

Form 604Corporations Act 2001
Section 671B**Notice of change of interests of substantial holder**To Company Name/Scheme **Cauldron Energy Limited (Company)**

ACN/ARSN 102 912 783

1. Details of substantial holder (1)

Name Cape Lambert Resources Limited (Cape Lambert) and Dempsey Resources Pty Ltd (Dempsey)

ACN/ARSN (if applicable) 095 047 920 (Cape Lambert), 100 305 486 (Dempsey)

There was a change in the interests of the substantial holder on 06 /03 /13

The previous notice was given to the company on 01 /08 /12

The previous notice was dated 01 /08 /12

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Ordinary Fully Paid	37,539,049	24.2% (based on 155,109,481 shares on issue)	32,539,049	20.38% (based on 159,622,605 shares on issue)

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
12/10/2012 – 14/11/2012	Cape Lambert and Dempsey	Issue of 4,513,124 shares by the Company which diluted Cape Lambert and Dempsey's interest in the Company	N/A	N/A	N/A
06/03/2013	Cape Lambert and Dempsey	Disposal of relevant interest as a consequence of the deed of acknowledgement annexed as Annexure to this Form.	Refer to Annexure for details	5,000,000 ordinary shares	5,000,000

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
Cape Lambert	Cape Lambert	Cape Lambert	Registered holder of securities	2,376,264 ordinary fully paid shares	2,376,264
	Dempsey	Dempsey	Relevant interest under s608(3) of the Corporations Act 2001 as it controls Dempsey	30,162,785 ordinary fully paid shares	30,162,785
Dempsey	Dempsey	Dempsey	Registered holder of securities	30,162,785 ordinary fully paid shares	30,162,785

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	

6. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Cape Lambert, Dempsey	32 Harrogate Street, West Leederville, WA 6007

Signature

print name Timothy Turner capacity Director

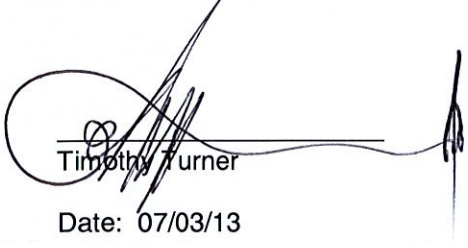
sign here  date 07/03/2013

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
 - (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
 - (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
 - (4) The voting shares of a company constitute one class unless divided into separate classes.
 - (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
 - (6) Include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
 - (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
 - (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
 - (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.
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Annexure "A"

This is Annexure "A" of 6 pages referred to in the Form 604 (Notice of change of interests of substantial holder) signed by us and dated 7 March 2013.



Timothy Turner

Date: 07/03/13

MR DERONG QIU AND MR DEKANG QIU

and

**DEMPSEY RESOURCES PTY LTD
ACN 100 305 486**

DEED OF ACKNOWLEDGEMENT

THIS DEED is made the 6th day of MARCH 2013

BETWEEN

MR DERONG QIU AND MR DEKANG QIU of 45-49 Qinglong Road, Shanghai 201700 PR China (**Qiu**);

AND

DEMPSEY RESOURCES PTY LTD (ACN 100 305 486) of 32 Harrogate Street West Leederville, Western Australia 6007 (**Dempsey**).

RECITALS

- A. Following discussions surrounding the conversion of the convertible notes issued by Cauldron and held by Qiu in July 2012, and in consideration for certain promotional and marketing activities conducted or to be conducted by Qiu in Asia in respect of Cauldron, Dempsey has agreed, subject to compliance with applicable laws, to transfer 5 million Shares to Qiu (or its nominee) for no cash consideration.
- B. The Parties agree to enter into this Deed to record the terms on which Dempsey has agreed to transfer the Shares to Qiu.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

Cauldron means Cauldron Energy Limited (ACN 102 912 783).

Deed and this Deed mean the agreement constituted by this document.

Business Day means a day which is not a Saturday, Sunday, public holiday or bank holiday in Western Australia.

Execution Date means the date on which the last of the Parties executes this Deed.

Party means a party to this document and **Parties** has a corresponding meaning.

Shares means 5,000,000 fully paid ordinary shares in the capital of Cauldron legally and beneficially held by Dempsey.

1.2 Interpretations

In this Deed unless the context otherwise requires:

- (a) headings are for convenience only and do not affect its interpretation;
- (b) an obligation or liability assumed by, or a right conferred on, 2 or more Parties binds or benefits all of them jointly and each of them severally;
- (c) the expression **person** includes an individual, the estate of an individual, a corporation, an authority, an association or joint venture (whether incorporated or unincorporated), a partnership and a trust;
- (d) a reference to any party includes that party's executors, administrators, successors and permitted assigns, including any person taking by way of novation;

- (e) a reference to any document (including this Deed) is to that document as varied, novated, ratified or replaced from time to time;
- (f) a reference to any statute or to any statutory provision includes any statutory modification or re-enactment of it or any statutory provision substituted for it, and all ordinances, by-laws, regulations, rules and statutory instruments (however described) issued under it;
- (g) words importing the singular include the plural (and vice versa) and words indicating a gender include every other gender;
- (h) reference to parties, clauses, schedules, exhibits or annexures are references to parties, clauses, schedules, exhibits and annexures to or of this Deed and a reference to this Deed includes any schedule, exhibit or annexure to this Deed;
- (i) where a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning; and
- (j) a reference to **\$** or **dollar** is to Australian currency.

2. ACKNOWLEDGEMENT BY THE PARTIES

2.1 The Parties acknowledge and agree as follows:

- (a) Within 5 Business Days of the Execution Date, Dempsey will provide to Qiu a duly executed transfer form in respect of the Shares.
- (b) Any costs associated with the Transfer will be borne by Qiu.
- (c) Upon provision of the transfer form referred to in (a) above, Dempsey (and its associated entities) will have no further obligations to Qiu and Qiu shall be deemed to have accepted its terms in full and final satisfaction and discharge of any claim which Qiu may have or, but for the execution of this Deed, might have had against Dempsey (or its associated entities) arising in any way in respect of the transfer of the Shares.

3. WARRANTIES

3.1 Dempsey represents and warrants to Qiu that:

- (a) it is the legal and beneficial owner of the Shares;
- (b) it has the complete power and right to transfer the Shares to Qiu;
- (c) the Shares are fully paid; and
- (d) there is no option, right to acquire, security interest or encumbrance over or affecting the Shares or any of them.

3.2 Each of the warranties in clause 3.1 is a separate warranty and is not limited or restricted by any other warranty, except if that limit or restriction is clearly stated in the relevant warranty.

4. GOVERNING LAW

This Deed shall be governed by and construed in accordance with the laws of the

State of Western Australia and the Parties submit to the jurisdiction of the courts of that State.

5. FURTHER ASSURANCE

Each Party shall sign, execute and do all deeds, acts, documents and things as may reasonably be required by the other Party to effectively carry out and give effect to the terms and intentions of this Deed.

6. VARIATION

No modification or alteration of the terms of this Deed shall be binding unless made in writing dated subsequent to the date of this Deed and duly executed by the Parties.

7. MISCELLANEOUS

7.1 Severance

If any provision of this Deed is invalid and not enforceable in accordance with its terms, all other provisions which are self-sustaining and capable of separate enforcement without regard to the invalid provision, shall be and continue to be valid and forceful in accordance with their terms.

7.2 Entire Agreement

This Deed shall constitute the sole understanding of the Parties with respect to the subject matter and replaces all other agreements with respect thereto.

7.3 Counterparts

This Deed may be executed in any number of counterparts (including by way of facsimile and electronic transmission) each of which shall be deemed for all purposes to be an original and all such counterparts taken together shall be deemed to constitute one and the same instrument.

7.4 Time

Time shall be of the essence in this Deed in all respects.

7.5 Costs

Each Party shall be responsible for their own legal costs in respect to this Deed.

EXECUTED by the Parties as a Deed.

EXECUTED BY
DEMPSEY RESOURCES PTY LTD
ACN 100 305 486
in accordance with the Corporations Act:

Director

Director/Secretary

SIGNED by
DERONG QIU
in the presence of:

Signature of Witness

ALLY JIN
Full Name of Witness
(BLOCK LETTERS)

No. 45 Qing Long Road, Shanghai, China
Address

PA
Occupation

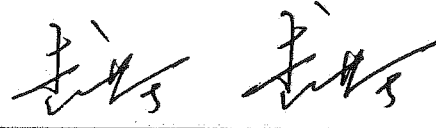
SIGNED by
DEKANG QIU
in the presence of:

Signature of Witness

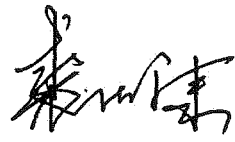
ALLY JIN
Full Name of Witness
(BLOCK LETTERS)

No. 45 Qing Long Road, Shanghai, China
Address

PA
Occupation



(Signature)



(Signature)