ASX Announcement
8 February 2010

Cauldron receives final tranche of A$10M Chinese investment

Key points:

- **A total of A$10M invested into Cauldron by a strategic Chinese investors;**
  - **A$3M via a Placement**
  - **A$7M via a Convertible Note facility**
- **Funds to be applied to exploration activities at Cauldron projects in Australia and Argentina,**
- **Cauldron expects to have drilling rigs operating at all major projects by Q1/Q2 2010,**

Australian uranium exploration and development company Cauldron Energy Limited (**ASX: CXU**) ("Cauldron" or "the Company") has received the final A$5M from its A$10M capital raising with strategic Chinese investors, full details of which were announced to the ASX on 10 November 2009.

Cauldron Energy Limited Executive Chairman, Mr Tony Sage, said that with the full monies from the capital raising now banked the Company would step-up its exploration activities across its Australian and Argentinean uranium assets.

"The Company is now well funded and is advanced in the execution of its aggressive exploration campaigns on its uranium assets in Australia and Argentina" said Mr Sage.

The raising was conducted in two tranches, with the first tranche, by way of a Placement, seeing Cauldron place a total of 6M shares to its Chinese investors at an issue price of A$0.50 per share, to raise A$3M. These shares were issued pursuant to shareholder approval obtained at the Company's Annual General Meeting on 24 November 2009.

The second tranche of A$7M was completed via a Convertible Note facility. The first A$2M under this facility was paid to the Company in early January (see ASX announcement 8 January 2010), with the final payment of A$5M made to the company in recent days.

Cauldron will continue to develop its assets and opportunities in Australia and Argentina. There will be a particular focus on drill testing its Argentinean and Australian (both Northern Territory and Western Australian) assets this year.

Ends
For further information please contact:

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ASX Code CXU
89 M ordinary shares
11.7 M unlisted options

Market Cap
A$33 million (@37c)

Board of Directors

Tony Sage
Executive Chairman

Terry Topping
Chief Executive Officer

Brett Smith
Executive Director

Qiu Derong
Non-executive Director

Kent Hunter
Non-executive Director

Stephen Brockhurst
Company Secretary