

23 July 2020

FY2021 JMEI APPLICATION SUCCESSFUL: \$600K AVAILABLE FOR ELIGIBLE INVESTORS

Cauldron Energy Limited (**Cauldron** or the **Company**) (ASX: CXU) advises that it has been successful in its application for participation in the Federal Government's Junior Minerals Exploration Incentive (**JMEI**) scheme for the 2021 income year.

The Company has received an allocation of up to \$600,000 in tax credits which can be distributed to eligible investors.

The JMEI scheme encourages investment in exploration companies undertaking greenfields mineral exploration in Australia, by creating exploration credits using a portion of their tax losses from eligible exploration expenditure and distributing these exploration credits to investors who contribute new equity. The exploration company's carry forward losses are reduced proportionately to reflect the amount of exploration credits created.

Eligible investors must be Australian resident shareholders who apply for and are issued new shares in the Company's capital raising activities between 9 July 2020 and 30 June 2021. JMEI credits will be distributed to all eligible investors on a pro-rata basis. The precise amount of credit per share issued will be determined after 30 June 2021 and is based on total capital raised during the year to 30 June 2021, together with the amount of eligible exploration expenditure for the year, and the tax result of the Company.

Australian resident shareholders that are issued with JMEI credits will be entitled to a refundable tax offset (for shareholders who are individuals or superannuation funds) or franking credits (for shareholders who are companies).

The JMEI credits will apply to the 2020/2021 tax year and can be issued by the Company after lodgement of its 30 June 2021 tax return. Eligible shareholders will be notified of their JMEI credit entitlement in the approved form once the Company has lodged its 2020/2021 tax return, and the JMEI credits will apply to their income tax assessment for the year ended 30 June 2021.

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Authorised for release by Mr Jess Oram, Executive Director and Chief Executive Officer.

For further information please contact:

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ASX Code

CXU

Securities on Issue

376,289,835 shares
6,833,395 Options (*exercise price: \$0.03; expiry 31 Dec 2021*)
16,666,666 Options (*exercise price: \$0.03; expiry 31 Mar 2022*)

Board of Directors

Simon Youds
Non-Executive Chairman

Jess Oram
Executive Director & Chief
Executive Officer

Qiu Derong
Non-executive Director

Judy Li
Non-executive Director

Chenchong Zhou
Non-executive Director

Michael Fry
Company Secretary