

MELROSE PROJECT (WEST YILGARN)

RC drilling program targeting primary basement sources of elevated near-surface nickel/cobalt has commenced



Photo 1: RC rig in action at the Melrose Project, near Dalwallinu, in Western Australia

Key Points

- **Cauldron has commenced an RC drill program at its Melrose Polymetallic Project consisting of six holes for 1,500 metres.**
- **Program aims to test basement sources of elevated near-surface nickel/cobalt identified by EM, aeromagnetics and geochemical drilling along a significant linear trend of several kilometres.**

- **Assay results for air-core drilling completed at Melrose in January 2024 are expected within the next fortnight.**
- **Cauldron's Melrose Project lies near to the western margin of the Yilgarn Craton, ~125 km north of Julimar and ~15 km immediately south of Chalice's Barrabarra Project.**
- **Melrose Project covers an area of approximately 1,428 km², is the largest contiguous polymetallic Ni-PGE prospective land-holding in the Barrabarra Greenstone Belt portion of the West Yilgarn Craton, and is on accessible private farmland where native title has been largely extinguished.**

Cauldron Energy Limited (**Cauldron** or the **Company**) (ASX: CXU) is pleased to advise that it has commenced a reverse-circulation (RC) drilling program at the **Melrose Project**, located in the Dalwallinu region of Western Australia, approximately 250 km north of Perth (Figure 1).

The RC drilling at Melrose aims to follow up observations by the geological team during the recent air-core drilling program, historic air core drilling undertaken by third parties, magnetic inversion modelling, and EM surveys undertaken by Cauldron (see previous ASX announcements ASX:CXU 11 May 2023, ASX:CXU 9 October 2023, and ASX:CXU 10 November 2023). Full assay results from the recent air-core drilling program are expected within the next fortnight.

Cauldron CEO Jonathan Fisher commented:

"We are pleased to confirm that the RC drilling program has commenced. Based upon observations made by our geological team during the recently completed air-core drilling program, we were keen to get back out and conduct a deeper drill program using RC to target areas beneath the reach of the air-core drill rig. There is a short window of opportunity before preparation for sowing of this years' crops will commence and we are extremely thankful to the local farmers for working with our team to achieve this end. The results of the air-core drill program completed in January are expected within the next fortnight and we look forward to receiving those. In addition, we will update shareholders of any significant observations as the RC drill program progresses."



Photo 2: Cauldron's CEO Jonathan Fisher and Exploration Manager Angelo Socio discussing progress of the RC drill program

Melrose Project –Tenement Holdings

The Melrose Project covers an area of approximately 1,428 km² and comprises E70/6160 covering an area of ~169 km² and the area immediately west and south of E70/6160 covering a further area of ~1,338 km² (pegged by Cauldron; represented by Applications E70/6463, 6466, 6467, 6468 and 6469).

Of the areas pegged, two have recently been granted (E70/6467 and E70/6468), and three remain as tenement applications (E70/6463, 6466, and 6469).

Cauldron's Melrose Project is the largest contiguous Nickel-Copper-PGE prospective land-holding in the Barrabarra Greenstone Belt portion of the West Yilgarn Craton.

The Melrose Project area is 13 km south of Chalice's Barrabarra Ni-Cu-PGE project. Chalice have described Barrabarra as containing an interpreted ~15 km long unexplored mafic-ultramafic complex, with anomalous Ni-Cu in soils, and a similar geophysical signature to the Julimar Complex. Barrabarra is about 140 km north of Chalice's Julimar project.

On an adjacent tenement Nickel X has identified two very strong EM conductors associated with magnetic anomalies that they plan to drill test soon. Both Chalice and Nickel X are targeting Julimar style Ni-Cu-PGE deposits in the region (Figure 2).



Figure 1: Location Map - Melrose Project

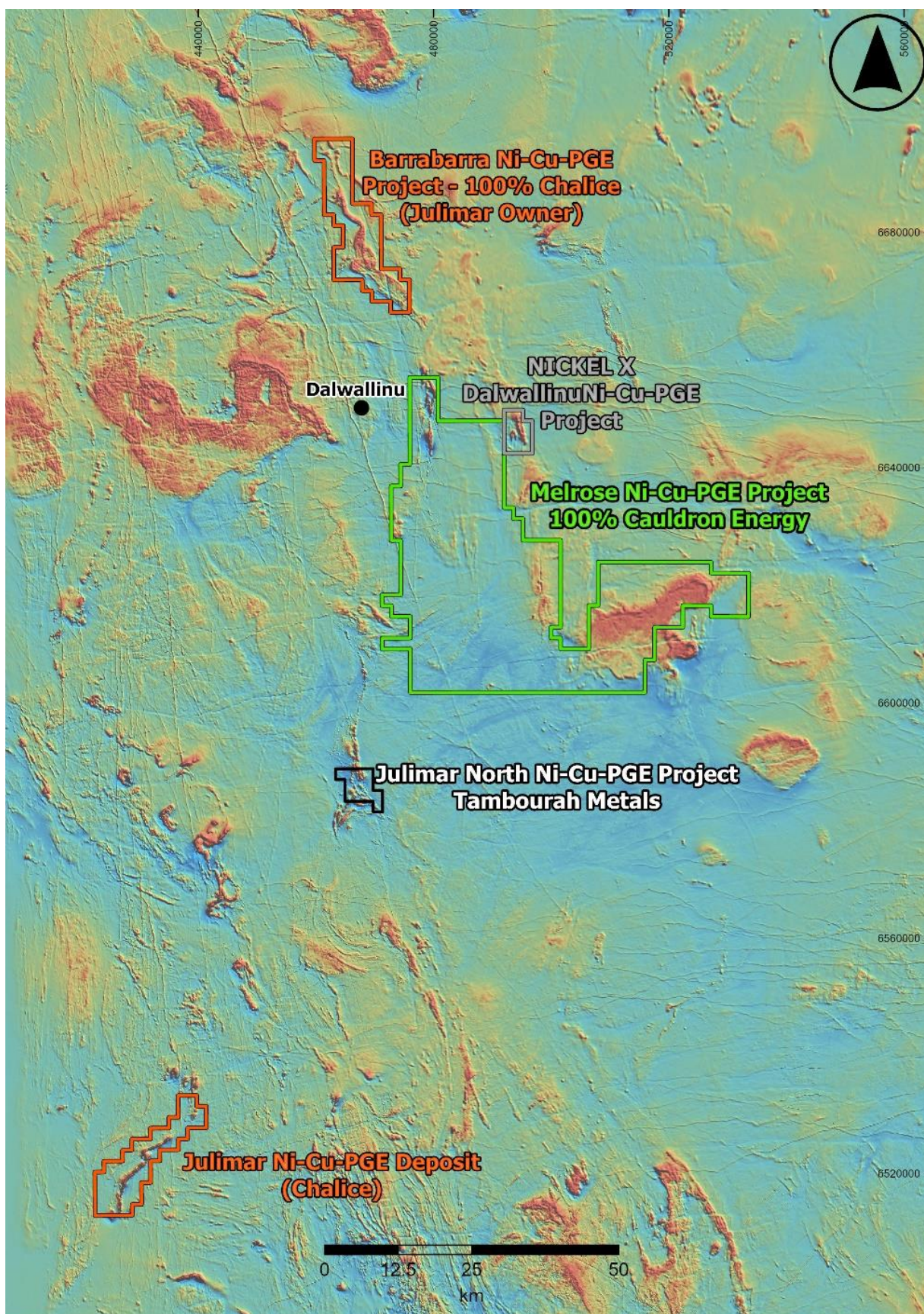


Figure 2: Melrose project - nearby projects over regional aeromagnetics

This announcement has been authorised for release to market by Ian Mulholland, Non-Executive Chairman of Cauldron Energy Limited.

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