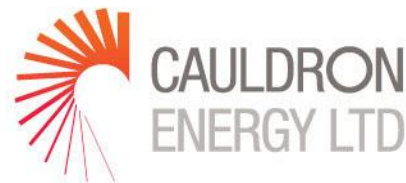


ASX Announcement

Quarterly Report for Period Ended 30 September 2015



29 October 2015

QUARTERLY REPORT – 30 SEPTEMBER 2015

Please find attached the Quarterly Activities Report and Appendix 5B for the period ended 30 September 2015.

Yours faithfully,

Tony Sage
Executive Chairman
Cauldron Energy Limited

Cauldron Energy Ltd

ABN 22 102 912 783

ASX Code CXU

251,104,266 shares

50,725,000 unlisted options

Board of Directors

Tony Sage
Executive Chairman

Qiu Derong
Non-Executive Director

Judy Li
Non-Executive Director

Mark Gwynne
Non-Executive Director

Management

Simon Youds
Operations Manager

Catherine Grant
Company Secretary

HIGHLIGHTS

CORPORATE

- Annual General Meeting to be held 9 November 2015
- Lapsed options
- Legal proceedings

EXPLORATION & PROJECTS

- Yanrey Uranium Project
 - Re-interpretation of mineralisation at Bennet Well has formed the basis of a new exploration model, which was applied to revise the Exploration Target estimate for the larger Yanrey tenement package, called 'BW Extended' (refer ASX announcement 22 September 2015)
 - Rotary mud drilling program recommenced towards the end of the September 2015 quarter, testing strike extensions to Bennet Well and identifying mineralised zones that is aimed to significantly increase the size of the mineralised body at Bennet Well
 - A total of 20 mud rotary holes drilled for a total of 1,819 metres, with further drilling in progress
 - Successful use of the revised three-dimensional mineralisation model has led to the discovery of an extension to the mineralisation (named Bennet Well Channel) of Bennet Well (refer ASX announcement 30 September 2015)
 - The new mineralisation model combined with drilling will form the basis for further potential upgrades of the current Mineral Resource estimate, the model will also be used to:
 - plan and design future regional drill programs
 - establish the stratigraphical and hydrogeological environments
 - design a field leach trial at Bennet Well, and further metallurgical work
 - New Bennet Well Channel extension is shown by historical drilling and geophysical interpretation to extend over 7.5 km southeast into adjacent vacant ground over which Cauldron has applied for an exploration licence (refer ASX announcement 13 October 2015). An expanded drill program continues into the December 2015 quarter at the new Bennet Well Channel to enable the estimation of an Inferred Mineral Resource and to understand its metallurgical performance
 - Survey flown to acquire detailed airborne LiDAR imagery and more accurate digital elevation model over the Bennet Well project area
 - Heritage work area clearances undertaken over peripheral Bennet Well areas and more regional targets in the wider Yanrey tenement package
 - Best mineralised intercepts returned from drilling the new Bennet Well Channel (refer Figure 5 and Table 2) include:
 - BW0077: 2.20 m @ 744 ppm eU₃O₈, from 88.9 m
 - BW0078: 3.05 m @ 397 ppm eU₃O₈, from 72.4 m
 - BW0080: 1.90 m @ 480 ppm eU₃O₈, from 70.1 m

- Marree Base Metals and Uranium Project
 - No exploration work completed
- Argentina
 - Cauldron is awaiting judicial approval to allow the commencement of drilling at Rio Colorado
 - The completion of federal, regional and local elections currently being held in Argentina is expected to provide the certainty of political environment that is required before initiating plans for exploration drilling at Rio Colorado

Cauldron Energy Ltd (**Cauldron** or the **Company**) is pleased to present its Quarterly Activities Report for the period ended 30 September 2015.

CORPORATE ACTIVITIES

Annual General Meeting

The Company's Annual General Meeting will be held 9 November 2015 at 9:00am. For more information, refer to the Notice of Annual General Meeting as dispatched to all shareholders and available via the Company's website www.cauldronenergy.com.au.

Placement funding

As previously announced, the Company has entered into a series of placement agreements (**Placement Agreement/s**) with a range of Chinese investors. Cauldron's Non-executive Director Mr Derong Qiu was a party to a Placement Agreement for placement funds of A\$2 million (**Placement Funds**) at an issue price of \$0.118 per share (16,949,178 shares).

During the June 2015 quarter, Cauldron confirmed it had received A\$1.71 million in cash from Mr Qiu (**Subscription Sum**), with the balance of A\$0.29 million planned to settle director fee payments owing to Mr Qiu in respect of his services (together, A\$2 million). In accordance with the Placement Agreement, the shares to be issued to Mr Qiu are subject to shareholder approval. The cash component of the Placement Funds received will be held in trust by the Company until shareholder approval is obtained and the shares issued. A Notice of Annual General Meeting has been dispatched to all Shareholders to seek approval for the issue of these shares.

Mr Qiu's investment underlines the continued interest and confidence in the uranium industry from China and the growing interest in existing uranium resources.

Legal Proceedings

As previously announced, in accordance with the Placement Agreements, the following amounts were due to the Company under Placement Agreements, and have not been received:

- A\$2 million from Beijing Joseph Investment Co. Ltd / Joseph Investment International Co. Ltd (**Joseph Investment**) in two equal tranches of A\$1 million were due by 2 October 2014 and 1 December 2014 respectively;

- A\$1 million from Guangzhou City Guangrong Investment Management Co Ltd (**Guangrong City**) was due 3 November 2014; and
- A\$0.3 million from Guangzhou Joseph Investment Co Ltd (**Guangzhou Joseph**) was due 1 December 2014.

The Company is taking legal action to enforce its rights under the Placement Agreements to receive the unpaid funds. Cauldron will keep the market updated as the legal proceedings progress.

Cash at 30 September 2015

Cash available to the Company at the end of the September 2015 quarter was A\$0.2 million.

In addition to this, A\$1.7 million, being the Subscription Sum amount received from Mr Qiu as detailed above, is being held in trust by the Company until such time as the shares are issued in accordance with the Placement Agreement.

Lapsed Options

During the quarter the Company announced the following unlisted employee and consultant options lapsed in accordance with the term on which the employee and consultant options were issued:

- 1,000,000 unlisted options exercisable at \$0.20 expiring 18 September 2015;
- 3,000,000 unlisted options exercisable at \$0.20 expiring 30 September 2015;
- 125,000 unlisted options exercisable at \$0.138 expiring 31 December 2015; and
- 150,000 unlisted options exercisable at \$0.138 expiring 31 December 2015.

Subsequent to the September quarter ending, the following options have also lapsed:

- 500,000 unlisted options exercisable at \$0.45 expiring 20 October 2015.

EXPLORATION ACTIVITIES: AUSTRALIA

In Australia, Cauldron has two project areas (Figure 1) covering more than 4,500 km² in two known uranium provinces in South Australia and Western Australia. Projects include:

- **Yanrey Project (Yanrey)** in Western Australia comprises 12 granted exploration licences (1,847 km²) and 7 applications for exploration licences (1,107 km²) (Figure 2). Yanrey is prospective for large sedimentary-hosted uranium deposits. A joint venture securing two of the exploration licences in the Yanrey Project tenement group (called the Uaroo Joint Venture) expired at the beginning of the September 2015 quarter.
- **Marree Joint Venture** in South Australia comprising five granted exploration licences (2,794 km²) prospective for sedimentary-hosted uranium deposits of both the Beverley Uranium and Four Mile Uranium style, and for base metal mineralisation.

BENNET WELL (YANREY REGION)

The mineralisation at Bennet Well is a shallow accumulation of uranium hosted in unconsolidated sands close to surface (less than 100 m downhole depth) in Cretaceous sedimentary units of the Ashburton Embayment.

The Bennet Well deposit is comprised of three spatially separate deposits; namely Bennet Well East, Bennet Well Central, and Bennet Well South (refer to Figure 3).

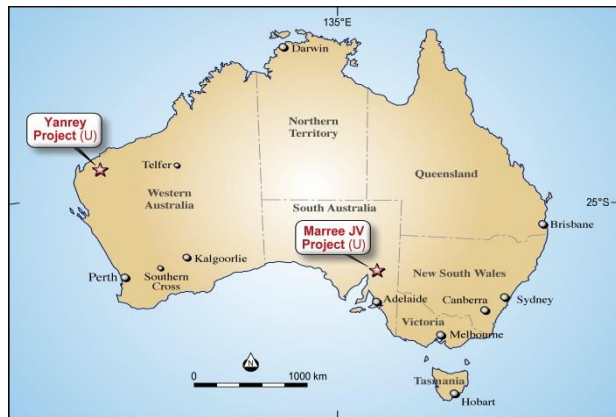


Figure 1: Major Project Locations in Australia

New modelling of uranium mineralisation at Bennet Well has defined fifteen mineralised lenses, which provided the framework for a revision of the Mineral Resource estimate. The form of the mineralised lenses lay in specific physical features observable in gravity and electromagnetic data.

Work completed during the quarter involved a revision of the regional and local scale geology and mineralisation model (developed in the June 2015 quarter), the development of an updated Exploration Target estimate, the initiation of heritage work area clearances, and commencement of a 4,000m rotary mud drilling program.

The objectives behind the revision of the exploration model were to:

1. build on existing understanding of the geological and mineralisation framework of the Bennet Well Deposit and apply that knowledge to forthcoming drill planning and design
2. utilise the new, improved and updated mineralisation model for a further upgrade of the current Mineral Resource (JORC 2012) estimate
3. further develop the stratigraphical and hydrogeological understanding of the Bennet Well Deposit
4. Assist with the continued development of a more regional-scale exploration model for the wider Yanrey Project to provide a more focused method to targeting areas of potentially economic uranium mineralisation

Development of the Exploration Model

Geological Model

The lithological framework established during the June 2015 quarter was further developed in the reported period with the addition of stratigraphical and hydrogeological information. Work on the development of the hydrogeological model for Bennet Well is ongoing.

The incorporation of the stratigraphy and lithology is shown in Table 1:

Table 1: New Lithological Stratigraphic Framework for Bennet Well

Stratigraphical Formation	Lithological Description	Depositional Environment
Quaternary	Alluvial, transported sands and clays; colluvial gravels and cobbles, mostly heavily haematised (red iron oxide)	Terrestrial
Tertiary	Sands, light green-yellow clays, fine-medium sized gravels, calcretes	Terrestrial
Mesozoic – Mardie Greensand	Tightly packed, clayey sands and silts, often bioturbated, very glauconitic. Currently interpreted to act as an “aquiclude”, or impermeable cap, to the underlying mineralisation	Deeper marine to near-shore, possibly low-energy estuarine
Mesozoic – Nanutarra Formation	Organic-rich, often lignitic, interbedded sands, silts and clays. Wood and coal fragments are common, as well as sulphide minerals such as pyrite and marcasite. This unit is the main host to the uranium mineralisation	Mostly estuarine, but lagoonal in areas overlying shallow basement “shelves”
Proterozoic – Granitic Gneiss	Granitic gneiss, mostly weathered. Historically, drilling has revealed the top 20-30m of the basement to be moderately to strongly weathered and appearing mostly as kaolinitic, bleached quartz sands and clays	Forms most of the “country rock” for the Bennet Well Deposit
Proterozoic – Pegmatitic Granite	Some drill holes on the eastern-most side of Bennet Well East intersect a biotite-rich, very coarse grained, pegmatitic granite	Currently interpreted as a pegmatitic granite intrusion

Characterisation of the downhole geophysical data continued during the September 2015 quarter with the identification of additional lithological features, such as cemented horizons within the glauconitic Green Sand unit, which could potentially be mapped out laterally across the deposit (refer Table 2). Current and ongoing work involves investigation of the association between the uranium mineralisation and these “marker” horizons, or “vectors”. These associations may prove useful in determining other, as yet under explored, areas of potential mineralisation proximal to the currently defined Bennet Well Deposit.

Mineralisation Model

Revision of the June 2015 mineralisation framework has produced a more refined and constrained model consisting of six mineralised lenses that will form the basis of an upgrade of the current Mineral Resource estimate.

As with the June 2015 work, the revised mineralisation model shows areas that are open for potential further extension of currently delineated mineralisation.

The newly revised mineralisation model has been the foundation to the design and planning for the current drilling program at Bennet Well.

Exploration Target Estimate for BW Extended Area

A revision of the 2013 Exploration Target for the larger Yanrey area was undertaken to provide an updated Exploration Target estimate for areas proximal to the Bennet Well Deposit.

The Exploration Target comprised a total of 17 areas, eight of which were contiguous to Bennet Well (Figure 4), classified as an Indicated plus Inferred Mineral Resource (JORC 2012) and reported in ASX announcement 14 July 2015.

The interpretation of the Bennet Well Deposit identified areas where mineralisation remains open and have potential for further extension, as well as areas of prospective channel morphology. These criteria were used to define Areas 1 to 17 of the Exploration Target estimate, which is informed by the exploration model derived for Bennet Well, the historic drilling data completed by CRAE and Cauldron and by features interpreted from both regional and close-spaced gravity and regional airborne electromagnetic data.

The Exploration Target for the entire BW Extended is:

- 19 to 54 million tonnes of mineralisation at a grade of 300 to 420 parts per million uranium oxide (U_3O_8), for a contained 18 to 53 million pounds of U_3O_8 (8,000 to 24,000 tonnes of contained U_3O_8), using a cut-off of 150 ppm.

The Exploration Target for the eight areas adjacent to the Bennet Well Mineral Resource is:

- 5 to 25 million tonnes of mineralisation at a grade of 205 to 360 parts per million uranium oxide (U_3O_8), for a contained 4 to 23 million pounds of U_3O_8 (1,800 to 10,000 tonnes of contained U_3O_8), using a cut-off of 150 ppm.

The potential quantity and grade reported for the Exploration Target is conceptual in nature; there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource over the whole of the area of this Exploration Target.

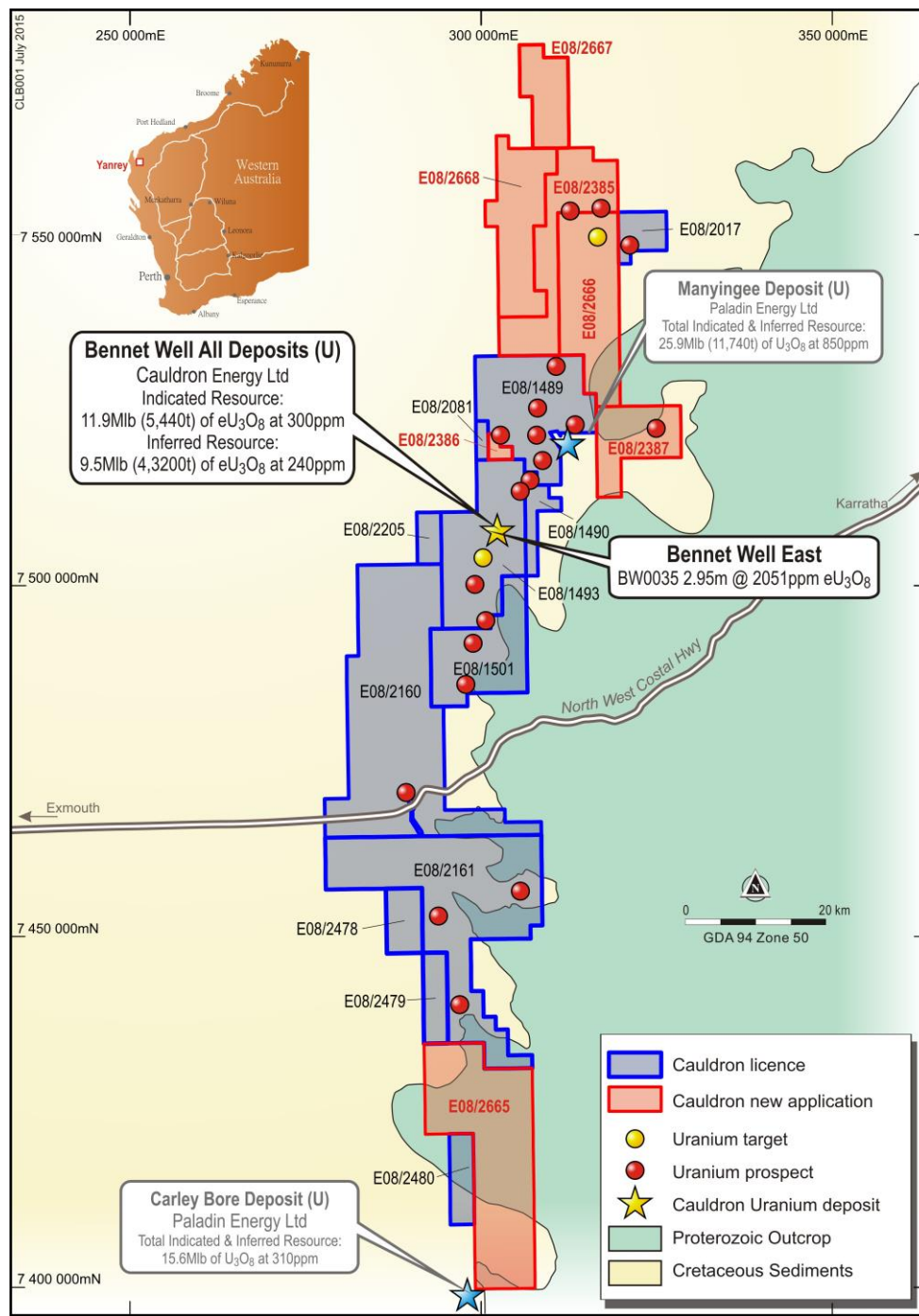


Figure 2: Yanrey Project – Deposit, Prospect and Target Locations

This Exploration Target estimate is in addition to the existing Mineral Resource for the Bennet Well uranium deposit reported in ASX announcement 14 July 2015 of 36.1 million tonne at 270 ppm uranium oxide for a contained metal oxide content of 21.5Mlb @ 270ppm U_3O_8 , using a cut-off of 150 ppm U_3O_8 .

The potential for large scale uranium (U_3O_8) mineralisation at Bennet Well is shown by the Exploration Target estimate and the Bennet Well Mineral Resource (refer ASX announcement 14 July 2015).

For further details on the process involved in the production of the Exploration Target estimate, and detailed descriptions of Target Areas 1 to 17, refer to ASX announcement 22 September 2015.

Drilling at Bennet Well

During the quarter, Cauldron undertook a heritage work area clearance in which a total of 51 line kilometres were surveyed. Very few Aboriginal heritage sites were identified within the Bennet Well Deposit that caused the proposed drill locations to be re-designed.

Towards the quarter end, Cauldron initiated a 4,000m rotary mud drilling program that was designed to test areas of potential extension to the mineralisation currently defined at Bennet Well. Twenty holes have been drilled for a total of 1,819m into areas of both potential extension to the Bennet Well East, Central and South prospects, and also in previously under-explored areas with the aim to identify new mineralised channels.

To date, the best target drilled has been the newly delineated Bennet Well Channel (Figure 5), reported in detail in ASX announcement released 30 September 2015.

The Bennet Well Channel is a linear zone of mineralisation proximal to the Bennet Well Mineral Resource that extends to the southeast for at least 3.2 km and is about 500 m wide (Figure 6). Cauldron included this area in an Exploration Target estimate (refer ASX announcement 22 September 2015), because of its physical appearance modelled from electromagnetic data enhanced by reported mineralisation from sparse scout drilling completed by CRAE in the mid-1980's.

Seven rotary mud drillholes for a total of 703 m were drilled into the Bennet Well Channel with the following assay highlights:

- BW0077: 4.15 m @ 529 ppm eU_3O_8 , from 88.9 m
- BW0078: 3.05 m @ 397 ppm eU_3O_8 , from 72.4 m
- BW0080: 1.90 m @ 480 ppm eU_3O_8 , from 70.1 m

Figure 7 provides a long sectional view of the Bennet Well Channel target area with interpreted geology and mineralisation morphology.

As announced 13 October 2015, the extension of the new Bennet Well Channel is believed to extend over 7.5km into the adjacent tenement as indicated by geophysical interpretation and validated by historical drilling completed by Dynasty Metals. This led Cauldron to secure this ground through the application of an Exploration Lease over this vacant ground (refer ASX announcement 13 October 2015).

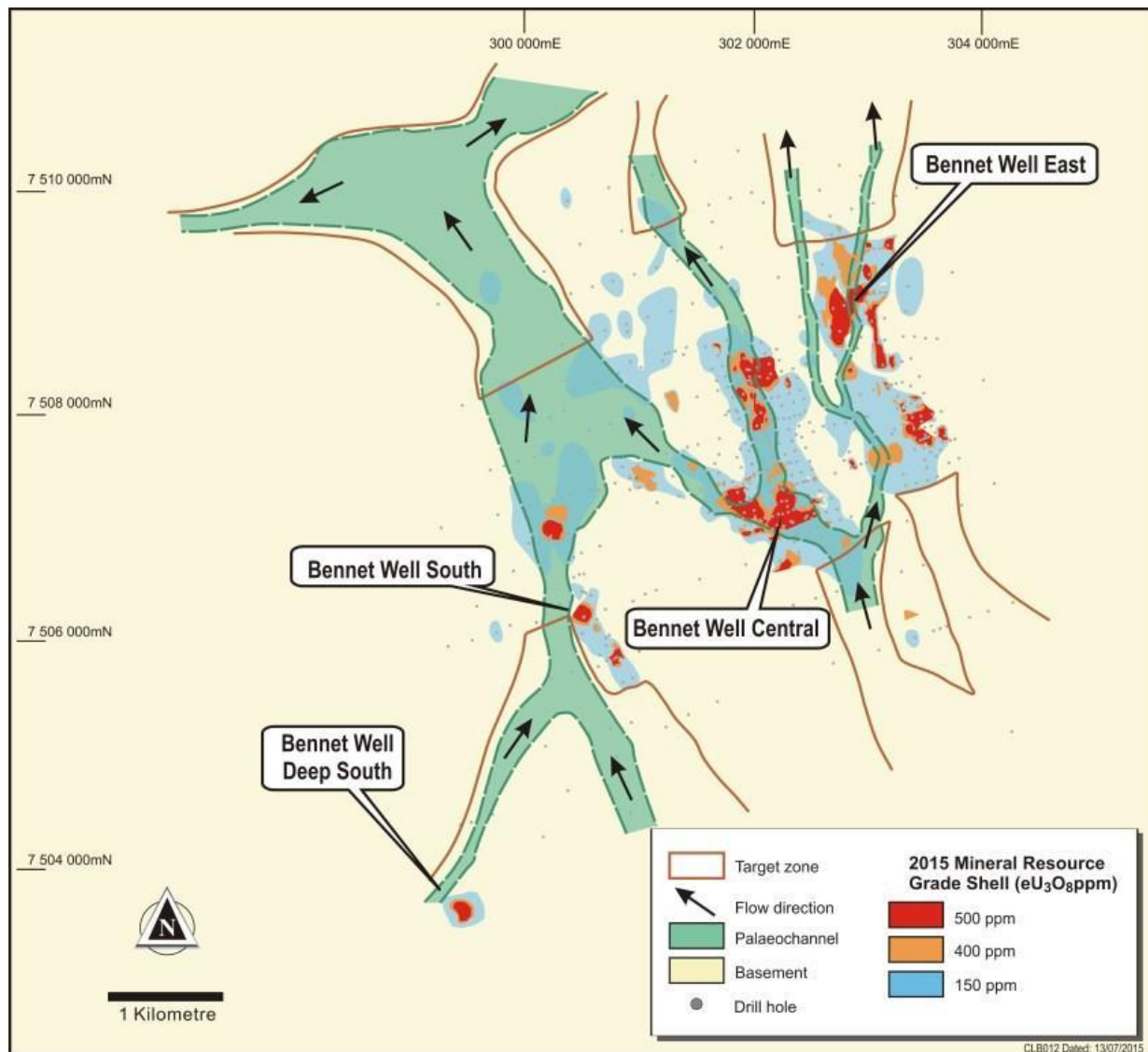


Figure 3: The three spatially separate prospects that comprise the Bennet Well Deposit

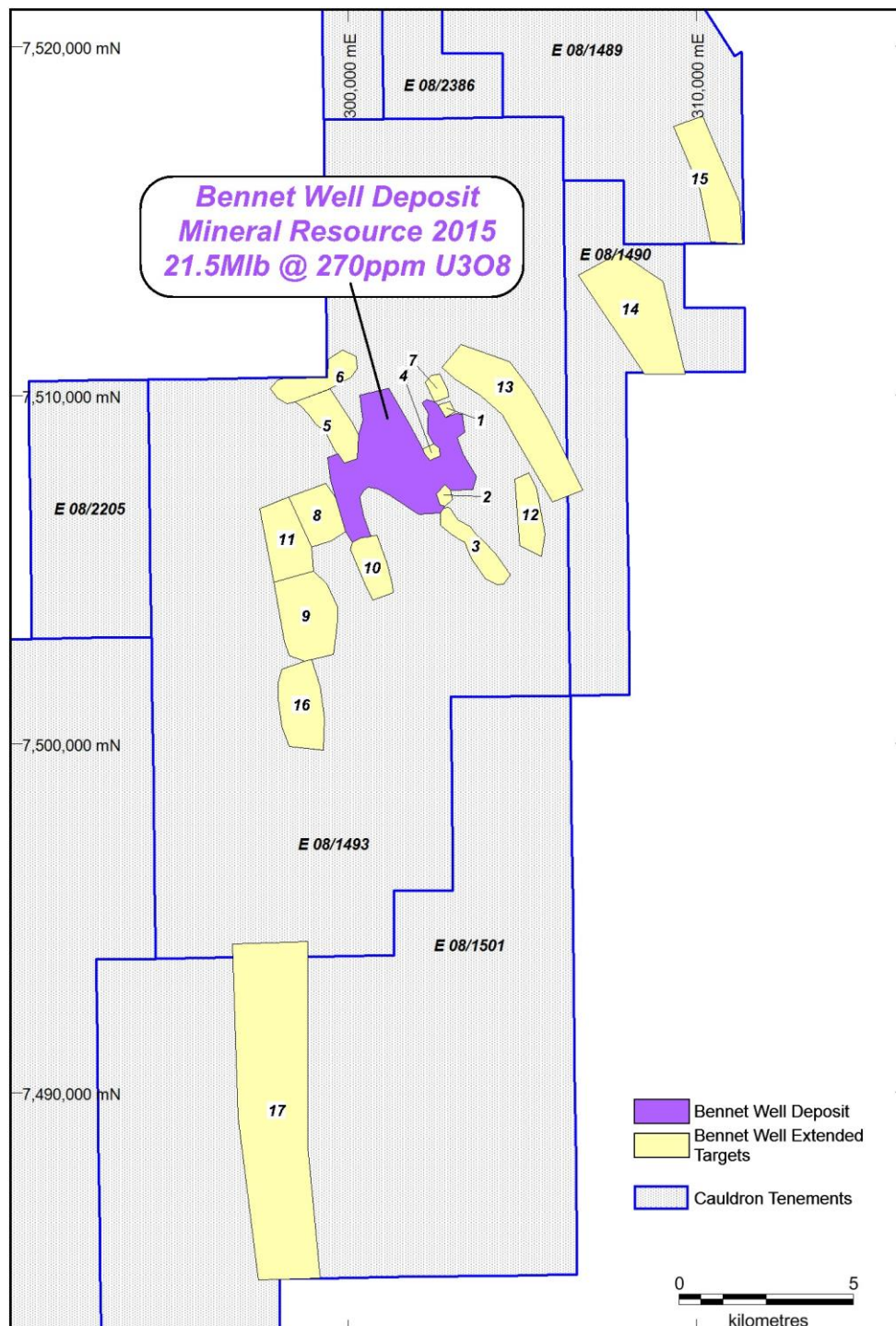


Figure 4: Bennet Well Deposit and Bennet Well Extended Targets, the Bennet Well Channel is marked by Area 3

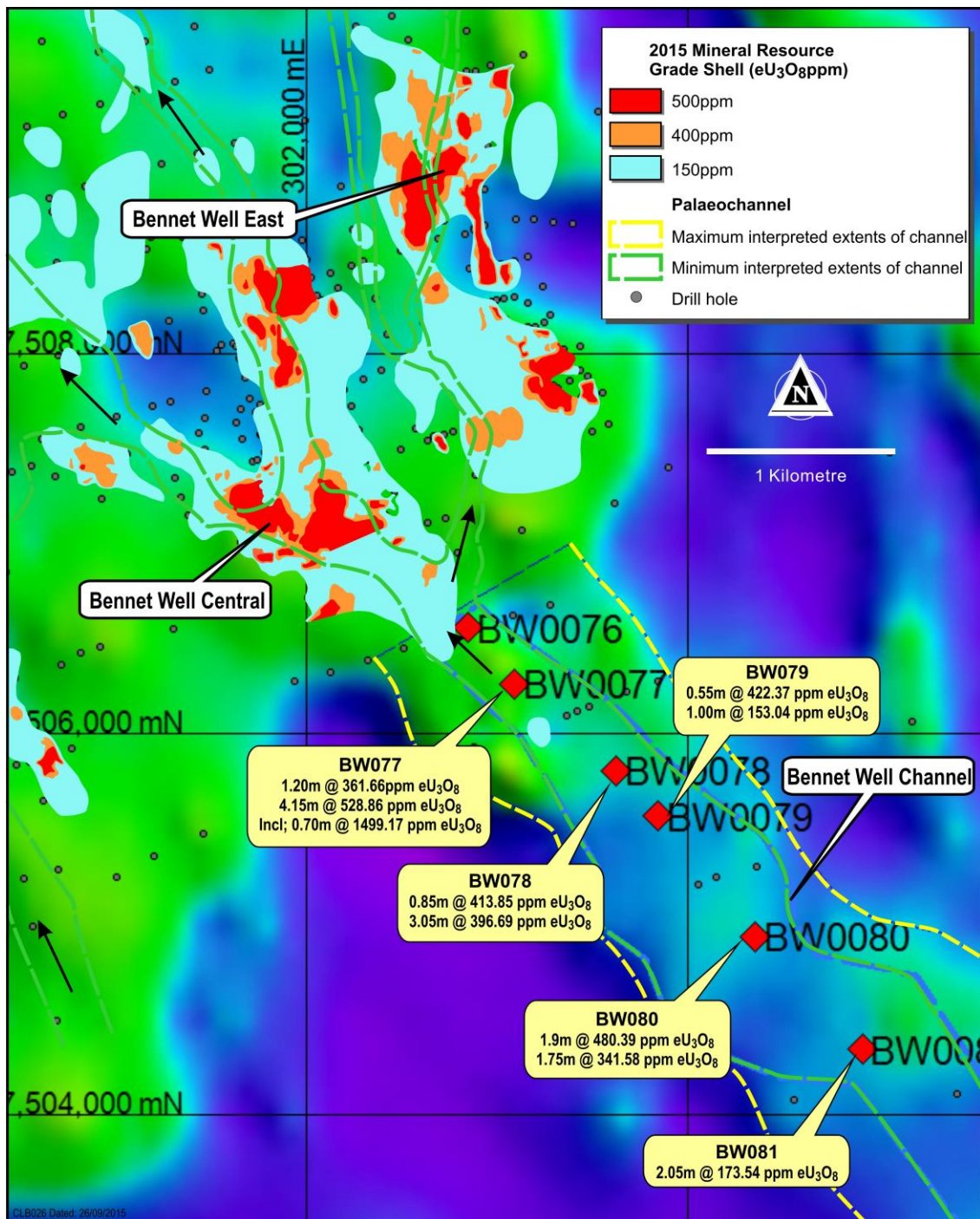


Figure 5: Bennet Well Channel - plan view showing summary of mineralisation form current drilling program on EM image with interpreted channel bounds

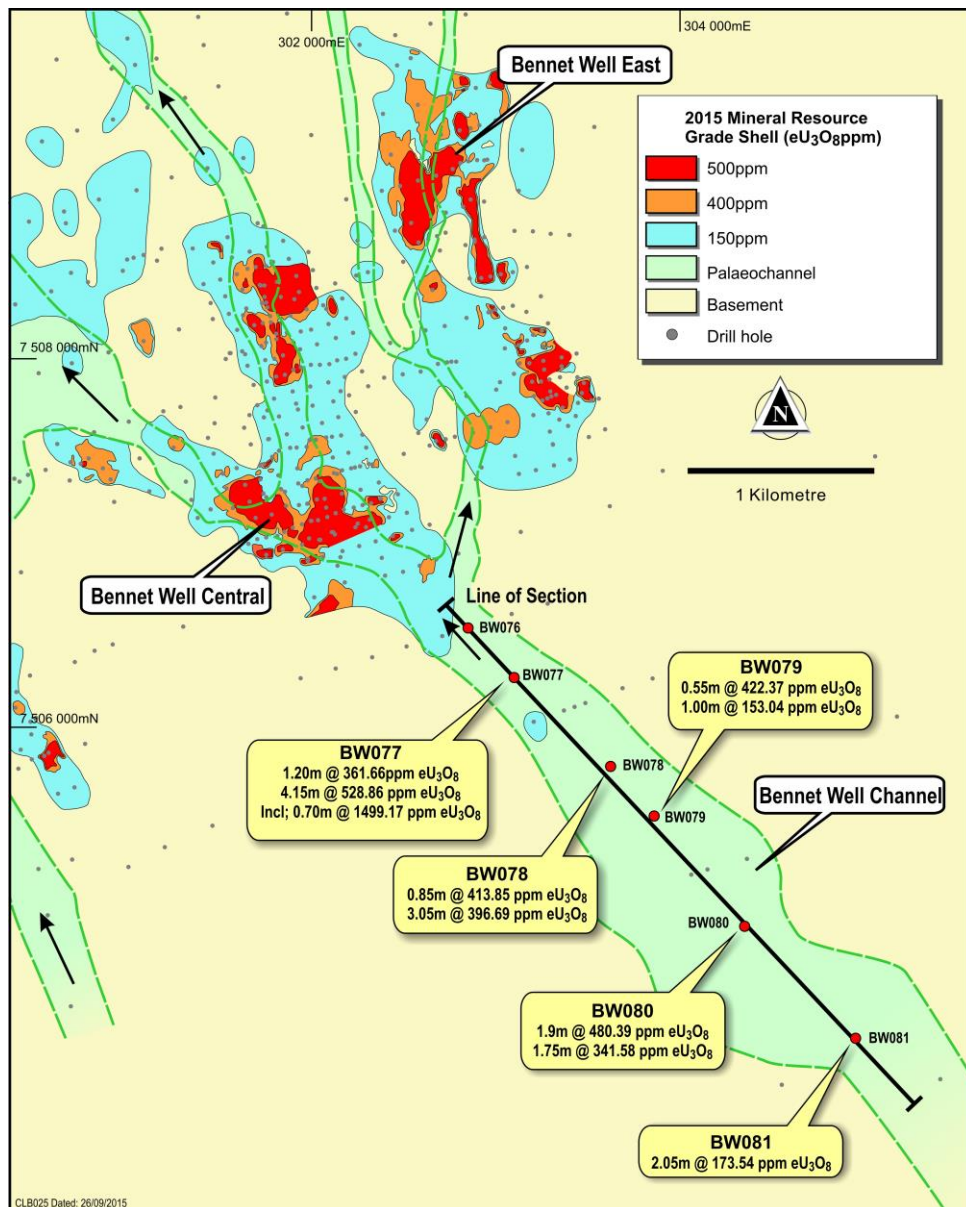


Figure 6: Bennet Well Channel - plan view showing summary of mineralisation

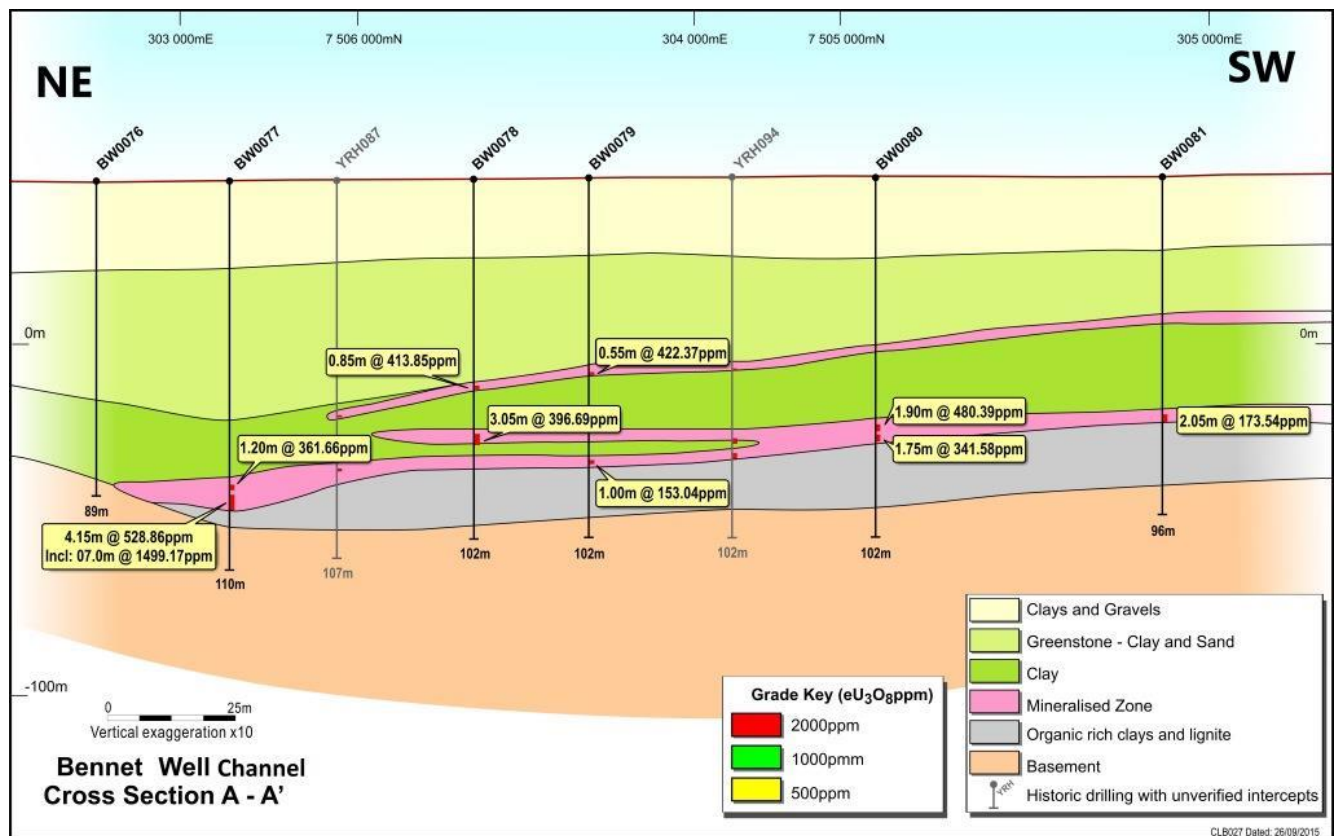


Figure 7: Bennet Well Channel - long section

YANREY PROJECT

The Yanrey Project comprises a collection of twelve exploration tenements in north-western Western Australia, one of which secures the Bennet Well Uranium Deposit. The project is prospective for sandstone-style uranium mineralisation capable of extraction by in-situ recovery mining techniques.

Cauldron has further developed deposit-scale models for the geological, stratigraphical and mineralisation frameworks for Bennet Well and has begun the application of this knowledge and understanding to the wider Yanrey Project area.

The objectives for this technical appraisal remain the same as outlined in the June 2015 quarterly report, namely to:

- rank the potential for uranium mineralisation in under-explored areas of the tenement group;
- generate target areas for follow-up geophysical surveys; and
- generate targets for further drill testing.

The continued improvement of the exploration models is allowing Cauldron to successfully test new, regional target areas that justify the receipt of grants such as the Exploration Incentive Scheme and also enables the Company to selectively focus on more prospective targets for geophysical data acquisition that will subsequently be utilised to identify new areas of potential uranium mineralisation that require further follow-up exploration.

MARREE PROJECT, SOUTH AUSTRALIA

Cauldron has not completed any exploration work at Marree during the quarter, as the focus has remained on progressing the Yanrey/Bennet Well uranium project.

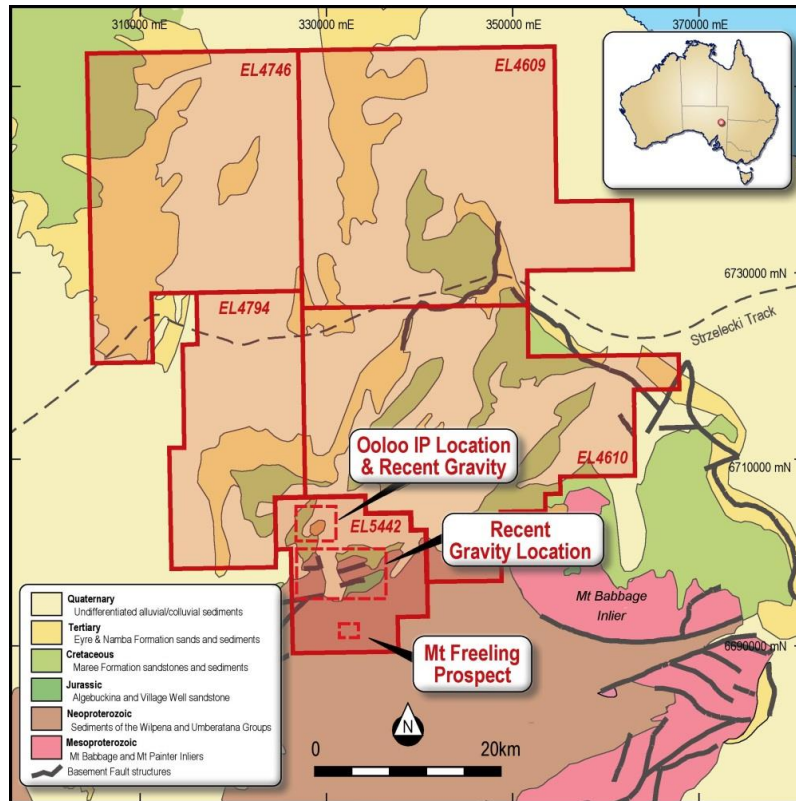


Figure 8: Marree Project – Location of identified prospects

TENEMENT ADMINISTRATION: AUSTRALIA

Objection to Cauldron's Applications for exploration licences 08/2385-2387

Cauldron lodged applications for exploration licences 08/2385, 08/2386 and 08/2387 on 4 April 2012. Forrest & Forrest Pty Ltd 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. As reported in our last quarterly, on 1 April 2015 Forrest & Forrest Pty Ltd requested the applications return to the warden. The warden has decided not to have any further hearing of the applications and the applications have successfully passed through the Native Title process. On 27 August 2015 Forrest & Forrest Pty Ltd 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. The application for judicial review is likely to be heard by the Court in early 2016.

Energia Mineral's Objection and Application for Forfeiture

On 14 August 2013 Energia Minerals Limited (ASX: **EMX**) lodged objections to applications for exemption from expenditure and lodged applications for forfeiture affecting exploration licences 08/2160, 08/2161 and 08/2165 held by Cauldron (**Tenements**). The applications for exemption (and associated objections) and applications for forfeiture relate to the expenditure year ending 20 May 2013 (in relation to exploration licence 08/2160) and 14 June 2013 (in relation to exploration licences 08/2161 and 08/2165). The proceedings are administrative in nature and are commenced under the *Mining Act 1978 (WA)* (**Act**).

The matter of the exemptions was heard by Warden Maughan 15-16 April 2015. On 22 May 2015, the Warden recommended that the exemptions be refused in each instance. Cauldron has since surrendered E08/2165 in its entirety and lodged a submission to the Minister, requesting his approval of the exemption applications for E08/2160 and E08/2161. Cauldron now awaits the decision of the Minister, as to whether the exemption applications will be granted.

The matter of the forfeiture applications against E08/2160 and E08/2161 by EMX has been listed for mention on 6 November 2015. This date may be re-scheduled dependent on the decision of the Minister with regard to the objection to the exemption applications.

Objection to Cauldron's Applications for exploration licences 08/2666-2668

Cauldron lodged applications for Exploration Licences 08/2666-2668 (E08/2666-2668) on 5 December 2014. Forrest & Forrest Pty Ltd lodged objections against E08/2666-2668 on 6 January 2015. The Warden adjourned the first mention of the objections to 6 November 2015, due to the DPM requirement to assess other applications that were first in line before Cauldron's applications for the same land.

Since the adjournment on 6 March 2015, first in line applications with regard to the land under E08/2667 and E08/2668 have been refused, which now puts Cauldron's applications at the forefront for grant. Cauldron has contacted Forrest & Forrest Pty Ltd for provision of an access agreement to procure the withdrawal of objections against E08/2667-2668 and is currently awaiting a response.

E08/2666 remains second in line for assessment.

These legal proceedings are currently at an early stage, with no negotiation between the parties commenced at this point in time.

Gnulli and Budina Native Title Claimants Objection to Expedited Procedure for E08/2665

On 12 February 2015, both the Gnulli and Budina Native Title Claimants lodged objections to the expedited Native Title procedure being applied to the grant of Cauldron's application for Exploration Licence 08/2665. The matters are now under the guidance of the National Native Title Tribunal to oversee the negotiation of heritage agreements with both Claimants. The parties are currently negotiating in good faith.

EXPLORATION ACTIVITIES: ARGENTINA

In Argentina, Cauldron controls, through its agreement with Caudillo Resources S.A. (**Caudillo**), more than 3,400 km² of exploration tenement in six project areas (Figure 9) located in four provinces. The most advanced project, Rio Colorado, is a Cu-Ag target exhibiting characteristics similar to the globally significant sedimentary copper deposits.

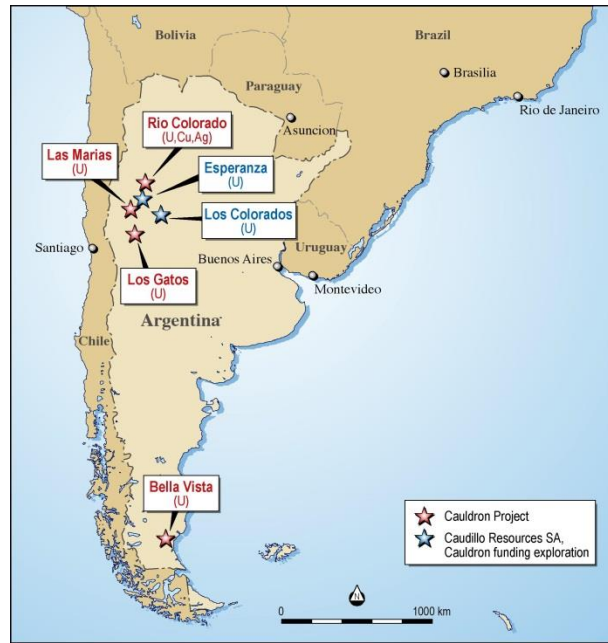


Figure 9: Argentina – Location of Prospects

Rio Colorado has significant potential as shown through historical surface geochemistry and mapping, and photo-geological structural interpretation, having the following highlights:

- geochemically anomalous (Cu/Ag/U) outcrop covering 6 km of strike; with copper assay up to 3.7%;
- identification of a total about 16 km zone of prospective unexplored outcrop; and
- thirteen distinct prospect areas capable of hosting polymetallic mineralisation.

There are three priorities of prospects and targets, summarised as:

Priority 1 – Rio Colorado Phase 1: drill-test ready; six outcropping geochemical and structural targets ready for drill testing;

Priority 2 – Rio Colorado Phase 2: near drill-test ready; further refinement through more detailed mapping and geochemical sampling of seven target zones of leached outcrop; and

Priority 3 – Rio Colorado Regional: target generation; further mapping and geochemical sampling to identify new regional targets along strike that may, or may not, be concealed beneath Holocene cover.

Cauldron is currently awaiting its approval for drilling at the Rio Colorado Project. Argentinean federal, regional and local government elections are currently in progress. Cauldron believes

that judicial approval for drilling will be forthcoming following the political re-positioning in the period following these significant elections.

Table 2: Drilling Intercepts for all drilling completed in the reporting period

Hole ID	Prospect Code**	East	North	RL	EOH	Dip	Azi	Intersection	Width	Grade*
		MGA94 Zone50S		m	m	Degrees		From(m) To (m)	m	eU ₃ O ₈ ppm
BW0074	BWE	302,836	7,509,693	47	73	-90	0	no significant assay		
BW0075	BWE	302,361	7,508,291	41	102	-90	0	73.55 74.05	0.50	231
BW0076	BWCh	302,847	7,506,541	47	89	-90	0	no significant assay		
BW0077	BWCh	303,098	7,506,260	43	110	-90	0	86.00 87.20	1.20	362
BW0077								88.90 91.10	2.20	744
BW0077								incl	0.70	1499
BW0077								91.85 93.05	1.20	401
BW0078	BWCh	303,633	7,505,786	39	102	-90	0	58.70 59.55	0.85	414
BW0078								72.40 75.45	3.05	397
BW0079	BWCh	303,849	7,505,563	40	102	-90	0	54.90 55.45	0.55	422
BW0079								80.55 80.85	0.30	225
BW0080	BWCh	304,359	7,504,936	40	102	-90	0	70.05 71.95	1.90	480
BW0080								incl	0.35	1188
BW0080								73.00 74.75	1.75	342
BW0081	BWCh	304,923	7,504,339	47	96	-90	0	41.90 42.20	0.30	246
BW0081								67.65 68.20	0.55	254
BW0081								68.75 69.70	0.95	162
BW0082	BWE	305,180	7,506,068	48	67	-90	0	no significant assay		
BW0083	BWE	302,549	7,509,948	47	91	-90	0	67.60 68.10	0.50	308
BW0084	BWE	302,493	7,510,358	47	121	-90	0	no significant assay		
BW0085	CHE	305,414	7,508,931	38	49	-90	0	no significant assay		
BW0086	CHE	304,555	7,510,081	56	73	-90	0	no significant assay		
BW0087	CHE	304,481	7,509,037	50	61	-90	0	no significant assay		
BW0088	BWE	303,051	7,510,788	47	91	-90	0	no significant assay		
BW0089	BWE	302,496	7,509,934	45	91	-90	0	68.60 69.30	0.70	260
BW0090	BWW	299,320	7,509,302	47	103	-90	0	no significant assay		
BW0091	BWW	299,885	7,508,988	52	97	-90	0	no significant assay		
BW0092	BWE	302,731	7,507,136	47	114	-90	0	no significant assay		
BW0093	BWW	299,580	7,506,940	48	85	-90	0	no significant assay		

* Intercepts derived using a minimum grade of 150 ppm eU₃O₈ that extends for at least 0.4m downhole

** Prospect Code: BWE = Bennet Well East; BWW = Bennet Well West; BWCh = Bennet Well Channel; CHE = Cheetara

End.

For further information, visit www.cauldronenergy.com.au or contact:

Simon Youds

Cauldron Energy Limited

Ph: (08) 9380 9555

Disclosure Statements

Competent Person Statement

The information in this report that relates to exploration results is based on information compiled by Mr Jess Oram, Exploration Manager of Cauldron Energy. Mr Oram is a Member of the Australasian Institute of Geoscientists who has sufficient experience that is relevant to the style of mineralisation, type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration, Results, Mineral Resource and Ore Reserves (JORC Code 2012). Mr Oram consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Schedule of Tenements

Mining tenements held at 30 September 2015, including tenements acquired and disposed of during the quarter:

Tenement reference	Project & Location	Acquired interest during the quarter	Disposed interest during the quarter	Interest at end of quarter
E08/1489	YANREY - WESTERN AUSTRALIA	-	-	100%
E08/1490	YANREY - WESTERN AUSTRALIA	-	-	100%
E08/1493	YANREY - WESTERN AUSTRALIA	-	-	100%
E08/1501	YANREY - WESTERN AUSTRALIA	-	-	100%
E08/2017	YANREY - WESTERN AUSTRALIA	-	-	100%
E08/2081	YANREY - WESTERN AUSTRALIA	-	-	100%
E08/2160	YANREY - WESTERN AUSTRALIA	-	-	100%
E08/2161	YANREY - WESTERN AUSTRALIA	-	-	100%
E08/2205	YANREY - WESTERN AUSTRALIA	-	-	100%
E08/2478	YANREY – WESTERN AUSTRALIA	-	-	100%
E08/2479	YANREY – WESTERN AUSTRALIA	-	-	100%
E08/2480	YANREY – WESTERN AUSTRALIA	-	-	100%
E08/2496	BOOLALOO – WESTERN AUSTRALIA	-	-	100%
E08/2638	BOOLALOO – WESTERN AUSTRALIA	100%	-	100%
E45/2405	BEADELL - WESTERN AUSTRALIA	-	-	20%
393/2010	Catamarca, Argentina	-	-	100%
1124-546-2010	Las Marías Project - San Juan, Argentina	-	-	100%

Mining tenements with beneficial interest held in farm-in/farm-out agreements held at 30 September 2015, including interests acquired and disposed of during the quarter:

Farm-in Agreement and Tenement reference	Project & Location	Acquired interest during the quarter	Disposed Interest during the quarter	Interest at end of quarter
E08/1494	UAROO - WESTERN AUSTRALIA	-	70%*	-
E08/1495	UAROO - WESTERN AUSTRALIA	-	70%*	-
140/2007	Rio Colorado Project - Catamarca, Argentina	-	-	92.50%**
141/2007	Rio Colorado Project - Catamarca, Argentina	-	-	92.50%**
142/2007	Rio Colorado Project - Catamarca, Argentina	-	-	92.50%**
143/2007	Rio Colorado Project - Catamarca, Argentina	-	-	92.50%**
144/2007-581/2009	Rio Colorado Project - Catamarca, Argentina	-	-	92.50%**
176/1997	Rio Colorado Project - Catamarca, Argentina	-	-	92.50%**
232/2007	Rio Colorado Project - Catamarca, Argentina	-	-	92.50%**
270/1995	Rio Colorado Project - Catamarca, Argentina	-	-	92.50%**
271/1995	Rio Colorado Project - Catamarca, Argentina	-	-	92.50%**
43/2007	Rio Colorado Project - Catamarca, Argentina	-	-	92.50%**

*Rights to uranium only – JV and tenements expired 2 July 2015

**Cauldron has signed an exclusive option agreement through its wholly owned subsidiary Cauldron Minerals Ltd (formerly Jackson Global Ltd) with a private party (Dr Horacio Solis), to earn 92.5% in 230km² of the Rio Colorado uranium project in Argentina. The remainder of the project is (532km²) is held by Cauldron in the name of a related entity. Together, both areas will form the Rio Colorado Joint Venture. Cauldron will earn its Initial Interest of 51% in the project by completing a minimum work program, including 3,000 metres of drilling. The Company can earn 92.5% of the project by completing exploration expenditure of \$500,000 within three years following earning of the initial interest.

Farm-out Agreement and Tenement reference	Project & Location	Acquired interest during the quarter	Disposed Interest during the quarter	Interest at end of quarter
EL4609	MAREE - SOUTH AUSTRALIA	-	-	62.32%*** (increasing)
EL4610	MAREE - SOUTH AUSTRALIA	-	-	62.32%*** (increasing)
EL4746	MAREE - SOUTH AUSTRALIA	-	-	62.32%*** (increasing)
EL4794	MAREE - SOUTH AUSTRALIA	-	-	62.32%*** (increasing)
EL5442	MAREE - SOUTH AUSTRALIA	-	-	62.32%*** (increasing)

***As at 31 December 2014

JORC Code, 2012 Edition – Table 1 –

Yanrey Project – Bennet Well Channel Exploration Target 2015

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Part	Criteria	Explanation	Comment
1-1	Sampling Techniques	<i>Nature and quality of sampling (e.g. cut channels, random chips, or specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments etc.). These examples should not be taken as limiting the broad meaning of sampling.</i>	<p>The principal sampling method for all drilling conducted at the Bennet Well and larger Yanrey projects has been by downhole geophysical gamma logging to determine uranium assay and in-situ formation density data. Data collected at 1 cm sample rate comprised gamma ray (two calibrated sondes on two separate sonde stacks), caliper, dual lateral resistivity, dual induction and triple density. Downhole geophysical log data was collected by contractors, Borehole Wireline Logging Services of Adelaide using GeoVista made downhole slim-line tools.</p> <p>Core samples were also collected for the diamond drilling conducted in 2013 and 2014 however these data have not been deemed as being representative of the entire project area and have therefore not been used in the derivation of the Exploration Target.</p> <p>All uranium assay grade is determined from deconvolved gamma logs; using non dead-time corrected calibrated gamma sondes, the consecutive application of a smoothing and sharpening filter on the raw data, hole-size correction, moisture correction, and a correction for secular disequilibrium.</p> <p>All in-situ formation density estimated from data was collected by a triple density probe; using calibrated density sondes from the three channels of the probe (short spaced, long spaced and bed resolution density). These data were corrected for the high background gamma environment of the mineralised zone (by running the probe without the source in grades above 800 ppm eU₃O₈) and for variations in hole-size by applying a hole-size correction model derived from the AMDEL calibration facility.</p>
		<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any</i>	Downhole gamma logging was performed by Borehole Wireline Pty Ltd using a Geovista 38mm total count gamma probe. Calibration of two gamma sondes was completed using non-dead-time corrected grade and hole-size correction models, and for the density

Part	Criteria	Explanation	Comment
		<i>measurement tools or systems used.</i>	sonde using a density model and a hole-size correction model.
		<i>Aspects of the determination of mineralisation that are Material to the Public Report.</i>	Data was collected at 1 cm sample intervals down the length of the drillhole. Uranium assay grades were determined from deconvolved gamma logs using non dead-time corrected calibrated gamma sondes, the consecutive application of a smoothing and sharpening filter on the raw data, hole-size correction, moisture correction, and a correction for secular disequilibrium. Downhole geophysical logging was undertaken by contractors, Borehole Wireline Logging Services of Adelaide using GeoVista made downhole slim-line tools.
	Drilling Techniques	<i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i>	Drilling within the Bennet Well – Yanrey project consists of various phases of rotary mud, aircore and diamond core drilling conducted between 1979 (historical) and 2014 (CXU). All holes were drilled vertically. The breakdown of programs is as follows: <ul style="list-style-type: none"> ➤ pre-2013: historical drilling consisting mostly of aircore, comprising 285 holes for a total of 29,065 m and rotary mud, consisting of 95 holes for 8,993 m . ➤ 2013: diamond core drilling comprising a total of 8 holes, consisting of 356 m rotary mud pre-collars and 257 m of HQ diamond core tails. The rotary mud pre-collars were drilled at a diameter of 5 ¼” while the diamond core tails were drilled with triple-tube PQ (diameter 83mm) in areas of hard drilling, and subsequently HQ (61mm) when the target zone of mineralisation was intersected. ➤ 2014: approximately 90 % of the drill program was comprised of rotary mud (diameter for a total of 67 holes (5,785 m), while 10% consisted of triple tube diamond-drilled PQ core for a total of 6 holes (534m). The bore wall was stabilised by bentonite muds and chemical polymers.

Part	Criteria	Explanation	Comment
1-2	Drill Sample Recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	<p>Core processing for the 2013 and 2014 diamond drill programs involved checking every run for accuracy on drilling blocks to identify areas of core loss/gain that would then assist with determination of total core recovery. Recoveries of core were measured inside the splits before transferring it to the core trays. The measured recoveries were then logged in a database and later used to determine recovery percentages. Average core recoveries for the 2013 and 2014 programs were 93.6% and 87.8%, respectively.</p> <p>Sample recovery from mud rotary drilling is not required for assay, but during the 2014 program a sample was collected in 1 m downhole increments and laid out near the drill collar for use in logging the downhole lithology, redox state, alteration and the stratigraphic sequence. A specimen sample of each downhole increment for each drillhole remains on-site.</p>
		<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	<p>Sample recovery from the mud rotary drilling has never been recorded because a physical sample is unnecessary for assay determination.</p> <p>Triple tube PQ core has been determined as the most effective drilling method (outside of potential use of sonic drilling) to maximize recovery of the mostly unconsolidated interbedded sand and clay sequences hosting the mineralisation. The 2013 and 2014 diamond core programs involved drilling run lengths of 3.0 m outside of the target ore zone and then decreasing the run length to 1.5, 1.0 and even 0.5 m on approach to and within the ore zone itself. The short runs were found to achieve the best overall recovery.</p>
		<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	<p>Cauldron has not identified any relationship between sample recovery and the determination of uranium assay from deconvolved gamma ray data.</p> <p>Variations in uranium grade caused by changing drillhole size is minimised through an accurate measurement of hole diameter using the caliper tool and application of a hole-size correction factor. Hole-size correction models have been determined by Borehole Wireline, using data collected at the PIRSA calibration facility in Adelaide; with a hole-size correction factor derived as a function of drillhole diameter.</p>

Part	Criteria	Explanation	Comment
1-3	Logging	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	<p>All mud rotary chips are geologically logged and used to assist in the interpretation of the resistivity, induction and density profiles derived from the downhole geophysical sondes. Uranium assay for a potential in-situ leach project requires mineralisation to be hosted in a porous sedimentary sequence that is readily leachable, and is determined for the former geophysical data and the mud rotary chips.</p> <p>The drill core was also geologically logged in greater detail than that undertaken during the logging of the mud rotary chips. This information was later used in a deposit-wide geological interpretation exercise and the subsequent establishment of a working 3D exploration model that has also been used in the derivation of the Exploration Target as well the planning and design of the proposed work to test these Targets.</p> <p>No geotechnical data was collected due to the generally flat-lying geology and mostly unconsolidated sediments.</p>
		<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i>	<p>The geological logging completed was both qualitative (sediment/rock type, colour, degree of oxidation, etc.) and quantitative (recording of specific depths and various geophysical data).</p> <p>The chip samples were sieved and photographed wet (lightly sprayed with water) and dry. Selected half-core zones were also photographed by Core Labs Australia, (Kewdale, W.A.), showing the cut and cleaned surfaces.</p>
		<i>The total length and percentage of the relevant intersections logged.</i>	All mud rotary chip samples and core samples were geologically logged. All drillholes from the 2013 and 2014 programs were logged with the downhole geophysical probes.

Part	Criteria	Explanation	Comment
1-4	Sub-Sampling Techniques and Sample Preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	<p>Most of the core from the 2013 program was cut on-site in half using an angle grinder and chisels by the Site Geologist since the core was loosely consolidated. More consolidated core was cut at Core Labs (Kewdale, W.A.) using a diamond blade saw.</p> <p>Core from the 2014 program was treated differently. Immediately after the drilled core was measured and logged, the trays containing the target mineralised zones would be separated from the 'barren' core. Core from the mineralised zone were wrapped in cling-wrap and the whole trays were then stored and transported within freezers for delivery to Core Labs, Kewdale W.A.</p> <p>Drill core samples from both the 2013 and 2014 diamond core programs were processed at Core Labs (during their respective exploration periods) and selected intervals chosen for porosity/density and permeability testing (PdpK) which involved the drilling of a half-inch length plug removed from the interval of core.</p> <p>Intervals were later selected for geochemical assay sampling which involved the collection of half core for normal samples and quarter core as duplicate (QAQC) samples. The geochemical assay results have not been used in the calculations behind the derivation of the Exploration Target in this report and therefore have not been included here.</p> <p>After the sampling process, the surfaces of the remaining half-core intervals were cleaned and smoothed by the use of very small, thin razor blades and thin brushes (for the removal of the resulting dust and debris). This procedure is part of the "slabbing" procedure routinely conducted by Core Labs. Once the core was sufficiently cleaned, profile permeability measurements were taken to establish amenability to the passage of fluids through the mineralised target zones.</p>
		<i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i>	No mud rotary chip samples were collected for geochemical assay.
		<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	Rotary mud drilling does not require a physical sample to assay nor would it provide a sufficiently clean sample if there was a need for geochemical assaying (because it involves an open hole with no control on contamination or smearing of the sample between metres). However, this type of drilling does allow the passage of geophysical probes which can derive assay for uranium mineralisation. A check against assay and density derived from gamma and density probes, respectively, will be completed using physical sampling derived from core drilled during the 2014 program.

Part	Criteria	Explanation	Comment
			<p>Geochemical assays from the diamond core have not been used in the derivation of the Exploration Targets. Sampling information will therefore not be included here as it is deemed irrelevant for the purpose of this report.</p>
		<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	<p>Two calibrated gamma probes run in separate stacks were utilised to derive uranium assay from every hole. Assay from only one probe (the grade probe) is used in grade determination; the alternate probe is used to check the result derived from the grade probe. This cross-check is used to check if the correct calibration models are applied to the data, and to ascertain potential spurious results from a damaged probe or a probe that drifts out of calibration range.</p> <p>Geochemical assays from the diamond core have not been used in the derivation of the Exploration Targets. Sampling information will therefore not be included here as it is deemed irrelevant for the purpose of this report.</p>
		<i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i>	<p>All holes drilled during the 2014 rotary mud / diamond core program were assayed with two different calibrated gamma probes.</p> <p>Geochemical assays from the diamond core have not been used in the derivation of the Exploration Targets. Sampling information will therefore not be included here as it is deemed irrelevant for the purpose of this report.</p>
		<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	<p>During the downhole logging process, the gamma and density probe used for uranium assay determination and in situ density measurement is retracted past in-situ material accessed by the drillhole. No sorting of sample by grain size will occur under these conditions.</p> <p>Cauldron used well known laboratories for geochemical assessment of the core samples to ensure that all sample preparation including crushing and pulverizing was suitable for the material being tested.</p> <p>The profile permeability measurements were taken every 15 centimetres, where possible, along the cut face of the remaining one-half core section, throughout each of the 8 x drill core holes. The grain size of the sampled material is therefore not relevant to the selection of sample points for this type of analysis.</p> <p>Samples selected for the porosity/grain and bulk density testwork were trimmed, dried and cooled (see "Sampling Techniques" section) according to standard Core Lab</p>

Part	Criteria	Explanation	Comment
			sampling procedures. Material grain size is also irrelevant to the selection of samples for these testworks.
1-5	Quality of Assay Data and Laboratory Tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	<p>Borehole Wireline Logging Services have strict quality assurance procedures to ensure tool reliability and tool calibration. Borehole Wireline has collected recent data to calibrate the gamma, density and caliper probes, and has supplied these data to Cauldron.</p> <p>Provided appropriate correction factors and assay control, deconvolved downhole gamma assay provide the best assay for uranium hosted in unconsolidated sedimentary material, because of low sample quality derived from RC drilling and potential low recovery from core drilling.</p> <p>Geochemical assays from the diamond core have not been used in the derivation of the Exploration Targets. Sampling information will therefore not be included here as it is deemed irrelevant for the purpose of this report.</p> <p>The PdpK technique is a well-used procedure throughout the Oil and Gas Industry and is widely used by Core Labs for many Petroleum companies throughout the world. As such, this analytical method is usually considered to result in a very accurate, representative and precise data set.</p>
		<i>For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	<p>Deconvolved uranium grade from gamma logging comprises the following:</p> <ul style="list-style-type: none"> • each gamma tool is calibrated for tool count (gamma scintillations) against uranium response in the PIRSA calibration pits, Adelaide; using the revised pit grades of Dickson 2012 • hole size correction factor is applied; which is generated from the PIRSA calibration pits, Adelaide; applied to every hole based on the measured hole diameter of the drillhole • moisture correction factor of 1.11 is applied because of the difference in dry weight uranium grade between the relatively dry calibration pits compared to the saturated unconsolidated sediments that are host to the deposit • disequilibrium factor of 1.07 is applied to all holes based on minimal data that needs further analysis and quantification

Part	Criteria	Explanation	Comment
			<p>Profile permeability was measured on the cut face of the remaining one-half core section of each of the core holes using the PdpK TM 300 Profile Permeameter. Measurements were made approximately every 15 centimetres, where possible, along the core. A total of only 514 point measurements were made from the 2013 program, as the core in each hole was in a very deteriorated condition. The 2014 core samples submitted for PdpK testing returned a total of 258 point measurements because of more constrained sampling procedures in line with budgetary limitations.</p> <p>Samples selected for porosity, grain and bulk density measurement were first weighed and then processed through the Ultrapore TM 400 Porosimeter to first determine Grain Volume, using a combination of Helium gas and calculations involving Boyle's Law. A calibration check plug was run after every 5th sample. Grain density data was subsequently calculated from the grain volume and sample weight results.</p> <p>Bulk volume data for each of the samples were obtained by the use of Mercury displacement (using a Volumetric Displacement Pump) and Grain Volume data. Dry bulk density data was subsequently calculated using these resulting bulk volumes and the sample weights.</p> <p>The porosity of each sample was finally calculated from the same dataset using the bulk volume results and the grain volume data obtained at the beginning of the process.</p>
		<i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i>	<p>In every hole, duplicate deconvolved gamma assay data is derived from two distinct probes and used to check for potential inaccuracy caused by electronic malfunction of any probe at any possible time.</p> <p>Core Labs, Perth, performed their own in-house calibration checks (such as running the calibration check plugs every 5th sample on the Ultrapore 400 Porosimeter) and re-running samples through the respective machines, as part of their quality control procedures.</p>
1-6	Verification of Sampling and Assaying	<i>The verification of significant intersections by independent or alternative company personnel.</i>	Independent checks were completed on these data by Borehole Wireline; which were cross-checked by Cauldron against deconvolved gamma grades derived by Cauldron.
		<i>The use of twinned holes.</i>	Eight core holes drilled in 2013 comprised a mix of twinned holes and new exploration holes in geologically and mineralogically significant areas. The core holes that served as twins were situated between 2.0 m to 10.0 m from the original holes.

Part	Criteria	Explanation	Comment
		<p><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></p>	<p>Data used to derive deconvolved gamma assay (depth, gamma reading and caliper, tool ID, calibration ID) is stored in .LAS files (a common industry space delimited format for downhole geophysical data) and viewed in WellCad (saved as WellCad .WCL files) which is then later uploaded to SQL database. The database and server is backed up regularly.</p> <p>Preliminary and final PdpK data are stored as '.csv' files on the Cauldron server for future reference. All data is verified by senior personnel and then entered into an in-house SQL database by a designated database consultant who manages all data entry. All data is saved as electronic copies with server backups completed.</p> <p>Profile permeability data is reported in units of milli Darcies or Darcies</p>
		<p><i>Discuss any adjustment to assay data.</i></p>	<p>Geochemical assays from the diamond core have not been used in the derivation of the Exploration Targets. Sampling information will therefore not be included here as it is deemed irrelevant for the purpose of this report.</p> <p>A disequilibrium factor of 1.07 is applied to the gamma deconvolved grade to account for secular disequilibrium as measured by ANSTO on limited samples in 2007; and by the difference between wet chemical assay derived from core and deconvolved assay derived from gamma logging as seen in the core drilling completed in 2013. Spatial variations in secular disequilibrium in any orebody is common; and can range from a value both greater and less than 1. More work is required to map the variations in secular disequilibrium.</p> <p>The calculations used to obtain the grain, bulk and porosity data, and the respective reported units given to each data set, are as follows:</p> <p>Grain density and volume: $GD = W1/GV$ where: GD = Grain Density (grams per cubic centimeter – g/cc) W1 = Weight of sample (grams - g) GV = Grain Volume (cubic centimetres – cc)</p> <p>Porosity: $\emptyset = ((BV-GV)/BV) \times 100$ where: \emptyset = Porosity (percent - %) BV = Bulk Volume (cubic centimetres – cc) GV = Grain Volume (cubic centimetres – cc)</p> <p>Bulk Density: $BD = W1/BV$ where: BD = Bulk Density (grams per cubic centimeter – g/cc) W1 = Weight of sample (grams – g) BV = Bulk Volume (cubic centimetres – cc)</p>

Part	Criteria	Explanation	Comment
1-7	Location of Data Points	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	<p>The method to locate collars is by a real-time kinematic GPS system having an accuracy of plus or minus 0.5 m in the X-Y-Z plane, collected by qualified surveyor, Phil Richards of MHR Surveyors, WA. The relative level is determined from levelling to a grid derived from Shuttle Radar Topographic Mission (SRTM) data having 90 m sample spacing.</p> <p>No downhole surveys were completed since all holes were drilled vertically and the shallow drillhole depths relative to wide drill spacing would have minimal effect on potential mis-position of mineralised intercepts.</p>
		<i>Specification of the grid system used.</i>	The grid system used at the Bennet Well-Yanrey project area is MGA_GDA94, Zone 50. All data is recorded using Easting and Northing and AHD.
		<i>Quality and adequacy of topographic control.</i>	The primary topographic control is from SRTM. This technique is adequate given the generally flat-lying nature of the sediments. The highly accurate RTK pickups of collars from the most recent drilling is for only a small portion of the total drilling of the deposit; the SRTM derived data provide the best means to mitigate against level-busts that would occur with RL derived from two different methods.
1-8	Data Spacing and Distribution	<i>Data spacing for reporting of Exploration Results.</i>	<p>Spacing of holes drilled historically is variable between 30 and 200 m on individual fence lines, and 50 m to 1,100 m between fence lines along strike.</p> <p>Spacing of the core holes from the 2013 drilling program varied between 350 m and 800 m within individual prospects.</p> <p>The spacing of the drill holes from the 2014 program varied between 100 m and 800 m within individual prospects.</p>
		<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	The area occupied by the deposit is very large and therefore drill spacing has always been variable.
		<i>Whether sample compositing has been applied.</i>	<p>Downhole geophysical data was collected on 0.01 m increments; a running five point smoothing average was subsequently applied to these data for the purposes of reducing file storage sizes.</p> <p>All downhole geophysical data was later composited to 0.50 m increments for the purpose of block modelling for the revision of the mineral resource estimate.</p>

Part	Criteria	Explanation	Comment
			The only compositing undertaken for core thus far was conducted in 2013 in relation to leach testing by ANSTO over a selected interval. A total of 34 and 10 assay pulp samples for YNDD018 and YNDD022 respectively were composited to make the leach test samples. These results however have not been used in the derivation of the Exploration Target supplied in this report.
1-9	Orientation of Data in Relation to Geological Structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	All drill holes were drilled vertically since the sediments are mostly unconsolidated and generally flat-lying. All holes therefore sample the true width of mineralisation.
		<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	No sampling bias is observed by the orientation of the drill holes.

Part	Criteria	Explanation	Comment
1-10	Sample Security	<i>The measures taken to ensure sample security.</i>	<p>Chips collected from each rotary mud and aircore drill hole are stored securely in a locked sea container at the Bennet Well Exploration Camp. Diamond drill core from the 2008 and 2013 drill programs is also stored at a secure location on the project site, in lockable sea containers.</p> <p>If there is a requirement to transport core to Perth for sampling and assaying, the following procedure is followed:</p> <ul style="list-style-type: none"> ➤ core is frozen, wrapped and stacked on pallets and strapped with secure metal strapping; ➤ A Ludlum Alpha/Gamma Surface meter is then used to measure the concentration of alpha/gamma particles (if any) being emitted from each of the pallets. ➤ Pending the results of these surveys, and in accordance with the Safe Transport of Radioactive Material (2008) guidelines issued by the Australian Radiation Protection and Nuclear Safety Agency (ARPANSA), the appropriate transport documentation was inserted into the top layer of plastic pallet wrap in such a way as to be visible to the transporter, if required. ➤ Upon arrival at the desired destination in Perth, the core is finally inspected by senior Cauldron personnel to check that sample integrity has been maintained.
1-11	Audits or Reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	no audits have been completed on the procedure used to obtain deconvolved uranium assay from downhole gamma data

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Part	Criteria	Explanation	Comment
2-1	Mineral Tenement and Land Tenure Status	<i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i>	All drilling was completed, at various times, on exploration tenements E08/1493, E08/1489, E08/1490 and E08/1501, which are now 100% owned by Cauldron. A Native Title Agreement is struck with the Thalanyji Traditional Owners which covers 100% of the tenements listed above.
		<i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i>	These tenements are in good standing and Cauldron is unaware of any impediments for exploration on these leases.

Part	Criteria	Explanation	Comment
2-2	Exploration Done by Other Parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	A 70 km long regional redox front and several palaeochannels were identified by open hole drilling by CRA Exploration Pty Ltd (CRAE) during the 1970s and early 1980s. CRAE drilled over 200 holes in the greater Yanrey Project area, resulting in the discovery of the Manyingee Deposit and the identification of uranium mineralisation in the Bennet Well channel and the Spinifex Well Channel. Uranium mineralisation was also identified in the Ballards and Barradale Prospects.
2-3	Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	<p>At least 15 major palaeochannels have been identified in the greater Yanrey project area at the contact between the Cretaceous aged marine sediments of the Carnarvon Basin and the Proterozoic Yilgarn Block which lies along the granitic and metamorphic ancient coastline.</p> <p>These palaeochannels have incised the underlying Proterozoic-aged granite and metamorphic rocks, which are subsequently filled and submerged by up to 150m of mostly unconsolidated sand and clay of Mesozoic, Tertiary and Quaternary age. The channels sourced from the east enter into a deep north-south trending depression that was probably caused by regional faulting and may be a depression formed at the former Mesozoic-aged coastline.</p>
2-4	Drill Hole Information	<p><i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i></p> <ul style="list-style-type: none"> <i>• Easting and northing of the drill hole collar;</i> <i>• Elevation or RL (Reduced Level – elevation above sea level in metres) of the drill collar;</i> <i>• Dip and azimuth of the hole;</i> <i>• Down hole length and interception depth;</i> <i>• Hole length</i> <p><i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract for the understanding of the report, the Competent Person should clearly explain why this is the case.</i></p>	Refer to table below titled: "BW Extended Area and Yanrey Regional Area - drilling intercepts, location"

Part	Criteria	Explanation	Comment
2-5	Data Aggregation Methods	<i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</i>	Average reporting intervals are derived from applying a cut-off grade of 150 ppm U ₃ O ₈ for a minimum thickness of 0.50 m.
		<i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i>	<p>The length of assay sample intervals varies for all results, therefore a weighted average on a 0.50m composite has been applied when calculating assay grades to take into account the size of each interval.</p> <p>The higher grade intervals quoted in Table 2 are derived by length averaging intervals greater than 0.5 m in width that have assays above 800 ppm eU₃O₈; sometimes these higher grade intervals appear inside a lower grade zone defined by the lower 150 ppm cutoff. A maximum internal dilution of 0.5 m was used to aggregate a thin barren zone within bounding higher grade material as long as the grade-thickness of the entire interval was above cutoff (= 150 x 0.5).</p>
		<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No metal equivalents are used.
2-6	Relationship Between Mineralisation Widths and Intercept Lengths	<i>These relationships are particularly important in the reporting of Exploration Results.</i>	<p>All drilling at Bennet Well is vertical. The recent 3D interpretation and establishment of a mineralisation model has determined that the uranium mineralisation dips very shallowly (no more than 2-3°) to the west at Bennet Well East, yet at Bennet Well Central the mineralisation is observed to follow the contours of the underlying granitic basement.</p> <p>The overall dip of the mineralisation in the Bennet Well Resource Area could be described as sub-horizontal therefore, all mineralisation values could be considered to be true width.</p>
		<i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i>	The recent 3D interpretation and establishment of a mineralisation model has determined that the uranium mineralisation dips very shallowly (no more than 2-3°) to the west at Bennet Well East, yet at Bennet Well Central the mineralisation is observed to follow the contours of the underlying granitic basement.

Part	Criteria	Explanation	Comment
			The overall dip of the mineralisation in the Bennet Well Resource Area could be described as sub-horizontal therefore, all mineralisation values could be considered to be true width.
		<i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i>	<p>The recent 3D interpretation and establishment of a mineralisation model has determined that the uranium mineralisation dips very shallowly (no more than 2-3°) to the west at Bennet Well East, yet at Bennet Well Central the mineralisation is observed to follow the contours of the underlying granitic basement.</p> <p>The overall dip of the mineralisation in the Bennet Well Resource Area could be described as sub-horizontal therefore, all mineralisation values could be considered to be true width.</p>

Part	Criteria	Explanation	Comment
2-7	Diagrams	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	Included in this report
2-8	Balanced Reporting	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	All drill locations are shown in Table 2; intercepts that are greater than 150 ppm for at least 0.5 m in thickness.
2-9	Other Substantive Exploration Data	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	<p>Metallurgical sighter testing was completed by the Australian Nuclear Science and Technology Organisation (ANSTO) for the diamond core drilled in 2013, with further testing planned for core drilled in 2014.</p> <p>Geochemical assaying was also completed for the diamond core from both 2013 and 2014.</p> <p>These data however have not been used in the derivation of the Exploration Targets reported here. Sampling information will therefore not be included here as it is deemed irrelevant for the purpose of this report.</p>
2-10	Further Work	<i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>	<p>The core obtained from recent drilling will provide samples for density and profile permeability testing and geochemical assay; with further metallurgical characterisation. The former physical and chemical characterisation testing will be used to cross-check the data collected by the downhole geophysics system, the latter metallurgical testing will expand on the core work completed in 2013.</p> <p>The aims of proposed metallurgical work include: characterisation of the modal mineralogy of mineralisation using QEMSCAN/SEM or similar; quantification of the elemental composition of mineralisation and host sequences; quantify the degree of secular disequilibrium; test for the presence and behaviour of organic material, carbonate material or pyrite that may affect efficiency of leaching; further test the leach performance of mineralisation in acid and in alkali/carbonate media.</p>

Part	Criteria	Explanation	Comment
			Further core and mud rotary drilling to improve the Mineral Resource category of the Bennet Well deposit. Further exploration drilling is required to identify extensions to mineralisation.
		<i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	Plans and sections have been included in this report.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

Cauldron Energy Limited

ABN

22 102 912 783

Quarter ended ("current quarter")

30 September 2015

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (3 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(665)	(665)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(149)	(264)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other: Legal	(65)	(65)
	Net Operating Cash Flows	(994)	(994)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
	(d) controlled entity	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other	-	-
	Net investing cash flows	-	-
1.13	Total operating and investing cash flows (carried forward)	(994)	(994)

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(994)	(994)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other:	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(994)	(994)
1.20	Cash at beginning of quarter/year to date	1,216	1,216
1.21	Exchange rate adjustments to item 1.20	1	1
1.22	Cash at end of quarter	223	223

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	61
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions Payments to the parties included in item 1.2 of \$61,457 relates to: <ul style="list-style-type: none"> - Director fees \$37,176 - Director-related entities \$24,281 	

Non-cash financing and investing activities

2.1	Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows	As announced on 1 July 2015, the Company received A\$1,714,932 in subscription sums during the June 2015 quarter ("Placement Funds") from Non-Executive Director Mr Derong Qiu under a placement agreement ("Agreement"). In accordance with the Agreement, the shares to be issued to Mr Qiu ("Placement Shares") are subject to shareholder approval. The Placement Funds are being held in trust by the Company until shareholder approval is obtained and the shares are issued.
2.2	Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest	N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

3.2	Credit standby arrangements	-	-
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Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	700
4.2	Development	-
4.3	Production	-
4.4	Administration	300
Total		1,000

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	223	1,216
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	223	1,216

In addition to the above cash on hand and at bank a balance of \$1,714,932 is being held in trust by the Company until the Placement Shares can be issued (refer note 2.1 above).

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	E08/1494 E08/1495	Expired Expired	70% 70%
6.2	Interests in mining tenements and petroleum tenements acquired or increased	E08/2638	Purchased	- 100%

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities (description)	-	-		
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	251,104,266	251,104,266		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities (description)	-	-		
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options (description and conversion factor)	16,000,000 16,000,000 1,225,000 17,500,000 500,000	- - - - -	<i>Exercise price</i> \$0.138 \$0.118 \$0.138 \$0.138 \$0.45	<i>Expiry date</i> 31 Dec 2016 31 Dec 2015 31 Dec 2015 31 Dec 2015 20 Oct 2015
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter	1,000,000 3,000,000 125,000 150,000	- - - -	<i>Exercise price</i> \$0.20 \$0.20 \$0.138 \$0.138	<i>Expiry date</i> 18 Sep 2015 30 Sep 2015 31 Dec 2015 31 Dec 2015
7.11 Debentures (totals only)	-	-		
7.12 Unsecured notes (totals only)	-	-		

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:
(Company Secretary)

Date: 29 October 2015

Print name: Catherine Julie Grant

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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