

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the Company will be held on Friday 21 November 2014 commencing at 11.00 a.m. at Regus, Level 34, AMP Tower, 50 Bridge Street, Sydney NSW 2000.

Ordinary Business

1. Adoption of Accounts and Reports

To receive and consider the Financial Statements of the Consolidated Entity as at 30 June 2014, the Statement of Comprehensive Income for the year ended on that date, together with the reports of Directors and Auditors thereon.

2. Adoption of Remuneration Report

To consider and, if thought fit, to pass with or without amendment, the following resolution as a non-binding resolution:

To adopt the remuneration report forming part of the Directors' Report for the financial year ended 30 June 2014.

(Note: the vote on this resolution is advisory only and does not bind the Directors or the Company.)

Voting Restriction

As required by Section 250R of the Corporations Act, the Company will disregard any votes cast on Resolution 2 by key management personnel and any closely related party of any key management personnel as those terms are defined in section 9 of the Corporations Act 2001. However, the Company need not disregard a vote if:

- it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by a person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides; or
- it is cast by a person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the chair's stated voting intention as outlined in the explanatory memorandum.

3. Re-election of a Director

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

In accordance with the Constitution of the Company, Mr Grahame Hamilton retires by rotation and, being eligible, is re-elected as a director of Cullen Resources Limited.

(Note: details on Mr Hamilton can be found on page 17 of the Annual Report.)

4. Issue of Options – Dr Denis Clarke

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

That in accordance with Chapter 2E of the Corporations Act and Listing Rule 10.11 and for all other purposes, the company be authorised to issue to Dr Denis Clarke, a Director of the Company, 2,500,000 options to subscribe for fully paid ordinary shares in the Company on the terms set out in the attached Explanatory Memorandum accompanying this Notice of General Meeting and the issue to Dr Denis Clarke of fully paid ordinary shares in the capital of the Company upon the full or partial exercise of such options, is hereby approved.

Voting exclusion statement

The Company will disregard any votes cast on this Resolution by:

- Dr Clarke;
- Any associate of Dr Clarke; and
- Any key management personnel and closely related party of any key management personnel as those terms are defined in section 9 of the Corporations Act.

However, the Company need not disregard a vote if:

- It is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
 - It is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.
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5. Issue of Options – Dr Chris Ringrose

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

That in accordance with Chapter 2E of the Corporations Act and Listing Rule 10.11 and for all other purposes, the company be authorised to issue to Dr Chris Ringrose, a Director of the Company, 10,000,000 options to subscribe for fully paid ordinary shares in the Company on the terms set out in the attached Explanatory Memorandum accompanying this Notice of General Meeting and the issue to Dr Chris Ringrose of fully paid ordinary shares in the capital of the Company upon the full or partial exercise of such options, is hereby approved.

Voting exclusion statement

The Company will disregard any votes cast on this Resolution by:

- Dr Ringrose;
- Any associate of Dr Ringrose; and
- Any key management personnel and closely related party of any key management personnel as those terms are defined in section 9 of the Corporations Act.

However, the Company need not disregard a vote if:

- It is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- It is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

6. Issue of Options – John Horsburgh

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

That in accordance with Chapter 2E of the Corporations Act and Listing Rule 10.11 and for all other purposes, the company be authorised to issue to John Horsburgh, a Director of the Company, 2,500,000 options to subscribe for fully paid ordinary shares in the Company on the terms set out in the attached Explanatory Memorandum accompanying this Notice of General Meeting

and the issue to John Horsburgh of fully paid ordinary shares in the capital of the Company upon the full or partial exercise of such options, is hereby approved.

Voting exclusion statement

The Company will disregard any votes cast on this Resolution by:

- Mr Horsburgh;
- Any associate of Mr Horsburgh; and
- Any key management personnel and closely related party of any key management personnel as those terms are defined in section 9 of the Corporations Act.

However, the Company need not disregard a vote if:

- It is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- It is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

7. Issue of Options – Grahame Hamilton

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

That in accordance with Chapter 2E of the Corporations Act and Listing Rule 10.11 and for all other purposes, the company be authorised to issue to Grahame Hamilton, a Director of the Company, 2,500,000 options to subscribe for fully paid ordinary shares in the Company on the terms set out in the attached Explanatory Memorandum accompanying this Notice of General Meeting and the issue to Grahame Hamilton of fully paid ordinary shares in the capital of the Company upon the full or partial exercise of such options, is hereby approved.

Voting exclusion statement

The Company will disregard any votes cast on this Resolution by:

- Mr Hamilton;
- Any associate of Mr Hamilton; and
- Any key management personnel and closely related party of any key management personnel as those terms are defined in section 9 of the Corporations Act.

However, the Company need not disregard a vote if:

- It is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- It is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

8. Issue of Options – Wayne Kernaghan

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

That in accordance with Chapter 2E of the Corporations Act and Listing Rule 10.11 and for all other purposes, the company be authorised to issue to Wayne Kernaghan, a Director of the Company, 2,500,000 options to subscribe for fully paid ordinary shares in the Company on the terms set out in the attached Explanatory Memorandum accompanying this Notice of General Meeting and the issue to Wayne Kernaghan of fully paid ordinary shares in the capital of the Company upon the full or partial exercise of such options, is hereby approved.

Voting exclusion statement

The Company will disregard any votes cast on this Resolution by:

- Mr Kernaghan;
- Any associate of Mr Kernaghan; and
- Any key management personnel and closely related party of any key management personnel as those terms are defined in section 9 of the Corporations Act.

However, the Company need not disregard a vote if:

- It is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- It is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

9. Adoption of New Constitution

To consider and, if thought fit, to pass with or without amendment, the following resolution as a special resolution:

“That for the purposes of section 136(2) of the Corporations Act and for all other purposes, the Company's Constitution be repealed and a new Constitution in the form of the document tabled at the meeting, and signed by the Chairperson for the purposes of identification, be adopted with immediate effect”

10. Approval of additional 10% placement facility

To consider and, if thought fit, to pass with or without amendment, the following resolution as a special resolution:

That, for the purpose of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 for the purpose and on the terms set out in the Explanatory Statement accompanying this Notice of Annual General Meeting.

Voting Restriction

The Company will disregard any votes cast on Resolution 10 by any person who may participate in the issue of Equity Securities under the Additional 10% Placement Facility and any person who might obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities) if the Resolution is passed, and any person associated with those persons. However, the Company will not disregard any votes cast on Resolution 10 by such person if:

- the person is acting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- the person is the Chairman of the Meeting acting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Important note: The proposed allottees of any Equity Securities under the Additional 10% Placement facility are not yet known or identified. In these circumstances (and in accordance with the note set out in ASX Listing Rule 14.11.1 relating to ASX Listing Rules 7.1 and 7.1A), for a person's vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of any Equity Securities issued under the Additional 10% Placement Facility), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted, and there is no reason to exclude their votes.

13. Further Business

To transact any further business that may legally be brought up.

By Order of the Board

W. J. Kernaghan
Secretary

Notes:

1. Voting Entitlements
Pursuant to Regulation 7.11.37 of the Corporations Regulations 2001, the Directors have determined that the shareholdings of each shareholder for the purpose of ascertaining the voting entitlements for the Annual General Meeting will be as it appears in the Share Register as at 7.00 p.m. EST on 19 November 2014.
 2. A member entitled to attend and vote is entitled to appoint not more than two proxies.
 3. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights.
 4. Appointment of a proxy by a member who is a corporation must be under its common seal or the hand of its attorney or the hand of a person duly authorised by the corporation.
 5. A proxy need not be a member of the Company.
 6. To be effective, the proxy form must be received by the Company at its registered office, Unit 4, 7 Hardy Street, South Perth, WA 6151, or received by facsimile on (08) 9474 5588 not less than forty-eight (48) hours before the time for holding the meeting.
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Explanatory Memorandum

This Explanatory Memorandum has been prepared for the information of shareholders of Cullen Resources Limited ("Cullen") in connection with the business to be transacted at the Annual General Meeting of shareholders of Cullen to be held at Regus , Level 34,AMP Tower, 50 Bridge Street, Sydney, NSW 2000 on 21 November 2014 at 11.00am, Eastern Standard Daylight Time.

The Directors recommend shareholders read the accompanying Notice of Annual General Meeting ("Notice") and this Explanatory Memorandum in full before making any decision in relation to the resolutions.

Resolution 4

Issue of Options to Dr Denis Clarke

It is proposed that the Company issue to Dr Denis Clarke, a Director of the Company, a total of 2,500,000 options to subscribe for fully paid ordinary shares in the capital of the Company at an exercise price equal to 200% of the volume weighted average share price in the 5 day trading days immediately prior to the date of the AGM ("VWAP"). That is, if the VWAP is \$0.012, the exercise price of the options will be \$0.024. The options have an expiry date of 30 November 2017. Further details on the terms of the options are set out below.

Shareholder approval is being sought for the issue of these options and the issue of shares upon exercise of the options in accordance with the requirements of the ASX Listing Rules and Chapter 2E of the Corporations Act 2001. Specifically:

Listing Rule 7.1 restricts a company from issuing equity securities, including options to take up shares, which in any 12 month period would amount to more than 15% of the Company's total shares on issue 12 months before the date of the proposed issue. However, issues of equity securities made with the prior approval of the shareholders in general meeting, including for the purposes of Listing Rule 10.11, are not subject to this restriction and will not be counted as part of the 15% limit. Accordingly, if shareholders of the Company approve the proposed issue of options, neither the options nor the shares issued upon exercise of the options will be counted towards the 15% limit in respect of issues of equity securities in the following 12 month period. This provides the Company with maximum flexibility if the Directors consider it appropriate to raise additional capital.

Listing Rule 10.11 restricts a company from issuing equity securities, including options to take up shares, to a director of the company (or a proposed director) without the prior approval of holders of ordinary shares by resolution at a general meeting.

Chapter 2E of the Corporations Act 2001 prohibits a public company from giving a "financial benefit" to a "related party" (which includes Directors and associates) of the public company unless either:-

- i. the giving of the financial benefits falls within one of the nominated exceptions to the provisions; or
- ii. prior Shareholder approval is obtained to the giving of the financial benefits.

The granting of options to Dr Denis Clarke, a Director of the Company constitutes the provision of a financial benefit to a related party of the Company within the meaning of Chapter 2E.

Therefore, Resolution 4 seeks the approval of shareholders to satisfy the requirements for shareholder approval under Listing Rule 10.11 and Chapter 2E of the Corporations Act 2001. As approval is being sought under Listing Rule 10.11, approval will not be required under Listing Rule 7.1.

To assist shareholders the following information and valuation of the options has been provided:

The options have been valued by reference to the Black Scholes options pricing model, based on the following assumptions:

Call Option Valuation	Input
Share price at 14 October 2014	\$0.012
Exercise Price (based on 200% the VWAP on 14 October 2014)	\$0.024
Risk Free Rate	2.9%
Volatility (Annualised)	145%
Time (years) to expiry	3 years
Value per option	\$0.0087
Number of options	2,500,000
Total value	\$21,750

CULLEN RESOURCES LIMITED

A.C.N. 006 045 790



It should be noted that no discount has been applied to the valuation for non negotiability of the options as they are not listed and cannot be transferred except with the Board's prior approval.

Based on the above assumptions it is considered that the total value of the 2,500,000 options is \$21,750.

Details of the proposed issue of options to Dr Denis Clarke are as follows:

1. If shareholder approval is obtained, the 2,500,000 options will be issued to Dr Denis Clarke (or his nominee) within one month of the date of this meeting.
2. The options will vest immediately.
3. No consideration will be payable for the issue of the options but the options, if exercised, will entitle the holder to subscribe for fully paid ordinary shares in the capital of the Company at an exercise price equal to 200% of the VWAP. The funds raised on the exercise of the options will be used for working capital.
4. The options will be issued on the following terms:
 - (a) the options issued to Dr Denis Clarke (or his nominee) may be exercised immediately;
 - (b) the options will expire on the earlier of the date which is one month after the Director to whom the options are issued ceases to be a Director of the Company (or such longer period as determined by the board of Directors) or at 5.00pm on 30 November 2017 ("the Expiry Date");
 - (c) the options shall be exercisable wholly or in part, by notice in writing to the Company, at any time up until the expiry date;
 - (d) the holder of options cannot participate in new issues of capital which may be offered to shareholders during the currency of the options without exercising the option;
 - (e) shares issued on the exercise of options will rank pari passu with the then existing issued ordinary shares of the Company;
 - (f) in a reorganisation of capital of the Company, the exercise price of the options or the number of shares over which the options can be exercised will be reorganised in accordance with the relevant provisions of the ASX Listing Rules in force at the time of the reorganisation;
 - (g) subject to paragraph (f), neither the exercise price of the options nor the number of shares over which the options can be exercised will be changed to take account of pro rata issues (other than bonus issues);
 - (h) in respect of a bonus issue of shares the option holders are only entitled to participate if the options are exercised before the record date for the bonus issue. In the event of a bonus issue, the number of shares over which an option is exercisable will be increased by the number of securities which the holder of the option would have received if the option had been exercised before the record date for the bonus issue;
 - (i) the options can be transferred, subject to board approval;
 - (j) the options will not be quoted on the ASX.

The current capital structure of the Company is as follows:

Capital	Number
Ordinary Shares	1,083,364,514
Unlisted Options (2.3 cents exercisable on or before 31/05/2017)	6,000,000

If shareholder approval is obtained for all resolutions contained in the Notice of Meeting and all options are issued as contemplated by the Notice of Meeting, the issued capital of the Company will be as follows:

Capital	Number
Ordinary Shares	1,083,364,514
Unlisted Options (2.3 cents exercisable on or before 31/5/2017)	6,000,000
Unlisted Options (200% of 5 day VWAP prior to meeting exercisable on or before 30/11/2017)	20,000,000
Total Options	26,000,000
Total Ordinary Shares if all Options on issue are exercised	1,109,364,514

If the share price is higher than the exercise price at the time the options are exercised, there will be a perceived cost to the Company, as the Company may have been able to issue the shares at a higher price.

Dr Clarke has an interest in 8,987,428 shares. If Dr Clarke exercises the options, and none of the other options on issue are exercised, there will be a dilutionary effect of 0.002% on existing shareholders. If shareholder approval is obtained for all resolutions contained in the Notice of Meeting and all options are issued as contemplated by the Notice of Meeting and none of the options on issue are exercised, except those issued to Dr Denis Clarke, Dr Denis Clarke will hold 1.0% of the issued share capital of the Company.

The highest, lowest and last trading prices of the shares on ASX over the previous 12 months are \$0.023 (on 3 July 2014), \$0.005 (on 3 April 2014) and \$0.012 (on 14 October 2014) respectively.

Dr Denis Clarke currently receives \$38,325 per year (includes salary and superannuation). Dr Denis Clarke receives no other remuneration from the Company.

These options are intended to provide an incentive to Dr Denis Clarke, a Director, to work towards improving the performance of the Company and its share price, which will benefit all of the shareholders.

Dr Denis Clarke, director of the Company, does not make a recommendation to shareholders in relation to the resolution as he has a personal interest in the outcome of the resolution as he is a related party who will receive a financial benefit if the resolution is passed.

The other directors recommend that the shareholders vote to approve Resolution 4, on the basis that the options will provide an incentive to Dr Clarke to continue to work towards increasing the value of the Company, are consistent with market remuneration in companies of a similar size and nature, and are in the best interests of the Company, taking into account all of the effects and opportunity cost to the Company, including the dilutionary effect referred to above.

RESOLUTION 5

Issue of Options to Dr Chris Ringrose

It is proposed that the Company issue to Dr Chris Ringrose, a Director of the Company, a total of 10,000,000 options to subscribe for fully paid ordinary shares in the capital of the Company at an exercise price equal to 200% of the volume weighted average share price in the 5 day trading days immediately prior to the date of the AGM ("VWAP"). That is, if the VWAP is \$0.012, the exercise price of the options will be \$0.024. The options have an expiry date of 30 November 2017. Further details on the terms of the options are set out below.

Shareholder approval is being sought for the issue of these options and the issue of shares upon exercise of the options in accordance with the requirements of the ASX Listing Rules and Chapter 2E of the Corporations Act 2001. Specifically:

Listing Rule 7.1 restricts a company from issuing equity securities, including options to take up shares, which in any 12 month period would amount to more than 15% of the Company's total shares on issue 12 months before the date of the proposed issue. However, issues of equity securities made with the prior approval of the shareholders in general meeting, including for the purposes of Listing Rule 10.11, are not subject to this restriction and will not be counted as part of the 15% limit. Accordingly, if shareholders of the Company approve the proposed issue of options, neither the options nor the shares issued upon exercise of the options will be counted towards the 15% limit in respect of issues of equity securities in the following 12 month period. This provides the Company with maximum flexibility if the Directors consider it appropriate to raise additional capital.

Listing Rule 10.11 restricts a company from issuing equity securities, including options to take up shares, to a director of the company (or a proposed director) without the prior approval of holders of ordinary shares by resolution at a general meeting.

Chapter 2E of the Corporations Act 2001 prohibits a public company from giving a "financial benefit" to a "related party" (which includes Directors and associates) of the public company unless either:-

- i. the giving of the financial benefits falls within one of the nominated exceptions to the provisions; or
- ii. prior Shareholder approval is obtained to the giving of the financial benefits.

The granting of options to Dr Chris Ringrose, a Director of the Company constitutes the provision of a financial benefit to a related party of the Company within the meaning of Chapter 2E.

Therefore, Resolution 5 seeks the approval of shareholders to satisfy the requirements for shareholder approval under Listing Rule 10.11 and Chapter 2E of the Corporations Act 2001. As approval is being sought under Listing Rule 10.11, approval will not be required under Listing Rule 7.1.

CULLEN RESOURCES LIMITED

A.C.N. 006 045 790



To assist shareholders the following information and valuation of the options has been provided:

The options have been valued by reference to the Black Scholes options pricing model, based on the following assumptions:

Call Option Valuation	Input
Share price at 14 October 2014	\$0.012
Exercise Price (based on 200% the VWAP on 14 October 2014)	\$0.024
Risk Free Rate	2.9%
Volatility (Annualised)	145%
Time (years) to expiry	3 years
Value per option	\$0.0087
Number of options	10,000,000
Total value	\$87,000

It should be noted that no discount has been applied to the valuation for non negotiability of the options as they are not listed and cannot be transferred except with the Board's prior approval.

Based on the above assumptions it is considered that the total value of the 10,000,000 options is \$87,000.

Details of the proposed issue of options to Dr Chris Ringrose are as follows:

1. If shareholder approval is obtained, the 10,000,000 options will be issued to Dr Chris Ringrose (or his nominee) within one month of the date of this meeting.
2. The options will vest immediately.
3. No consideration will be payable for the issue of the options but the options, if exercised, will entitle the holder to subscribe for fully paid ordinary shares in the capital of the Company at an exercise price equal to 200% of the VWAP. The funds raised on the exercise of the options will be used for working capital.
4. The options will be issued on the following terms:
 - (a) the options issued to Dr Chris Ringrose (or his nominee) may be exercised immediately;
 - (c) the options will expire on the earlier of the date which is one month after the Director to whom the options are issued ceases to be a Director of the Company (or such longer period as determined by the board of Directors) or at 5.00pm on 30 November 2017 ("the Expiry Date");
 - (c) the options shall be exercisable wholly or in part, by notice in writing to the Company, at any time up until the expiry date;
 - (d) the holder of options cannot participate in new issues of capital which may be offered to shareholders during the currency of the options without exercising the option;
 - (e) shares issued on the exercise of options will rank pari passu with the then existing issued ordinary shares of the Company;
 - (f) in a reorganisation of capital of the Company, the exercise price of the options or the number of shares over which the options can be exercised will be reorganised in accordance with the relevant provisions of the ASX Listing Rules in force at the time of the reorganisation;
 - (g) subject to paragraph (f), neither the exercise price of the options nor the number of shares over which the options can be exercised will be changed to take account of pro rata issues (other than bonus issues);
 - (h) in respect of a bonus issue of shares the option holders are only entitled to participate if the options are exercised before the record date for the bonus issue. In the event of a bonus issue, the number of shares over which an option is exercisable will be increased by the number of securities which the holder of the option would have received if the option had been exercised before the record date for the bonus issue;
 - (i) the options can be transferred, subject to board approval;
 - (j) the options will not be quoted on the ASX.

The current capital structure of the Company is as follows:

CULLEN RESOURCES LIMITED

A.C.N. 006 045 790



Capital	Number
Ordinary Shares	1,083,364,514
Unlisted Options (2.3 cents exercisable on or before 31/5/2017)	6,000,000

If shareholder approval is obtained for all resolutions contained in the Notice of Meeting and all options are issued as contemplated by the Notice of Meeting, the issued capital of the Company will be as follows:

Capital	Number
Ordinary Shares	1,083,364,514
Unlisted Options (2.3 cents exercisable on or before 31/5/2017)	6,000,000
Unlisted Options (200% of 5 day VWAP prior to meeting exercisable on or before 30/11/2017)	20,000,000
Total Options	26,000,000
Total Ordinary Shares if all Options on issue are exercised	1,109,364,514

If the share price is higher than the exercise price at the time the options are exercised, there will be a perceived cost to the Company, as the Company may have been able to issue the shares at a higher price.

Dr Ringrose has an interest in 3,942,857 shares. If Dr Ringrose exercises the options, there will be a dilutionary effect of 0.008% on existing shareholders. If shareholder approval is obtained for all resolutions contained in the Notice of Meeting and all options are issued as contemplated by the Notice of Meeting and none of the options on issue are exercised, except those issued to Dr Chris Ringrose, Dr Chris Ringrose will hold 0.012% of the issued share capital of the Company.

The highest, lowest and last trading prices of the shares on ASX over the previous 12 months are \$0.023 (on 3 July 2014), \$0.005 (on 3 April 2014) and \$0.012 (on 14 October 2014) respectively..

Dr Chris Ringrose currently receives \$290,175 per year (includes salary and superannuation) and provision of a motor vehicle from the Company. Dr Chris Ringrose receives no other remuneration from the Company.

These options are intended to provide an incentive to Dr Chris Ringrose, a Director, to work towards improving the performance of the Company and its share price, which will benefit all of the shareholders.

Dr Chris Ringrose, director of the Company, does not make a recommendation to shareholders in relation to the resolution as he has a personal interest in the outcome of the resolution as he is a related party who will receive a financial benefit if the resolution is passed.

The other directors recommend that the shareholders vote to approve Resolution 5, on the basis that the options will provide an incentive to Dr Ringrose to continue to work towards increasing the value of the Company, are consistent with market remuneration in companies of a similar size and nature, and are in the best interests of the Company, taking into account all of the effects and the opportunity cost to the Company including the dilutionary effect referred to above.

Resolution 6

Issue of Options to John Horsburgh

It is proposed that the Company issue to John Horsburgh, a Director of the Company, a total of 2,500,000 options to subscribe for fully paid ordinary shares in the capital of the Company at an exercise price equal to 200% of the volume weighted average share price in the 5 day trading days immediately prior to the date of the AGM ("VWAP"). That is, if the VWAP is \$0.012, the exercise price of the options will be \$0.024. The options have an expiry date of 30 November 2017. Further details on the terms of the options are set out below.

Shareholder approval is being sought for the issue of these options and the issue of shares upon exercise of the options in accordance with the requirements of the ASX Listing Rules and Chapter 2E of the Corporations Act 2001. Specifically:

Listing Rule 7.1 restricts a company from issuing equity securities, including options to take up shares, which in any 12 month period would amount to more than 15% of the Company's total shares on issue 12 months before the date of the proposed issue. However, issues of equity securities made with the prior approval of the shareholders in general meeting, including for the purposes of Listing Rule 10.11, are not subject to this restriction and will not be counted as part of the 15% limit. Accordingly, if shareholders of the Company approve the proposed issue of options, neither the options nor the shares issued upon exercise of the options will be counted towards the 15% limit in respect of issues of equity securities in the following 12 month period. This provides the Company with maximum flexibility if the Directors consider it appropriate to raise additional capital.

Listing Rule 10.11 restricts a company from issuing equity securities, including options to take up shares, to a director of the company (or a proposed director) without the prior approval of holders of ordinary shares by resolution at a general meeting.

Chapter 2E of the Corporations Act 2001 prohibits a public company from giving a “financial benefit” to a “related party” (which includes Directors and associates) of the public company unless either:-

- i. the giving of the financial benefits falls within one of the nominated exceptions to the provisions; or
- ii. prior Shareholder approval is obtained to the giving of the financial benefits.

The granting of options to John Horsburgh, a Director of the Company constitutes the provision of a financial benefit to a related party of the Company within the meaning of Chapter 2E.

Therefore, Resolution 6 seeks the approval of shareholders to satisfy the requirements for shareholder approval under Listing Rule 10.11 and Chapter 2E of the Corporations Act 2001. As approval is being sought under Listing Rule 10.11, approval will not be required under Listing Rule 7.1.

To assist shareholders the following information and valuation of the options has been provided:

The options have been valued by reference to the Black Scholes options pricing model, based on the following assumptions:

Call Option Valuation	Input
Share price at 14 October 2014	\$0.012
Exercise Price (based on 200% the VWAP on 14 October 2014)	\$0.024
Risk Free Rate	2.9%
Volatility (Annualised)	145%
Time (years) to expiry	3 years
Value per option	\$0.0087
Number of options	2,500,000
Total value	\$21,750

It should be noted that no discount has been applied to the valuation for non negotiability of the options as they are not listed and cannot be transferred except with the Board's prior approval.

Based on the above assumptions it is considered that the total value of the 2,500,000 options is \$21,750.

Details of the proposed issue of options to John Horsburgh are as follows:

1. If shareholder approval is obtained, the 2,500,000 options will be issued to John Horsburgh (or his nominee) within one month of the date of this meeting.
2. The options will vest immediately.
3. No consideration will be payable for the issue of the options but the options, if exercised, will entitle the holder to subscribe for fully paid ordinary shares in the capital of the Company at an exercise price equal to 200% of the VWAP. The funds raised on the exercise of the options will be used for working capital.
4. The options will be issued on the following terms:
 - (a) the options issued to John Horsburgh (or his nominee) may be exercised immediately;
 - (d) the options will expire on the earlier of the date which is one month after the Director to whom the options are issued ceases to be a Director of the Company (or such longer period as determined by the board of Directors) or at 5.00pm on 30 November 2017 (“the Expiry Date”);
 - (c) the options shall be exercisable wholly or in part, by notice in writing to the Company, at any time up until the expiry date;
 - (d) the holder of options cannot participate in new issues of capital which may be offered to shareholders during the currency of the options without exercising the option;
 - (e) shares issued on the exercise of options will rank pari passu with the then existing issued ordinary shares of the Company;

CULLEN RESOURCES LIMITED

A.C.N. 006 045 790



- (f) in a reorganisation of capital of the Company, the exercise price of the options or the number of shares over which the options can be exercised will be reorganised in accordance with the relevant provisions of the ASX Listing Rules in force at the time of the reorganisation;
- (g) subject to paragraph (f), neither the exercise price of the options nor the number of shares over which the options can be exercised will be changed to take account of pro rata issues (other than bonus issues);
- (h) in respect of a bonus issue of shares the option holders are only entitled to participate if the options are exercised before the record date for the bonus issue. In the event of a bonus issue, the number of shares over which an option is exercisable will be increased by the number of securities which the holder of the option would have received if the option had been exercised before the record date for the bonus issue;
- (i) the options can be transferred, subject to board approval;
- (j) the options will not be quoted on the ASX.

The current capital structure of the Company is as follows:

Capital	Number
Ordinary Shares	1,083,364,514
Unlisted Options (2.3 cents exercisable on or before 31/5/2017)	6,000,000

If shareholder approval is obtained for all resolutions contained in the Notice of Meeting and all options are issued as contemplated by the Notice of Meeting, the issued capital of the Company will be as follows:

Capital	Number
Ordinary Shares	1,083,364,514
Unlisted Options (2.3 cents exercisable on or before 31/5/2017)	6,000,000
Unlisted Options (200% of 5 day VWAP prior to meeting exercisable on or before 30/11/2017)	20,000,000
Total Options	26,000,000
Total Ordinary Shares if all Options on issue are exercised	1,109,364,514

If the share price is higher than the exercise price at the time the options are exercised, there will be a perceived cost to the Company, as the Company may have been able to issue the shares at a higher price.

Mr Horsburgh has an interest in 21,364,767 shares. If Mr Horsburgh exercises the options, there will be a dilutionary effect of 0.002% on existing shareholders. If shareholder approval is obtained for all resolutions contained in the Notice of Meeting and all options are issued as contemplated by the Notice of Meeting and none of the options on issue are exercised, except those issued to John Horsburgh, John Horsburgh will hold 2.1% of the issued share capital of the Company.

The highest, lowest and last trading prices of the shares on ASX over the previous 12 months are \$0.023 (on 3 July 2014), \$0.005 (on 3 April 2014) and \$0.012 (on 14 October 2014) respectively.

John Horsburgh currently receives \$32,850 per year (includes salary and superannuation).

These options are intended to provide an incentive to John Horsburgh, a Director, to work towards improving the performance of the Company and its share price, which will benefit all of the shareholders.

John Horsburgh, director of the Company, does not make a recommendation to shareholders in relation to the resolution as he has a personal interest in the outcome of the resolution as he is a related party who will receive a financial benefit if the resolution is passed.

The other directors recommend that the shareholders vote to approve Resolution 6, on the basis that the options will provide an incentive to Mr Horsburgh to continue to work towards increasing the value of the Company, are consistent with market remuneration in companies of a similar size and nature, and are in the best interests of the Company, taking into account all of the effects and the opportunity cost to the Company including the dilutionary effect referred to above.

Resolution 7

Issue of options to Grahame Hamilton

It is proposed that the Company issue to Grahame Hamilton, a Director of the Company, a total of 2,500,000 options to subscribe for fully paid ordinary shares in the capital of the Company at an exercise price equal to 200% of the volume weighted average share price in the 5 day trading days immediately prior to the date of the AGM ("VWAP"). That is, if the VWAP is \$0.012, the exercise price of the options will be \$0.024. The options have an expiry date of 30 November 2017. Further details on the terms of the options are set out below.

Shareholder approval is being sought for the issue of these options and the issue of shares upon exercise of the options in accordance with the requirements of the ASX Listing Rules and Chapter 2E of the Corporations Act 2001. Specifically:

Listing Rule 7.1 restricts a company from issuing equity securities, including options to take up shares, which in any 12 month period would amount to more than 15% of the Company's total shares on issue 12 months before the date of the proposed issue. However, issues of equity securities made with the prior approval of the shareholders in general meeting, including for the purposes of Listing Rule 10.11, are not subject to this restriction and will not be counted as part of the 15% limit. Accordingly, if shareholders of the Company approve the proposed issue of options, neither the options nor the shares issued upon exercise of the options will be counted towards the 15% limit in respect of issues of equity securities in the following 12 month period. This provides the Company with maximum flexibility if the Directors consider it appropriate to raise additional capital.

Listing Rule 10.11 restricts a company from issuing equity securities, including options to take up shares, to a director of the company (or a proposed director) without the prior approval of holders of ordinary shares by resolution at a general meeting.

Chapter 2E of the Corporations Act 2001 prohibits a public company from giving a "financial benefit" to a "related party" (which includes Directors and associates) of the public company unless either:-

- i. the giving of the financial benefits falls within one of the nominated exceptions to the provisions; or
- ii. prior Shareholder approval is obtained to the giving of the financial benefits.

The granting of options to Grahame Hamilton, a Director of the Company constitutes the provision of a financial benefit to a related party of the Company within the meaning of Chapter 2E.

Therefore, Resolution 7 seeks the approval of shareholders to satisfy the requirements for shareholder approval under Listing Rule 10.11 and Chapter 2E of the Corporations Act 2001. As approval is being sought under Listing Rule 10.11, approval will not be required under Listing Rule 7.1.

To assist shareholders the following information and valuation of the options has been provided:

The options have been valued by reference to the Black Scholes options pricing model, based on the following assumptions:

Call Option Valuation	Input
Share price at 14 October 2014	\$0.012
Exercise Price (based on 200% the VWAP on 14 October 2014)	\$0.024
Risk Free Rate	2.9%
Volatility (Annualised)	145%
Time (years) to expiry	3 years
Value per option	\$0.0087
Number of options	2,500,000
Total value	\$21,750

It should be noted that no discount has been applied to the valuation for non negotiability of the options as they are not listed and cannot be transferred except with the Board's prior approval.

Based on the above assumptions it is considered that the total value of the 2,500,000 options is \$21,750.

Details of the proposed issue of options to Grahame Hamilton are as follows:

1. If shareholder approval is obtained, the 2,500,000 options will be issued to Grahame Hamilton (or his nominee) within one month of the date of this meeting.
 2. The options will vest immediately.
-

CULLEN RESOURCES LIMITED

A.C.N. 006 045 790



3. No consideration will be payable for the issue of the options but the options, if exercised, will entitle the holder to subscribe for fully paid ordinary shares in the capital of the Company at an exercise price equal to 200% of the VWAP. The funds raised on the exercise of the options will be used for working capital.
4. The options will be issued on the following terms:
- (a) the options issued to Grahame Hamilton (or his nominee) may be exercised immediately;
 - (e) the options will expire on the earlier of the date which is one month after the Director to whom the options are issued ceases to be a Director of the Company (or such longer period as determined by the board of Directors) or at 5.00pm on 30 November 2017 ("the Expiry Date");
 - (c) the options shall be exercisable wholly or in part, by notice in writing to the Company, at any time up until the expiry date;
 - (d) the holder of options cannot participate in new issues of capital which may be offered to shareholders during the currency of the options without exercising the option;
 - (e) shares issued on the exercise of options will rank pari passu with the then existing issued ordinary shares of the Company;
 - (f) in a reorganisation of capital of the Company, the exercise price of the options or the number of shares over which the options can be exercised will be reorganised in accordance with the relevant provisions of the ASX Listing Rules in force at the time of the reorganisation;
 - (g) subject to paragraph (f), neither the exercise price of the options nor the number of shares over which the options can be exercised will be changed to take account of pro rata issues (other than bonus issues);
 - (h) in respect of a bonus issue of shares the option holders are only entitled to participate if the options are exercised before the record date for the bonus issue. In the event of a bonus issue, the number of shares over which an option is exercisable will be increased by the number of securities which the holder of the option would have received if the option had been exercised before the record date for the bonus issue;
 - (i) the options can be transferred, subject to board approval;
 - (j) the options will not be quoted on the ASX.

The current capital structure of the Company is as follows:

Capital	Number
Ordinary Shares	1,083,364,514
Unlisted Options (2.3 cents exercisable on or before 31/5/2017)	6,000,000

If shareholder approval is obtained for all resolutions contained in the Notice of Meeting and all options are issued as contemplated by the Notice of Meeting, the issued capital of the Company will be as follows:

Capital	Number
Ordinary Shares	1,083,364,514
Unlisted Options (2.3 cents exercisable on or before 31/5/2017)	6,000,000
Unlisted Options (200% of 5 day VWAP prior to meeting exercisable on or before 30/11/2017)	20,000,000
Total Options	26,000,000
Total Ordinary Shares if all Options on issue are exercised	1,109,364,514

If the share price is higher than the exercise price at the time the options are exercised, there will be a perceived cost to the Company, as the Company may have been able to issue the shares at a higher price.

Mr Hamilton has an interest in 19,737,004 shares. If Mr Hamilton exercises the options, there will be a dilutionary effect of 0.002% on existing shareholders. If shareholder approval is obtained for all resolutions contained in the Notice of Meeting and all options are issued as contemplated by the Notice of Meeting and none of the options on issue are exercised, except those issued to Grahame Hamilton, Grahame Hamilton will hold 2.0% of the issued share capital of the Company.

The highest, lowest and last trading prices of the shares on ASX over the previous 12 months are \$0.023 (on 3 July 2014), \$0.005 (on 3 April 2014) and \$0.012 (on 14 October 2014) respectively.

CULLEN RESOURCES LIMITED

A.C.N. 006 045 790



Grahame Hamilton currently receives \$32,850 per year (includes salary and superannuation).

These options are intended to provide an incentive to Grahame Hamilton, a Director, to work towards improving the performance of the Company and its share price, which will benefit all of the shareholders.

Grahame Hamilton, director of the Company, does not make a recommendation to shareholders in relation to the resolution as he has a personal interest in the outcome of the resolution as he is a related party who will receive a financial benefit if the resolution is passed.

The other directors recommend that the shareholders vote to approve Resolution 7, on the basis that the options will provide an incentive to Mr Hamilton to continue to work towards increasing the value of the Company, are consistent with market remuneration in companies of a similar size and nature, and are in the best interests of the Company, taking into account all of the effects and the opportunity cost to the Company including the dilutionary effect referred to above.

Resolution 8

Issue of options to Wayne Kernaghan

It is proposed that the Company issue to Wayne Kernaghan, a Director of the Company, a total of 2,500,000 options to subscribe for fully paid ordinary shares in the capital of the Company at an exercise price equal to 200% of the volume weighted average share price in the 5 day trading days immediately prior to the date of the AGM ("VWAP"). That is, if the VWAP is \$0.012, the exercise price of the options will be \$0.024. The options have an expiry date of 30 November 2017. Further details on the terms of the options are set out below.

Shareholder approval is being sought for the issue of these options and the issue of shares upon exercise of the options in accordance with the requirements of the ASX Listing Rules and Chapter 2E of the Corporations Act 2001. Specifically:

Listing Rule 7.1 restricts a company from issuing equity securities, including options to take up shares, which in any 12 month period would amount to more than 15% of the Company's total shares on issue 12 months before the date of the proposed issue. However, issues of equity securities made with the prior approval of the shareholders in general meeting, including for the purposes of Listing Rule 10.11, are not subject to this restriction and will not be counted as part of the 15% limit. Accordingly, if shareholders of the Company approve the proposed issue of options, neither the options nor the shares issued upon exercise of the options will be counted towards the 15% limit in respect of issues of equity securities in the following 12 month period. This provides the Company with maximum flexibility if the Directors consider it appropriate to raise additional capital.

Listing Rule 10.11 restricts a company from issuing equity securities, including options to take up shares, to a director of the company (or a proposed director) without the prior approval of holders of ordinary shares by resolution at a general meeting.

Chapter 2E of the Corporations Act 2001 prohibits a public company from giving a "financial benefit" to a "related party" (which includes Directors and associates) of the public company unless either:-

- i. the giving of the financial benefits falls within one of the nominated exceptions to the provisions; or
- ii. prior Shareholder approval is obtained to the giving of the financial benefits.

The granting of options to Wayne Kernaghan, a Director of the Company constitutes the provision of a financial benefit to a related party of the Company within the meaning of Chapter 2E.

Therefore, Resolution 8 seeks the approval of shareholders to satisfy the requirements for shareholder approval under Listing Rule 10.11 and Chapter 2E of the Corporations Act 2001. As approval is being sought under Listing Rule 10.11, approval will not be required under Listing Rule 7.1.

To assist shareholders the following information and valuation of the options has been provided:

The options have been valued by reference to the Black Scholes options pricing model, based on the following assumptions:

Call Option Valuation	Input
Share price at 14 October 2014	\$0.012
Exercise Price based on 200% the VWAP on 14 October 2014)	\$0.024
Risk Free Rate	2.9%
Volatility (Annualised)	145%
Time (years) to expiry	3 years
Value per option	\$0.0087
Number of options	2,500,000
Total value	\$21,750

CULLEN RESOURCES LIMITED

A.C.N. 006 045 790



It should be noted that no discount has been applied to the valuation for non negotiability of the options as they are not listed and cannot be transferred except with the Board's prior approval.

Based on the above assumptions it is considered that the total value of the 2,500,000 options is \$21,750.

Details of the proposed issue of options to Wayne Kernaghan are as follows:

1. If shareholder approval is obtained, the 2,500,000 options will be issued to Wayne Kernaghan (or his nominee) within one month of the date of this meeting.
2. The options will vest immediately.
3. No consideration will be payable for the issue of the options but the options, if exercised, will entitle the holder to subscribe for fully paid ordinary shares in the capital of the Company at an exercise price equal to 200% of the VWAP. The funds raised on the exercise of the options will be used for working capital.
4. The options will be issued on the following terms:
 - (a) the options issued to Wayne Kernaghan (or his nominee) may be exercised immediately;
 - (f) the options will expire on the earlier of the date which is one month after the Director to whom the options are issued ceases to be a Director of the Company (or such longer period as determined by the board of Directors) or at 5.00pm on 30 November 2017 ("the Expiry Date");
 - (c) the options shall be exercisable wholly or in part, by notice in writing to the Company, at any time up until the expiry date;
 - (d) the holder of options cannot participate in new issues of capital which may be offered to shareholders during the currency of the options without exercising the option;
 - (e) shares issued on the exercise of options will rank pari passu with the then existing issued ordinary shares of the Company;
 - (f) in a reorganisation of capital of the Company, the exercise price of the options or the number of shares over which the options can be exercised will be reorganised in accordance with the relevant provisions of the ASX Listing Rules in force at the time of the reorganisation;
 - (g) subject to paragraph (f), neither the exercise price of the options nor the number of shares over which the options can be exercised will be changed to take account of pro rata issues (other than bonus issues);
 - (h) in respect of a bonus issue of shares the option holders are only entitled to participate if the options are exercised before the record date for the bonus issue. In the event of a bonus issue, the number of shares over which an option is exercisable will be increased by the number of securities which the holder of the option would have received if the option had been exercised before the record date for the bonus issue;
 - (i) the options can be transferred, subject to board approval;
 - (j) the options will not be quoted on the ASX.

The current capital structure of the Company is as follows:

Capital	Number
Ordinary Shares	1,083,364,514
Unlisted Options (2.3 cents exercisable on or before 31/5/2017)	6,000,000

If shareholder approval is obtained for all resolutions contained in the Notice of Meeting and all options are issued as contemplated by the Notice of Meeting, the issued capital of the Company will be as follows:

Capital	Number
Ordinary Shares	1,083,364,514
Unlisted Options (2.3 cents exercisable on or before 31/5/2017)	6,000,000
Unlisted Options (200% of 5 day VWAP prior to meeting exercisable on or before 30/11/2017)	20,000,000
Total Options	26,000,000
Total Ordinary Shares if all Options on issue are exercised	1,109,364,514

If the share price is higher than the exercise price at the time the options are exercised, there will be a perceived cost to the Company, as the Company may have been able to issue the shares at a higher price.

Mr Kernaghan has an interest in 7,855,286 shares. If Mr Kernaghan exercises the options, there will be a dilutionary effect of 0.002% on existing shareholders. If shareholder approval is obtained for all resolutions contained in the Notice of Meeting and all options are issued as contemplated by the Notice of Meeting and none of the options on issue are exercised, except those issued to Wayne Kernaghan, Wayne Kernaghan will hold 0.9% of the issued share capital of the Company.

The highest, lowest and last trading prices of the shares on ASX over the previous 12 months are \$0.023 (on 3 July 2014), \$0.005 (on 3 April 2014) and \$0.012 (on 14 October 2014) respectively.

Wayne Kernaghan currently receives \$32,850 per year (includes salary and superannuation). Wayne Kernaghan also provided accounting and secretarial services and received \$37,750 for the year ended 30 June 2014 from the Company.

These options are intended to provide an incentive to Wayne Kernaghan, a Director, to work towards improving the performance of the Company and its share price, which will benefit all of the shareholders.

Wayne Kernaghan, director of the Company, does not make a recommendation to shareholders in relation to the resolution as he has a personal interest in the outcome of the resolution as he is a related party who will receive a financial benefit if the resolution is passed.

The other directors recommend that the shareholders vote to approve Resolution 8, on the basis that the options will provide an incentive to Mr Kernaghan to continue to work towards increasing the value of the Company, are consistent with market remuneration in companies of a similar size and nature, and are in the best interests of the Company, taking into account all of the effects and the opportunity cost to the Company including the dilutionary effect referred to above.

RESOLUTION 9

Adoption of New Constitution

By section 136(2) of the Corporations Act, a company may modify or repeal its Constitution or a provision of its constitution by special resolution. Shareholders.

Resolution 9 is a special resolution which will enable the Company to repeal the existing Constitution of the Company and replace it with a new Constitution (**Proposed Constitution**). It is proposed to adopt a new Constitution to ensure that the Constitution of the Company reflects the current Corporations Act and ASX Listing Rules requirements and best practice from a corporate governance perspective.

A copy of the new Constitution will be sent to any Shareholder on request by contacting the Company Secretary on (08) 9474 5511. The new Constitution will also be available for inspection at the Company's registered office at Unit 4, 7 Hardy Street, South Perth WA 6156 and available on the Company's website at www.cullenresources.com.au.

If Resolution 9 is passed, the new Constitution will become effective from the time of passing of the resolution.

The Proposed Constitution is broadly consistent with the provision of the existing Constitution. The material differences between the new Constitution and the current Constitution are set out in Schedule 1.

The Directors recommend that the shareholders vote to approve Resolution 9.

Resolution 10

Approval of additional 10% placement facility

Background

Listing Rule 7.1A enables eligible entities to issue Equity Securities of up to 10% of its issued ordinary share capital through placements over a 12 month period following the entity's annual general meeting (Additional 10% Placement Facility). The Additional 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less, as at the time of the entity's annual general meeting. The Company is an eligible entity as at the time of this Notice of Annual General Meeting and is expected to be an eligible entity as at the time of the Annual General Meeting.

CULLEN RESOURCES LIMITED

A.C.N. 006 045 790



Resolution 10 seeks Shareholder approval to enable the Company to issue Equity Securities under the Additional 10% Placement Facility throughout the 12 months after the Annual General Meeting. The effect of Resolution 10 will be to allow the directors to issue Equity Securities under Listing Rule 7.1A during the period set out below.

Resolution 10 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote at the Annual General Meeting (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The exact number of Equity Securities that the Company may issue under the Additional 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to section 10(b) of this Notice of Annual General Meeting below).

The company is seeking a mandate to issue securities under the Additional 10% Placement Facility to enable the Company to pursue its growth strategy with the flexibility to act quickly as potential business opportunities arise.

Regulatory Requirements

In compliance with the information requirements of Listing Rule 7.3A, Shareholders are advised of the following information:

a. Minimum Issue Price

Equity securities issued under the Additional 10% Placement Facility must be in the same class as an existing class of quoted Equity Securities of the Company. As at the date of the Notice of Annual General Meeting, the Company has on issue one class of quoted Equity Securities, namely Shares.

The issue price of Equity Securities issued under the Additional 10% Placement Facility must not be lower than 75% of the volume weighted average price for securities in the same class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- i. The date on which the price at which the Securities are to be issued is agreed; or
- ii. If the Securities are not issued within 5 trading days of the date in paragraph (i) the date on which the securities are issued.

b. Dilution

As at the date of this Notice of Annual General Meeting, the Company has 1,083,364,514 Shares on issue. If Shareholders approve Resolution 10, the Company will have the capacity to issue approximately 108,336,451 Equity Securities under the Additional 10% Placement Facility in accordance with Listing Rule 7.1A.

The precise number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the following formula:

(A x D) – E

A is the number of fully paid shares on issue 12 months before the date of issue or agreement:

- A: plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- B: plus the number of partly paid shares that became fully paid in the 12 months;
- C: plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 or 7.4;
- D: less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of Shareholders under Listing Rule 7.1 or 7.4.

If Resolution 10 is approved by Shareholders and the Company issued Equity Securities under the Additional 10% Placement Facility, existing Shareholders' voting power in the Company will be diluted as shown in the table below to the extent Shareholders do not receive any Shares under such issues. There is a risk that:

- i. the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than the date of the Annual General Meeting; and

- ii. the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date.

The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A2 as at the date of this Notice of Annual General Meeting.

The table below also shows:

- i. two examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rate entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- ii. two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$0.006 50% decrease in Issue Price	\$0.012 Issue Price	\$0.018 50% increase in Issue Price
Current Variable A 1,083,364,514 Shares	Shares issued	108,336,451 New Shares	108,336,451 New Shares	108,336,451 New Shares
	Funds raised	\$650,018	\$1,300,037	\$1,950,056
50% increase in current Variable A 1,625,046,771 Shares	Shares issued	162,504,667 New Shares	162,504,667 New Shares	162,504,667 New Shares
	Funds raised	\$975,028	\$1,950,056	\$2,925,084
100% increase in current Variable A 2,166,729,028 Shares	Shares issued	216,672,902 New Shares	216,672,902 New Shares	216,672,902 New Shares
	Funds raised	\$1,300,037	\$2,600,074	\$3,900,112

The table has been prepared on the following assumptions:

1. The Company issues the maximum number of Equity Securities available under the Additional 10% Placement Facility.
2. No Options are exercised into Shares before the date of the issue of the Equity Securities.
3. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
4. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the Additional 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
5. The table shows only the effect of issued of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
6. The issue of Equity Securities under the 10% placement Facility consists only of Shares. If the issue of Equity Securities includes Listed Options, it is assumed that those Listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
7. The issue price is \$0.012, being the closing price of the Shares on ASX on 14 October 2014.

c. Issue Period

If Shareholders approve Resolution 10, the Company will have a mandate to issue Equity Securities under the Additional 10% Placement Facility under Listing Rule 7.1A from the date of the Annual General Meeting until the earlier of the following to occur:

- i. The date that is 12 months after the date of the Annual General Meeting; and
- ii. The date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature of scale of activities) or 11.2 (disposal of main undertaking).

(the Additional 10% Placement Period).

The Company will only issue and allot Equity Securities under the Additional 10% Placement Facility during the Additional 10% Placement Period.

d. Purpose of Issues

The Company may seek to issue the Equity Securities for the following purposes:

- i. Non-cash consideration for the acquisition of the new assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
- ii. Cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.

The Company will provide further information at the time of issue of any Equity Securities under the Additional 10% Placement Facility in compliance with its disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A.

e. Allocation Policy

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the Additional 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- i. the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issues in which existing security holders can participate;
- ii. the effect of the issue of the Equity Securities on the control of the Company;
- iii. the financial situation and solvency of the Company; and
- iv. advice from corporate, financial and broking advisers (if applicable).

f. Previous issues

The Company has previously obtained Shareholder approval under Listing Rule 7.1A and has not issued any Equity Securities pursuant to Listing Rule 7.1A in the 12 months preceding the date of the Annual General Meeting.

In accordance with listing rule 7.3A.6(a) details of the total number of equity securities issued in the past 12 months preceding the date of the meeting and the percentage those issues represent of the total number of equity securities on issue at the commencement of the 12 month period are as follows:

Equity securities issued in prior 12 month period	270,975,083
Percentage previous issues represent of total number of equity securities on issue at commencement of 12 month period	33.01%

The specific details for each of the issues during the 12 month period are as follows:

Issue 1 during the 12 month period:

Date of Issue	19 March 2014
Number issued:	220,083,412
Type of Equity;	Fully paid ordinary shares which ranked pari passu with existing fully paid shares on issue
Summary of Terms:	These shares were issued under a shareholder share purchase plan
Names of Persons who received securities:	Various Shareholders of the company who subscribed under the plan
Price:	0.6 cents per share
Discount to market:	Approximately a 15% discount

CULLEN RESOURCES LIMITED

A.C.N. 006 045 790



Total cash consideration:	\$1,320,500 of which approximately \$800,000 has been spent on exploration expenditure and working capital
Intended use of remaining cash	Exploration expenditure and working capital

Issue 2 during the 12 month period:

Date of Issue	9 June 2014
Number issued:	6,000,000
Type of Equity;	Unlisted options with an exercise price of 2.3 cents and an expiry date of 31 May 2017
Summary of Terms:	Placement
Names of Persons who received securities:	Employee
Price:	They were issued for nil consideration and have an exercise price of 2 .3 cents per share and an expiry date of 31 May 2017.
Discount to market:	The exercise price of the options are a premium to the market
Total cash consideration less issue costs:	Nil
Intended use of cash	Exploration expenditure and working capital on exercise of options

Issue 3 during the 12 month period:

Date of Issue	15 October 2014
Number issued:	44,891,671
Type of Equity;	Fully paid ordinary shares which ranked pari passu with existing fully paid shares on issue
Summary of Terms:	Rights Issue on a 1:7 basis at 1.2 cents each
Names of Persons who received securities:	Shareholders who participated in the Rights Issue
Price:	1 .2cents per share
Discount to market:	Approximately a 15% discount to the market
Total cash consideration	\$538,700 and the company has not spent any of these funds
Intended use of cash	Exploration expenditure and working capital

g. Voting exclusion statement

A voting exclusion statement for Resolution 10 is included in the Notice of Annual General Meeting preceding this Explanatory Statement.

At the date of the Notice of Annual General Meeting, the Company has not approached any particular existing security holder or an identifiable class of existing security holders to participate in the issue of the Equity Securities. Accordingly, the proposed allottees of any Equity Securities under the Additional 10% Placement Facility are not as yet known or identified.

In these circumstances (and in accordance with the note set out in ASX Listing Rule 14.11.1 relating to ASX Listing Rules 7.1 and 7.1A), for a person's vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of any Equity securities issued under the Additional 10% Placement Facility), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted, and there is no reason to exclude their votes.

No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice of Annual General Meeting.

Board Recommendation

The Board believes that the Additional 10% Placement Facility is beneficial for the Company as it will give the Company the flexibility to issue further securities representing up to 10% of the company's share capital during the next 12 months. Accordingly, the Board unanimously recommend that Shareholders approve Resolution 10.

Schedule 1

Below is a summary of the material differences between the current Constitution of the Company and the P Constitution of the Company.

Proportional Takeovers

The Proposed Constitution includes provisions dealing with a proportional takeover bid. A proportional takeover bid is one in which the offeror offers to buy only a specified proportion of each shareholder's shares.

The Corporations Act permits a company to include proportional takeover provisions in its constitution, but requires these provisions to be renewed every three years by shareholder approval, otherwise they lapse.

Where the approval of shareholders is sought to include proportional takeover provisions in a constitution, the Corporations Act requires certain information to be provided to shareholders. That information is set out below.

Effect of the proposed proportional takeover provisions

If the proportional takeover provisions are adopted and a proportional takeover bid is made, the directors must ensure that a resolution of shareholders to approve the takeover bid is voted on at least 14 days before the last day of the bid period. The vote will be decided on a simple majority and each person (other than the bidder and their associates) who, as at the end of the day on which the first offer under the bid was made, held bid class securities, is entitled to vote, on the basis of one vote for each bid class security held at that time.

If the resolution to approve the bid is not passed, transfers resulting from acceptances for the proportional takeover bid will not be registered and the bid will be taken to have been withdrawn. If a resolution to approve the bid is not voted on by the required time, the bid will be taken to have been approved.

If the bid is approved (or taken to have been approved), the transfers resulting from acceptances for the proportional takeover bid must be registered by the Company (provided they comply with other provisions of the Corporations Act and the Constitution).

The proportional takeover approval provisions do not apply to full takeover bids and will only apply until 3 years after the date of their adoption under this resolution. The provisions may be renewed for a further term, but only by a special resolution of the Company's shareholders.

The reasons for proposing the proportional takeover provisions

As shares in listed companies are often held by a large number of persons, it is possible for a person to gain effective control of the Company while holding less than 50% of its issued voting shares. This can be facilitated by a proportional takeover, which allows the offeror to specify the percentage shareholding it wishes to achieve. This can be disadvantageous to Shareholders who may not have an opportunity to sell their shares even if there is a risk that the takeover may cause a decrease in the Company's share price.

Shareholders may be pressured into selling their Shares even if they did not want control of the Company to pass to an offeror because they do not want to take the risk, if the offer is successful, of being left with a minority interest in the Company, the value of their shares decreasing or their shareholding becoming less attractive and therefore more difficult to sell.

Advantages

The advantages of including proportional takeover provisions in the Proposed Constitution are that such provisions:

- enable the Directors to formally ascertain the views of the Shareholders in respect of the proportional takeover offer;
- give the Shareholders the opportunity to consider the offer and then vote on the offer;
- allow a majority of Shareholders to prevent a proportional takeover if they believe control of the company should not pass to the offeror; and
- if an offer is rejected by the majority of Shareholders, it might encourage any future takeover offers to be on terms attractive to majority of Shareholders.

Disadvantages

The potential disadvantages of the proportional takeover provisions are that:

- it may discourage proportional takeovers by making them more difficult to proceed and may reduce any takeover speculation element in the price of the Company's Shares on ASX;
 - Shareholders who would otherwise accept the offer to sell a portion of their Shares will be denied that opportunity where a majority reject the offer;
-

- the proposed procedure introduces an additional formal mechanism to the existing statutory takeover requirements; and
- the provisions are inconsistent with the principle that a share in a public company should be transferable without the consent of other shareholders.

As at the date of the Notice, none of the Directors is aware of a proposal by a person to acquire or to increase the extent of a substantial interest in the Company.

Direct Voting

The Proposed Constitution provides that the Directors may determine that, at any general meeting of members of the Company, a member who is entitled to attend and vote at that meeting is entitled to a direct vote. A direct vote includes a vote delivered to the Company by post, facsimile transmission or other electronic means approved by the Directors. The directors may prescribe rules to govern direct voting including rules specifying the form, method and timing of giving the direct vote in order for the vote to be valid.

Dividend Rules

The rules relating to the declaration and payment of dividends have been amended to reflect the current provisions of the Corporations Act.

Director Remuneration and Retirement

The rules relating to remuneration and retirement of directors have been amended to reflect the current provisions of the Corporations Act.

Preference Shares

Each of the current and Proposed Constitutions have provisions allowing the Directors to allot or dispose of shares in the Company, including preference shares. However, the proposed Constitution contains more detailed provisions setting out the rights attaching to preference shares allotted by the Company. These provisions have been expanded to reflect the current provisions of the Corporations Act.

CULLEN RESOURCES LIMITED

A.C.N. 006 045 790



APPOINTMENT OF PROXY

I/We
of.....

being a member/members of Cullen Resources Limited hereby appoint

☐ The Chairman of
The meeting
(mark with an 'X') OR Write the name of the person you are appointing if
this person is someone other than the Chairman of
the Meeting.

or failing the person named attending the meeting, or if no person is named, the Chairman of the meeting as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of the Company to be held on 21 November 2014 at 11.00 a.m. and at any adjournment of that meeting.

IMPORTANT: If you appoint a proxy, we encourage you to direct your proxy how to vote on each item of business.

Important for Resolution 2 (Adoption of Remuneration Report) - If the Chairman of the Meeting is your proxy or is appointed as your proxy by default and you do not mark any of the boxes in step 2 below on Resolution 2 you will be deemed to have directed the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions as set out below and in the Notice of Meeting even though Item 2 is connected directly or indirectly with the remuneration of a member of key management personnel. Please note you can direct the Chairman of the Meeting to vote for, against or abstain from voting on Resolution 2 by marking the appropriate box in step 2 below. The Chairman of the Meeting intends to vote in favour of each item of business.

Voting directions to your proxy – please mark "X" to indicate your directions

Resolution	For	Against	Abstain
2. Adoption of Remuneration Report.	☐	☐	☐
3. Re- election of Mr G Hamilton	☐	☐	☐
4. Issue of options – Dr D Clarke	☐	☐	☐
5. Issue of options – Dr C Ringrose	☐	☐	☐
6. Issue of options – Mr J Horsburgh	☐	☐	☐
7. Issue of options - Mr G Hamilton	☐	☐	☐
8. Issue of options – Mr W Kernaghan	☐	☐	☐
9. Adoption of New Constitution	☐	☐	☐
10. Approval of additional 10% placement facility.	☐	☐	☐

Signed this day of 2014.

Individual Securityholder 1

Securityholder 2

Securityholder 3

Individual/Sole Director

Director

Director/Company Secretary

This form must be signed by the securityholder. If a joint holding, either security holder may sign. If signed by the securityholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the securityholder's constitution and the Corporations Act 2001 (Cwlth).

INSTRUCTIONS FOR COMPLETION OF PROXY FORM

Appointing a proxy

A shareholder who is entitled to attend and vote can appoint a proxy to attend and vote at the Annual General Meeting on their behalf. A proxy need not be a shareholder of the Company.

A shareholder entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If proportions or numbers are not specified, each proxy may exercise half the available votes.

You may complete and return the Appointment of Proxy included with this Notice. If you require a second proxy form, please contact the Company Secretary or you may copy the Proxy Form.

If you do not provide proxy instructions electronically, proxy forms may be lodged by mail, by hand or by facsimile in accordance with the instructions on the Proxy form.

For an appointment of a proxy to be effective, the Proxy form must be received at its registered office, Unit 4, 7 Hardy Street, South Perth WA 6151, or received by facsimile on +61 8 9474 5588 by not later than 11.00am (AEDST) on Wednesday, 19 November 2014.

Corporate Shareholders

Corporate shareholders wishing to appoint a representative to attend the meeting on their behalf must provide that person with a properly executed letter confirming that they are authorised to act as the company's representative. The authorisation may be effective either for this meeting only or for all meetings of the Company.

Eligibility to vote at the meeting

For the purpose of regulation 7.11.37 of the *Corporations Regulations* 2001, the Company has determined, for the purposes of voting entitlements at the meeting, that Cullen shares are taken to be held by those shareholders registered at 7:00pm (AEDST) on Wednesday, 19 November 2014. Accordingly, only those persons will be entitled to attend and vote at the meeting.

How undirected proxies held by the Chairman of the meeting will be voted

If you appoint the Chair of the Meeting as your proxy and you do not specify in the proxy form the manner in which you wish the Chair to vote on the resolutions to be considered at the meeting, you will be deemed to have directed the Chair to vote in accordance with the voting intentions of the Chair to vote in favour of all resolutions.

If you appoint the Chair of the Meeting as your proxy and wish to direct the Chair how to vote on some or all of the resolutions to be considered at the Meeting, you must complete the directed proxy part of the proxy form (Step 2 on the proxy form).

In either case, if you appoint the Chair of the Meeting as your proxy, you acknowledge and agree that the Chair may vote in favour of Resolution 2 for the adoption of the remuneration report even though it is connected with the remuneration of a member of key management personnel.

The Directors encourage all shareholders who submit proxies to direct their proxy how to vote on each resolution.
