

29 August 2016

CXU Succeeds in Legal Challenge from Forrest & Forrest Pty Ltd

Cauldron Energy Limited (ASX: CXU) (**Company**) (**Cauldron**) is pleased to announce it has received judgment in its favour against Forrest & Forrest Pty Ltd (**Forrest**) in respect of the Cauldron's application for exploration licences 08/2385, 08/2386 and 08/2387 (**ELAs**).

As previously announced Cauldron lodged applications for ELAs on 4 April 2012. Forrest lodged objections to the applications under the Mining Act. On 5 January 2015 the Minister for Mines decided there were sufficient grounds to allow the applications to proceed through the determination process under the Mining Act and the Native Title Act. On 1 April 2015, Forrest requested the applications return to the warden. The warden declined to have any further hearing of the applications and the applications have successfully passed through the Native Title process. On 27 August 2015, Forrest made application to the Supreme Court of Western Australia for judicial review of the Minister's decision to progress each application through the determination process under the Mining Act and the Native Title Act (**Forrest Application**). The Forrest Application was heard on 19 April 2016.

On 26 August 2016, The Honourable Justice Tottle handed down his decision dismissing the Forrest Application and making formal orders for Forrest to pay the Company's costs.

The ELAs have been targeted by Cauldron to further consolidate the Company's interest holdings in the Yanrey Project region. Cauldron' Success against Forrest's legal challenge marks a significant step towards the Company being formally granted the exploration licences.

Yours faithfully
Cauldron Energy Ltd

Tony Sage
Executive Chairman

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288,002,620 shares
44,000,000 unlisted options

Board of Directors

Tony Sage
Executive Chairman

Qiu Derong
Non-executive Director

Judy Li
Non-executive Director

Mark Gwynne
Non-executive Director

Catherine Grant
Company Secretary