ASX Announcement

5 June 2009

Cauldron kicks off uranium exploration as Sage appointed new Board Chairman

Highlights:-

- **Tony Sage to Chair new uranium company following Board re-structure**
- **Six-month exploration programme proposed for projects in Australia and Argentina**
- **Funding for uranium exploration currently being secured**

Australian uranium company **Cauldron Energy Limited** (**ASX: CXU**) ("Cauldron" or "the Company"), previously known as Scimitar Resources Limited (ASX: SIM) ("Scimitar") has restructured its board following its merger with Jackson Minerals Limited (ASX: JAK) ("Jackson").

The new Cauldron board sees mining identity Mr Tony Sage positioned as Executive Chairman and Mr Brett Smith (former Managing Director of Jackson) engaged as Executive Technical Director. Mr Terry Topping will stay on as Managing Director of Cauldron, along with Mr Kent Hunter as non-Executive Director. The group will also appoint a new Company Secretary, Mr Stephen Brockhurst.

In anticipation of the merger proceeding, the Company had appointed Greenday Corporate Pty Ltd (Greenday) as its corporate advisor, to assist in securing more than AUD$7.5M in new funds. Greenday have undertaken to provide funding by way of a convertible note with each Note issued to have a value of A$0.50 and a three (3) year term, maturing on 31 July 2012. This agreement is detailed in a previous announcement by Scimitar. It is expected these funds will be available to Cauldron within the next few weeks.

The funding injection allows Cauldron to commit to a major exploration effort on its Australian and Argentinean uranium projects.

"The two main projects in Australia, the Yanrey uranium resource area in Western Australia and Marree in South Australia, will attract three, possibly four, drilling programmes in the next six months" stated Mr Sage.

The Company has drilling planned to expand its 2,200 tonne resource base at the Yanrey Project and to continue exploration at the Marree Project. Exploration at Marree is fully funded by a Joint Venture with a Korean Consortium involving the Korean Government.

Fast Facts

ASX Code ; CXU
Shares: 50.1 million
Options: 5.3 million

Board

Tony Sage	Exec Chairman
Terry Topping	MD
Brett Smith	Exec Director
Kent Hunter	Director

Head Office

35 Richardson St
West Perth WA 6005
T : +61 8 9211 5777
F : +61 8 9211 5700
www.cauldronenergy.com.au

Argentina will be a major focus for Cauldron as the Company believes there is good growth potential within the country's established and growing nuclear power generation industry.

"I've seen the Company's main project in Argentina. It's large and if it can be taken to production, it will allow Argentina to benefit from a fully integrated nuclear power industry, generating clean, reliable energy", said Sage.

As a result of the name change, Jackson shareholders eligible for entitlements in Scimitar will now receive shares in the name of Cauldron Energy Limited (ASX:CXU). For Jackson Shareholders, the **record date** for determining entitlements to Cauldron shares will be **10 June 2009**, and it is expected that holding statements and certificates for these entitlements will be dispatched on approximately **12 June 2009**.

Outgoing Directors include Mr Andrew McBain and Mr Raj Logaraj of Cauldron, as well as Mr Graeme Wallis and Mr Mark Gwynne (Chairman and Director respectively) of Jackson.

"These founding directors have made significant and valued contributions to the quality asset base that all Cauldron shareholders will now benefit from" said Mr Sage.

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

Terry Topping / Brett Smith
Cauldron Energy Limited
Ph: (08) 9211 5777

Felicity Nuttall / Allan Francis
Professional Public Relations
Ph: (08) 9388 0944

About the Board

Antony William Paul Sage (B.Bus, FCPA, CA, FTIA) - Executive Chairman

Tony Sage has more than 25 years' experience in the fields of corporate advisory services, funds management and capital raising. Mr Sage is based in Western Australia and was formerly a successful funds manager with Growth Equities Mutual for 13 years. In the past 12 years he has been involved in the management and financing of several listed exploration and mining companies, including Gabriel Resources Ltd, Cape Lambert Iron Ore Limited (formally Hamill Resources Limited), International Goldfields Limited, NFX Gold Ltd and Global Iron Limited. He is currently also a director of ASX-listed companies Cape Lambert Iron Ore Limited, International Goldfields Limited, Global Iron Limited and Tianshan Goldfields Limited.

Mr Terry Topping (B Appl Sc, BSc(Hons), M Auslmm, F.FIN) - Managing Director

Mr Topping is a geologist with over 15 years' experience in the management of listed public companies. He has experience since 1985 as an exploration geologist exploring for gold, diamonds, base metals and uranium. He was co-founder of Taipan Resources NL, which listed as a gold exploration company in 1993 and remained a director until June 2002. He is currently a non-executive director of Goldminco Corporation, a Toronto Stock Exchange-VE listed gold and base metals Exploration Company, and founding Managing Director of Scimitar Resources Ltd (now Cauldron Energy Limited).

Mr Brett Smith (BScHons, MAuslMM, MAIG, MAICD) - Executive Director

Mr Smith has plus 20 years' experience in the mining and exploration industry as a geologist, manager, consultant, and director. He was Managing Director of Jackson Minerals Limited prior to the merger with Scimitar Resources and creation of Cauldron Energy Limited. Mr Smith is also Chairman of Australian junior energy company, Blackham Resources Limited. Mr Smith was primarily responsible for Jackson's strategic move into Argentina. His industry experience is broad, dominated by exploration and resource definition for mining operations.

Mr Kent Hunter (B.Bus, CA) - Non-Executive Director

Mr Hunter is a chartered accountant with over 15 years' corporate, directorial and company secretarial experience. He has been involved in the ASX listing of over 20 junior exploration companies in the past seven years. Mr Hunter has experience in capital raisings, ASX compliance and regulatory requirements. He is currently managing director of Red Emperor Resources NL, a non-executive director of Cazaly Resources Limited and founding director Scimitar Resources (now Cauldron Energy Limited).

Stephen Michael Brockhurst (B.Com) – Company Secretary

Mr Brockhurst is an Accountant with 9 years experience including corporate advisory and company secretarial services, capital raising, ASX and ASIC compliance requirements. He was a Director and Company Secretary of Bannerman Resources Limited from incorporation to July 2007 and Company Secretary of Ironbark Gold Limited to August 2007. Mr Brockhurst is currently a Director of Stirling Minerals Limited and Red Emperor Resources NL.

Core Uranium Projects

Yanrey Project (SIM), Western Australia

Advanced exploration project at the Bennet Well Deposit where Scimitar has outlined an initial Inferred JORC compliant resource of 4.8 million pounds of eU_3O_8 at a grade of 300ppm eU_3O_8 with a cut off grade of 150ppm. The Yanrey Project covers Mesozoic sediments that are highly prospective for sandstone hosted roll front uranium mineralisation, similar to that at the adjacent Manyingee Uranium Deposit held by Paladin Resources Ltd (ASX:PDN), with a published indicated resource of 8,080 tonnes U_3O_8 at 1,000ppm U_3O_8 (approximately 17.8 million pound U_3O_8) and inferred resource of 2,810 tonnes U_3O_8 at 500ppm U_3O_8 (approximately 6.2 million pound U_3O_8).

Scimitar's eight granted exploration licences cover 2,307 sq km, including 220 sq km in JV with Barrick Gold Corp and 440 sq km in JV with Atomic Resources Ltd, covering a 70 km long redox front. The Atomic JV area includes the North and South Ballard Channels and the Barradale Channel. Broadly spaced drilling during the 1970's produced results of 3.7m at 1100 ppm eU_3O_8, 1.3m at 580 ppm eU_3O_8, 2.0m at 700 ppm eU_3O_8 and 1.7m at 290 ppm eU_3O_8.

Drilling in August 2008 outlined a new zone of mineralisation to the north east of the Bennet Well Deposit. Results include 1.7m at 867 ppm, 1.7m at 609 ppm and 1.9m at 768 ppm eU_3O_8. The new zone is quite substantial in size covering nearly half the Bennet Well resource area of 1.2 km^2. Airborne EM surveys have identified a new palaeochannel sixteen kilometres south of Bennet Well. Recently completed drilling returned encouraging results, including 0.8m at 421 ppm eU_3O_8, identifying a new uranium target.

Marree Project (SIM), South Australia

Scimitar has entered into a farm-in and joint venture agreement to explore the Marree uranium project in South Australia with a Korean consortium including government owned Korea Resources Corporation (KORES). Under the agreement the Korean participants are entitled to earn up to an aggregate 50 per cent interest in the joint venture by funding AUD$6,200,000 on the tenements within three years.

The Marree project is 550 km north of Adelaide and comprises four exploration licences (EL3389, 3390, 3510 and 3557) covering 2,575 km2 in the Eromanga Basin adjacent to the uranium-rich Mount Babbage Inlier. The project area includes the Tertiary Eyre and Namba Formations, hosts to several sedimentary roll-front uranium occurrences including the Beverley and Honeymoon Well uranium deposits and the recently discovered high grade uranium mineralisation at Beverley Four Mile.

Rio Colorado Uranium-Copper-Silver Project (JAK), Argentina

Rio Colorado is a substantial deposit outcropping for 16km and containing numerous small scale workings (adits and glory-holes) completed by the Argentinean Atomic Energy Commission (CNEA) in the 1950's and 1960's. Jackson's stage 1 exploration target (refer to note (1) in the competent person statement following) is designed at satisfying Argentina's current "life of reactor" uranium requirements of 7,500t U_3O_8

(approximately 16 Mlbs U_3O_8). At a conservative width of between 7 and 12 metres for the mineralisation, and an average grade of between 300 and 750 ppm U_3O_8, only 3 km of the total 16 km would need to be developed to satisfy this requirement.

The main zone of mineralisation is covered by granted mining leases.

Las Marias Uranium Project (JAK), Argentina

As testament to the potential of this project, a 7 km unit of outcropping uranium rich sandstones, including visible uranium oxide minerals, has been identified using hand-held geophysical equipment. Scintillometer readings of the leached surface material indicate a range typically between 100 to 550 ppme U_3O_8, with a maximum reading of 1,300 ppme U_3O_8. This project was explored by the Atomic Energy Commission of Argentina (CNEA) in the 1970's. Priority exploration targets exist under cover, along the extensions of the outcropping mineralisation.

This project is currently under application, with the first exploration lease expected to be granted early in the new year.

Lake Frome Project (SIM), South Australia

Nine granted exploration licences in four project areas covering 6,287 sq km within the Frome basin, host to the Beverley uranium mine, the Beverley Four Mile, Honeymoon and Mt Gee uranium deposits. Airborne EM at the Marree and West Lake Frome Projects has identified new targets for uranium mineralisation. Recently completed drilling has identified anomalous uranium mineralisation over 4km within variably oxidised lignitic sands and muds of the Eyre and Namba Formations.

Amadeus Project (SIM), Northern Territory

Three granted exploration licences covering 2,532 sq km of the Amadeus Basin, adjacent to the Pamela and Angela uranium deposits. Advanced exploration targets at the Orange Creek prospect, where previous broadly spaced drilling returned significant results' including 3.40m at 413 ppm and 0.45m at 864 ppm eU_3O_8. Recent Drilling by the Company has identified significant uranium mineralisation across 9 km of a regionally extensive redox boundary including 1.0m at 926 ppm eU_3O_8.

Eclipse Project (SIM), Northern Territory

Four granted exploration licences and three licence applications covering 7,928 sq km of the Ngalia Basin, prospective for sandstone and calcrete hosted uranium mineralisation. The target is calcrete hosted uranium paleodrainage systems upstream and adjacent to the New Well uranium Deposit.

CAULDRON ENERGY LTD

Disclosure Statements

Competent Person Statement

The information in this report to which this statement is attached that relates to Cauldron Energy Limited's Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Brett Smith and Mr Terry Topping who are Members of the Australasian Institute of Mining and Metallurgy. Mr Smith and Mr Topping are full-time employees of Cauldron Energy Limited. Mr Smith and Mr Topping have sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration. They are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Both Mr Smith and Mr Topping consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Exploration Target *Statement*

(1) *The Rio Colorado **Exploration Target** has yet to be drill tested and is conceptual in nature. There has been insufficient exploration (namely drilling) to define a mineral resource and it is uncertain if further exploration will result in the determination of a mineral resource. The basis for this target includes:-*

- *Extensive surface sampling and mapping of outcropping uranium mineralisation indicating continuity over at least 5 kilometres, open to the south. The area sampled is the northern extent of a 16 kilometre mineralised trend.*
- *Exploration of outcrops, historical underground workings, including adits and drives, has identified oxidation of between 100 and 200 metres down-dip. For this exploration target a conservative figure of 150 metres has been used.*
- *Mineralised widths where sampled (includes incomplete outcropping profiles) are up to 22 metres, averaging approximately 7 to 12 metres. No complete outcrop of the mineralisation is less than 7 metres.*
- *Mineralisation in higher grade zones is up to 2,430 ppm U_3O_8 (1 metre sample), but averages between 300 and 750 U_3O_8 over the average widths reported above.*
- *Surface sampling by Jackson is in the form of continuous channel samples, assayed on a one metre basis. Sampling was supervised by a Consultant Geologist with more than 30 years experience. Analysis was completed by Alex Stewart Laboratories in Argentina, a respected international assay service company.*

This exploration target is specified over 3 kilometres of a 16 kilometre mineralised trend. The southern 10 kilometres of this trend has yet to be fully tested, however reconnaissance sampling and examination of underground workings suggest a similar tenor of mineralisation as defined in the north.

The exploration target is for the uranium mineralisation only. Metallurgical test-work has established associated metals such as copper and silver do add considerable metal value to the project. Individual samples of copper up to 3.73% and silver up to 17 oz/t indicates in areas of this deposit, these metals may have greater value than the uranium.

While exploration to date identifies the high grade copper (+1%) and silver (+1oz) mineralisation is less than 3 metres wide, the Company does not have sufficient sampling data to be able to define the continuity of these metals along strike or within the regolith. This work is continuing.