

11 December 2018

Ms Elizabeth Harris
ASX Listings Compliance Perth
Level 40 Central Park
152-158 St Georges Terrace
PERTH WA 6000

Via email (ListingsCompliancePerth@asx.com.au)

Dear Ms Harris

APPENDIX 3Z – CHANGE IN DIRECTOR'S INTEREST NOTICE

We refer to your letter dated 8 December 2018 regarding lodgement of a final director's interest notice (Appendix 3Z) for Mr Tony Sage on 4 December 2018. In response to your queries regarding the late lodgement of the Appendix 3Z, the Company provides the following:

- 1) The Appendix 3Z was lodged late on this occasion due to an administrative oversight. This oversight was corrected as soon as the Company Secretary became aware of it;
- 2) The Company considers that it has the necessary reporting and notification policies in place to ensure compliance with the disclosure obligations under Listing Rule 3.19A. The Board has adopted a Securities Trading Policy (which is available from the Company's website). The directors are aware of their obligations under the Listing Rules that require the Company to notify the ASX within 5 business days after a change in the relevant interests of a director in the securities of the Company; and
- 3) Notwithstanding the administrative oversight, the Company considers the current arrangements are adequate to ensure compliance with Listing Rule 3.19B. In light of the late lodgement described above, all directors have been reminded of their obligations to promptly inform the Company Secretary of any changes in their relevant interests in accordance with the Listing Rules and the Company's Securities Trading Policy.

Yours faithfully



Catherine Grant-Edwards
Company Secretary



8 December 2018

Ms Catherine Grant-Edwards
Company secretary
Cauldron Energy Limited
32 Harrogate Street
West Leederville WA 6007

By email: catherineg@FELimited.com.au

Dear Ms Grant-Edwards

Cauldron Energy Limited ('CXU'): Appendix 3Z – Final Director's Interest Notice Query

ASX refers to the following:

1. The Appendix 3Z lodged on MAP on 4 December 2018 for Mr Tony Sage (the 'Notice');
2. Listing Rule 3.19A which requires an entity to tell ASX the following:

3.19A.1 *"The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times.*

- *On the date that the entity is admitted to the official list.*
- *On the date that a director is appointed.*

The entity must complete Appendix 3X and give it to ASX no more than 5 business days after the entity's admission or a director's appointment.

3.19A.2 *A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) including whether the change occurred during a closed period where prior written clearance was required and, if so, whether prior written clearance was provided. The entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.*

3.19A.3 *The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director."*

3. Listing rule 3.19B which states that:

"An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director."

As the Appendix 3Z indicated that Mr Sage ceased to be a director on 22 November 2018 it appears the Appendix 3Z should have been lodged with ASX by 29 November 2018. As it was lodged on 4 December 2018, it appears that CXU may have breached Listing Rules 3.19A and/or 3.19B.

Please note that ASX is required to record details of breaches of the Listing Rules by listed entities for its reporting requirements.

ASX reminds CXU of its contract with ASX to comply with the Listing Rules. In the circumstances, CXU should make necessary arrangements to ensure it does not continue to breach the Listing Rules.

Request for Information

Under Listing Rule 18.7, we ask that you answer each of the following questions having regard to Listing Rules 3.19A and 3.19B and *Guidance Note 22: Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities*.

1. Please explain why the Appendix 3Z was lodged late.
2. What arrangements does CXU have in place under Listing Rule 3.19B with its directors to ensure that it is able to meet its disclosure obligations under Listing Rule 3.19A?
3. If the current arrangements are inadequate or not being enforced, what additional steps does CXU intend to take to ensure compliance with Listing Rule 3.19B?

When and where to send your response

Your response should be sent to me by e-mail at ListingsCompliancePerth@asx.com.au. It should not be sent to the ASX Market Announcements Office.

A response is requested as soon as possible and, in any event, no later than 3:00 pm (WST) on 12 December 2018.

Under Listing Rule 18.7A, a copy of this letter and your response will be released to the market, so your response should be in a form suitable for release and must separately address each of the questions asked.

Enquiries

If you have any queries or concerns about any of the above, please contact me immediately.

Regards

Elizabeth Harris
Principal Adviser Listings Compliance (Perth)