



Cauldron hopes high for Marree

Whatever the state of play in the nuclear energy debate in Australia, the reality is that in a great many countries around the world the arguments over whether to embrace nuclear power have long been over.

More and more countries are embracing nuclear power, a fact that makes Australia's position irrelevant from a uranium explorers' point of view, according to Cauldron Energy Ltd managing director Terry Topping.

Since being formed after the merger of Jackson Minerals Ltd and Scimitar Resources Ltd, Cauldron has honed in on uranium as its priority focus, with the Marree uranium JV in South Australia one of its premier priorities.

Jackson and Scimitar bought a host of exploration projects in a variety of commodities to the table when they merged to become Cauldron, but Topping said the company had pared those projects down to four in Australia and two in Argentina – and all are uranium projects.

"The reality is that all of our uranium is exported so the key for us is where our markets are and what is happening with those markets," Topping said.

"There are a lot of countries involved in nuclear energy or going down the path of nuclear energy for the first time. We can sit here in

Australia and debate it for ever but the rest of the world is going forward on it."

While the company has high hopes for the Yanrey project east of Exmouth in Western Australia where it has an exploration target of 25-35 mlb uranium, it is the Marree JV project 550km north of Adelaide in South Australia which is providing the real frisson of excitement.

Exploration on the project is being funded by \$6.2 million over three years – to earn a 50% stake in the project – provided by a Korean consortium of the Korean Government, Dae-woo International Corp and LG International Corp.

It is that commitment from its JV partners, as well as Marree's location and geology, which has Cauldron excited.

The project is in the Eromanga Basin, adjacent to the uranium-rich Mt Babbage inlier and a stone's throw from the Beverley and Four Mile deposits.

"We are very excited about Marree. There is a massive amount of potential in this area – it has the potential to host big uranium deposits.

"When Korea brought their technical people over and they started to go through the data, there had been no uranium mineralisation intersected on these tenements and all we were

saying was that we believed that there could be uranium deposits there.

"They were prepared to fund it and when you get technical guys from a Government who believe your concept, I think you are on to something."

Topping said that the Marree project area included the Tertiary Eyre and Namba formations, which hosted the sedimentary deposits at Beverley, Honeymoon Well and Four Mile.

Interpretation of drainage patterns and an airborne radiometric survey indicated a number of potential uranium-bearing areas the company plans to target.

"The first drill hole we put in there we hit 30m of lignite host material, which is exactly the host material you want – we have had returns of up to 200ppm, we know we have got the right geology, we know there is uranium coming into the system.

"We have already been working on this for two years and we will get back out there again shortly.

"We know the geology is right, we know that there is uranium mineralisation in the project area and we will be looking for a big deposit at Marree."

– Jason Alexander