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# ASX ANNOUNCEMENT

2 September 2025

# SAND PROJECT UPDATE:

## TERMINATION OF AGREEMENT SEES CAULDRON RETAIN ONSLOW SAND TENEMENTS WITH NO FURTHER CONSIDERATION PAYABLE

**Background**

- In December 2020 Cauldron entered into an agreement to acquire a 100% ownership interest in a number of river sand leases located at the mouths of the Onslow, Carnarvon, and Derby rivers in Western Australia (**Purchase Agreement**).
- Consideration payable under the Purchase Agreement comprised:
  a) 20 million fully paid CXU ordinary shares (**Initial Share Consideration**) 8 million of which have been issued, plus
  b) production payments of $250,000 for the Carnarvon Tenements upon the entering into of commercial production at Carnarvon as defined in the Acquisition Agreement, and $250,000 for the Derby Tenements upon the entering into of commercial production at Derby as defined in the Acquisition Agreement, and $500,000 for the Onslow Tenements upon the entering into of commercial production at Onslow as defined in the Acquisition Agreement, to be settled in cash or shares (based on an assumed share price of $0.035) by mutual agreement (**Production Payments**), plus
  c) a royalty equal to $1.00 per tonne or 2% of sales revenue (calculated based upon FOB prices) where Cauldron elects to undertake a mining operation as defined in the Acquisition Agreement (**Royalty**).
- Cauldron and the vendors have agreed to terminate the Purchase Agreement on the following basis:
  a) Cauldron to retain all of the Onslow tenements, being E08/2328, E08/2329, E08/2642, M08/487 and L08/71;
  b) Cauldron will not be liable to pay any further Initial Share Consideration, nor any Production Payments nor and Royalty;
  c) 2,000,000 of the 8,000,000 Initial Share Consideration to be cancelled; and
  d) vendors to retain Carnarvon and Derby tenements.

**Cauldron CEO Jonathan Fisher commented:**

*"The settlement of the Purchase Agreement pursuant to which Cauldron retains the Onslow tenements at no further cost to the Company (and cancellation of 2 million shares that had been issued) is considered by our team to be an excellent outcome. The time and cost of work necessary to gain approval to mine the Derby and/or Carnarvon tenements was considered too significant to be commercial with significant risk that approval would not be gained. At the same time, the elimination of the Production Payments and Royalty from the Onslow tenements removes a significant impediment for dealing.*

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*This allows us to retain the most advanced sand tenements – including a mining lease on which there has been historic production - and for which we continue to consider commercial transactions with third parties. Further, the holdings in the Onslow area are strategic for Cauldron as we continue to plan for the future development of the Yanrey uranium project"*

*This announcement has been authorised for release by Ian Mulholland, Cauldron's non-executive Chairman.*

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## About Cauldron

Cauldron Energy Limited is an ASX-listed uranium-focussed company, 100% owner of the Yanrey Uranium Project, covering an area of ~1,150km$^2$, located approximately 85 km south of Onslow and within a highly prospective, mineral-rich region containing multiple uranium deposit. The Yanrey Project covers a prospective northeast-southwest trending Cretaceous-age coastal plain developed along the western margin of the Pilbara block. This prospective trend extends for at least 140km in length, of which Cauldron holds ~80km under granted tenement.