ASX Announcement
26 July 2010

CAULDRON ENERGY LTD

Letter to shareholders from Carina Capital

Cauldron Energy Ltd (ASX: CXU) ("Cauldron" or "the Company") shareholders may have received unsolicited letters from Carina Capital (Carina) on behalf of McNaughton Acquisitions Ltd (McNaughton). The Company received a request for a copy of the members register and complied with 5173(3) of the *Corporations Act* 2001 (**Corporations Act)** in providing a copy of the register.

McNaughton purports to offer wholesale, sophisticated or professional CXU shareholders an "investment opportunity" using their CXU shares; the investment opportunity is represented as being investment into litigation and funding assets predominantly in the United Kingdom.

Your directors are of the unanimous view that **you should take no action and not make any decision in relation to your shareholding** without seeking professional advice from your stockbroker, solicitor, accountant or other licensed professional advisor.

Yours faithfully

Stephen Brockhurst
Company Secretary

Cauldron Energy Ltd.
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ASX Code CXU
88.70 M ordinary shares
13.2 M unlisted options

Market Cap
$19.5 million (@22c)