

11 December 2014

LEGAL PROCEEDINGS

Further to the announcement dated 16 October 2014, Cauldron Energy Limited (**ASX: CXU**) ("Cauldron" or "the Company") is pleased to announce that on 11 December 2014 the Supreme Court of New South Wales (Equity Division) made orders in favour of Cauldron that:

1. the legal proceedings commenced by Beijing Joseph Investment Company Ltd, Joseph Investment International Company Ltd and Guangzhou Guangrong Investment Management Group Company Ltd ("the Plaintiffs") against Cauldron ("the Proceedings") be immediately transferred to the Supreme Court of Western Australia; and
2. the Plaintiffs pay Cauldron's costs of the application to transfer the Proceedings.

Cauldron remains of the view that these legal proceedings are without merit and will be vigorously defended in the Supreme Court of Western Australia.

Yours faithfully
Cauldron Energy Limited

Tony Sage
Executive Chairman

End.

ABN 22 102 912 783

32 Harrogate Street, West
Leederville WA 6007

PO Box 1385, West
Leederville WA 6901

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

Catherine Grant
Company Secretary