Energy Limited (ACN (102 912 783)) (**Cauldron**) is undertaking a renounceable rights issue of one (1) fully paid ordinary share in the capital of the Company (**Share**) for every six (6) Shares held at an issue price of \$0.009 per Share, together with one (1) free attaching options for every three (3) Shares subscribed for and issued (**New Option**), to raise up to \$1,427,353 (**Offer**).

The Company lodged a prospectus for the Offer (**Prospectus**) with ASIC and ASX on 10 October 2023, and issued a revised prospectus which was uploaded on to the Company's Market Announcement Platform on 12 October 2023.

The Offer is fully underwritten by Canaccord Genuity (Australia) Limited (AFSL 234 666) (**Underwriter**). The Company must pay the Underwriter an underwriting fee of 6% of the total amount raised pursuant to the Offer and a corporate advisory fee of \$60,000 plus GST for its services in managing the Offer. The Company must also reimburse the Underwriter for costs incidental to the Offer.

The Company intends to apply the funds raised from the Offer (less expenses) to advancing the Company's Yanrey Uranium and Melrose Nickel-Copper-PGE Project and funding new project opportunities. For further specifics of the use of funds please refer to section 3.1 of the Prospectus.

Following completion of the Offer, assuming any shortfall is subsequently placed and the full subscription is raised, the Company will have issued approximately 158,594,777 Shares and 105,729,852 New Options resulting in total Shares on issue of 1,132,163,438 and total Options on issue of 365,212,362.

Ineligible shareholders

A Shareholder who has a registered address outside Australia, New Zealand and Hong Kong (**Ineligible Shareholder**) will not be eligible to participate in the Offer.

You are not eligible to participate in the Offer and you will not be sent a copy of the Prospectus. This decision has been made pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules after taking into consideration the costs of complying with legal and regulatory requirements in jurisdictions outside of Australia, New Zealand and Hong Kong compared with the small number of Ineligible Shareholders and the number and value of Shares and New Options to which they would otherwise be entitled.

If you have any queries concerning the Offer, please contact your financial adviser or Michael Fry, Cauldron's Company Secretary, on +61 8 6270 4693.

Yours sincerely



Ian Mulholland
Non-Executive Director and Chairman