



ABN 46 006 045 790

QUARTERLY REPORT for the period ended 31 December 2018

www.cullenresources.com.au

ASX Symbol: CUL

31 January 2019

HIGHLIGHTS

During the Quarter, Cullen Resources Limited (“Cullen” or “the Company”) has:

1. Mt Eureka Project, NE Goldfields, W.A. - gold and nickel

Completed an air core drilling programme over several new targets (76 holes for 3,009m). **Assays are pending.**

2. Wongan Hills, W.A. - base metals and gold

Executed an access and compensation agreement with the key private landowner and during the current month, completed approximately 2,000m of air core drilling.

This programme was a first-pass test of coincident geochemical anomalies and interpreted bedrock conductors (from Cullen’s June 2018 VTEM survey) at “Cluster 1”. The drilling intersected a sequence of mafic rocks and metasediments overlain by buried laterite. **Assays are pending.**

Follow-up ground EM on priority VTEM anomalies, petrological studies, compilation of additional laterite assay data, and development of compensation agreements with additional private landowners are planned and/or in progress. Cullen is targeting base metals mineralisation of the Golden Grove-type and/or gold-copper mineralisation of the Boddington-type.

3. Placement and Rights Issue raised \$861,040 (before expenses)

Made a Placement of 17,500,000 new fully paid ordinary shares to raise \$350,000 (before expenses) and successfully concluded a rights issue which raised a further \$511,040 (before expenses). The Rights Issue resulted in a shortfall of a further 33,506,110 shares which the Company may seek to place before 11 March 2019, in accordance with the terms of the Rights Issue Offer. Since the end of the Quarter a further \$165,957 (before expenses) has been raised from the issue of shortfall shares.

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Mt EUREKA PROJECT - gold and nickel (Cullen 100% - Fig.1)

AIR CORE DRILLING

Cullen completed a further reconnaissance air core drilling program in November 2018 over several targets - new and extensions of known - outlined from a compilation of: aeromagnetic and ground magnetics interpretation; previous drilling; soil geochemistry; and mapping. Drilling comprised 76 holes for 3,009m at: **Eureka NW**; **Southern-Galway**; **Graf's Find** (gold) and **Irwin Bore** (nickel) prospects – Fig.2.

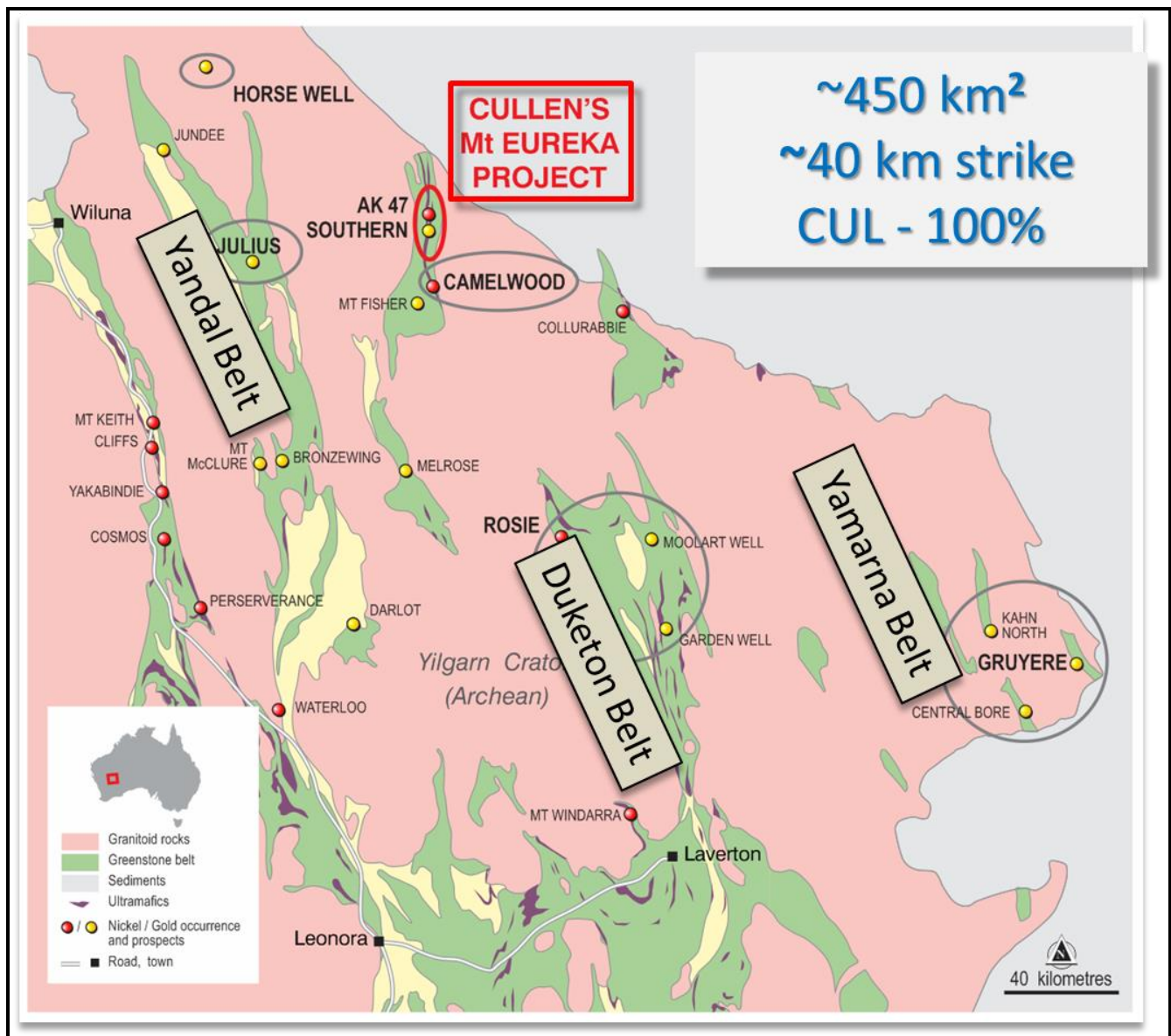


Figure 1.

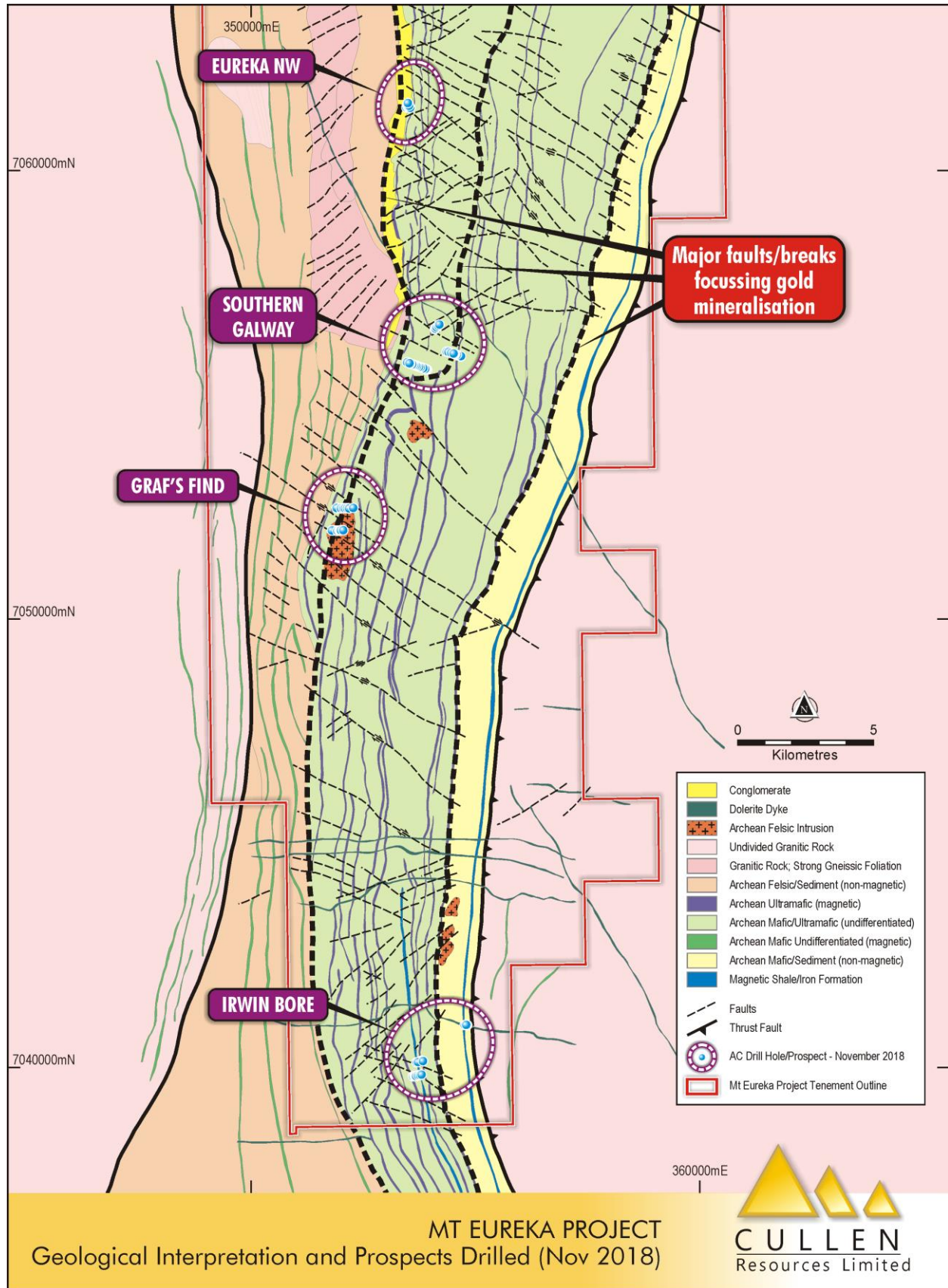


Figure 2.

Eureka NW

Two air core traverses, 50m spaced along strike to the south of a historic intersection of 8m @ 2.9g/t Au from 70m (MERC 055), targeted the granite-greenstone contact which is locally marked with conglomerates.

Southern - Galway

Traverses lines of air core targeted: an untested NE-SW fault and interpreted felsic intrusive to the south-east of the main known gold mineralisation at Southern; a possible southern extension of the Galway mineralisation localised by an interpreted felsic intrusive and its bounding faults/shears; and possible NW controlling faults within the main Southern mineralised zone (see Figure 3).

Graf's Find

Two traverse lines across an interpreted felsic intrusive along its western fault bounded contact and NW-SE faults in the vicinity of a "Terraleach TM" gold - in-soil anomaly (as previously reported).

Irwin Bore

Three traverses lines of drilling targeting stratigraphy along strike of VTEM conductors in nickel prospective terrain.

Assays for this programme are pending.

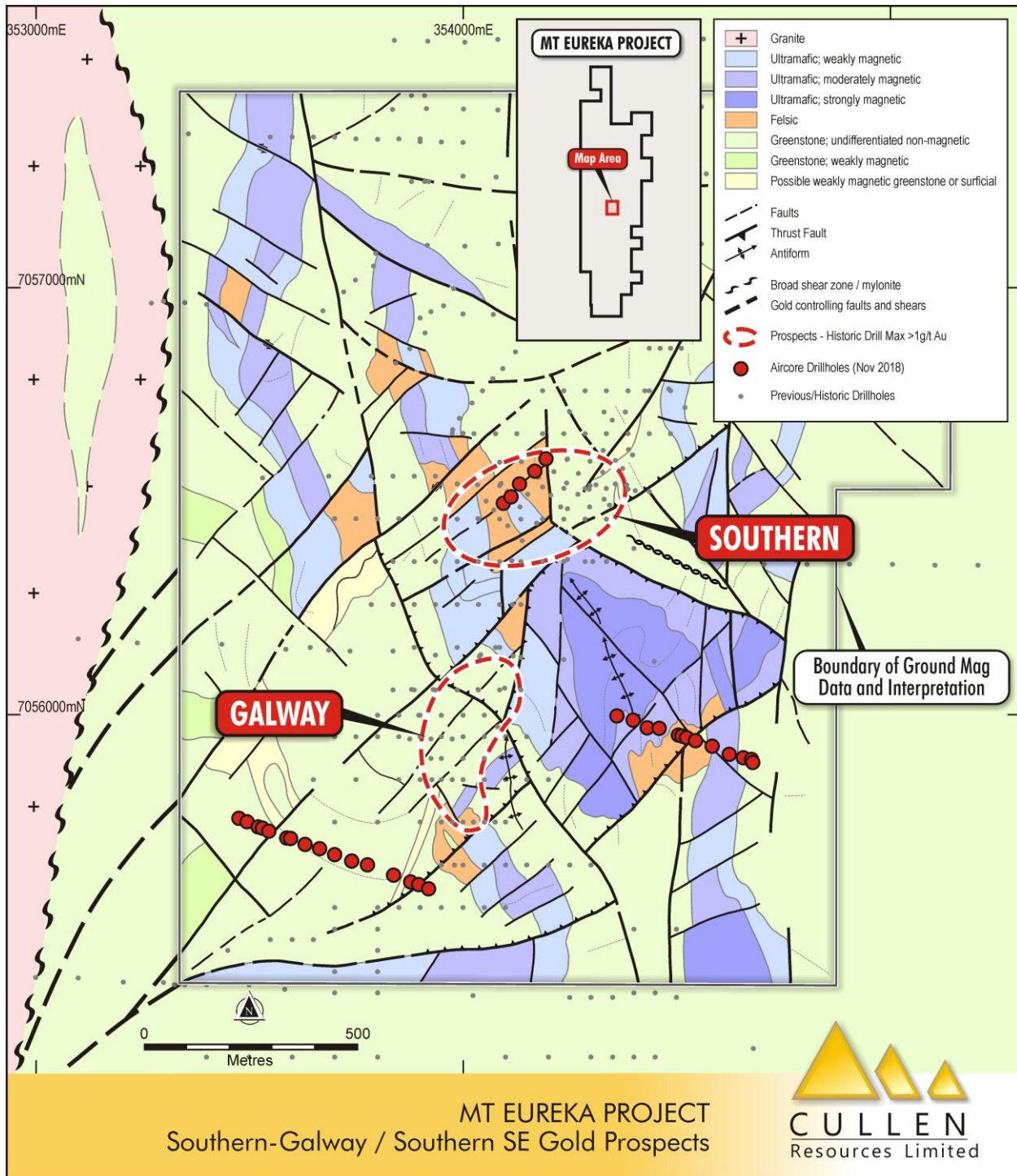


Figure 3. Drilling completed at Southern-Galway November 2018.

SOIL SAMPLING

In November/December 2018, a total of 416 soil samples was collected from parts of **E53/1893, 1957 and 1961** targeting lithological contacts and interpreted faults/shears for gold mineralisation. Samples were collected on a 400 x 50m grid over complex, dominantly sandy, regolith terrains and analysed using the “Terraleach TM” partial leach technique for gold. **Assay data is pending.**

WONGAN HILLS, E70/4882, 5162 and ELA 70/ 5201, ~180 km north-east of Perth, base metals and gold project (Cullen 90% - Tregor Pty Ltd 10%)

E70/4882 near the wheatbelt town of Wongan Hills covers geochemical anomalies in laterite within an Archaean greenstone belt with known Cu-Au mineralisation that, in Cullen's opinion, resembles the geochemical signature in laterite on the Golden Grove Volcanic-Hosted Massive Sulphide (VHMS) deposits. Compilation of Cullen's and historical exploration data as reported previously has highlighted several targets defined by significant, coincident geochemical anomalies and interpreted bedrock conductors, from Cullen's June 2018 VTEM survey (ASX: CUL - 5 July 2017; 24 April 2018; 3 May 2018; 18 July 2018; and 14 August 2018). During the Quarter, Cullen executed an access and compensation agreement with the key private landowner at the project. In the current month, Cullen has completed a first pass aircore drilling programme, 47 holes for 1,940m, to obtain regolith and bedrock information, and to sample buried laterite, in the wheat paddocks covering the "Cluster 1" interpreted bedrock conductors (see Fig. 4). The drilling intersected a sequence of mafic rocks and metasediments overlain by buried laterite. Petrological studies and assaying of drill samples are in progress. Planning for follow-up ground EM on priority VTEM anomalies, compilation of additional laterite assay data, and development of compensation agreements with additional private landowners are planned and/or in progress.

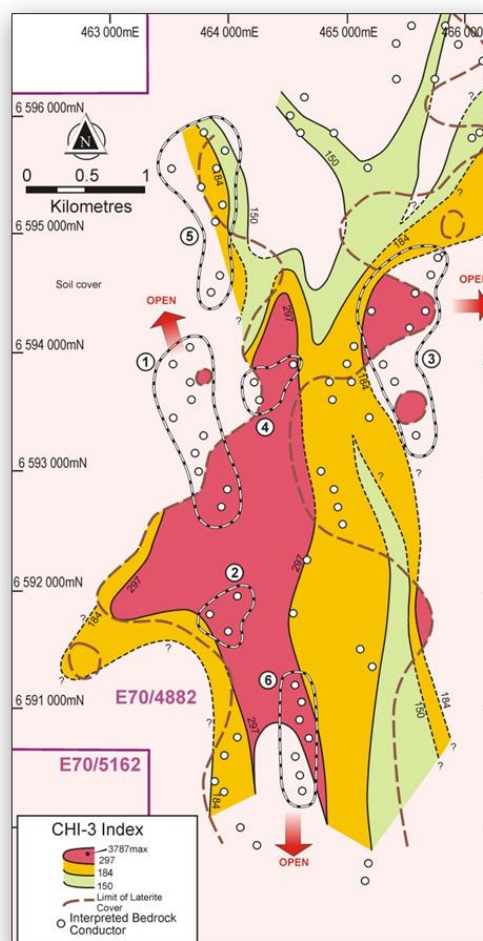


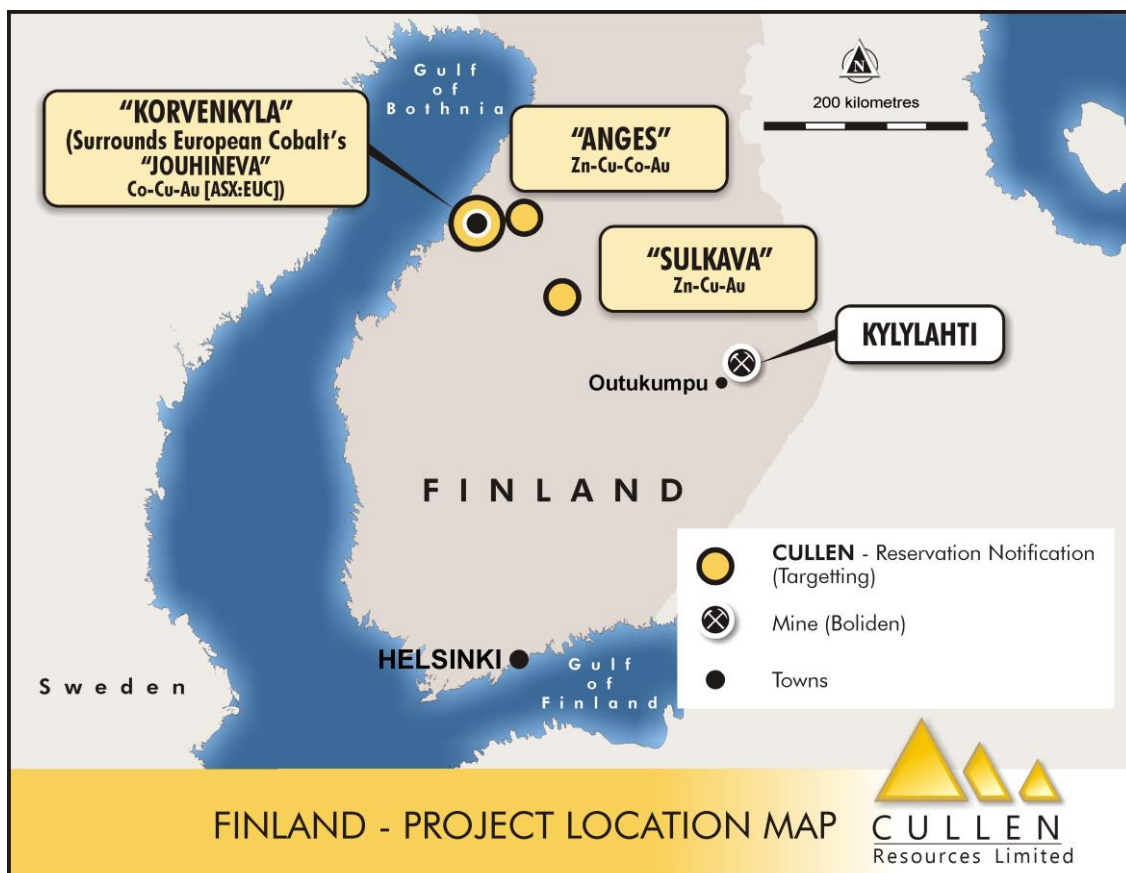
Figure 4. Clusters of interpreted bedrock conductors are shown overlain on previously reported laterite sample CHI-3 Geochemical Index values.

CENTRAL FINLAND – cobalt, zinc, gold

Cullen holds three **Reservations** in central Finland, including “**Korvenkyla**” (registered in mid-December 2017 and valid for two years) that surrounds a group of cobalt prospects under investigation by European Cobalt (ASX: EUC). In Cullen’s opinion the **Korvenkyla** area is prospective for cobalt, gold and/or zinc in volcanic-hosted massive sulphide-type (VHMS) deposits and veins given the regional and local geological setting. This Reservation together with **Anges** and **Sulkava** (see below) gives Cullen a regional focus in Central Finland with compilation of existing public data, at a low cost, as a first step towards identifying prospects for further exploration

Anges, ~120 sq. km, surrounds a known zinc prospect at Rauhala (owned by Phyasalmi Mine Company) with has a reported, non-compliant resource of 1.7Mt @ 4.97 % Zn and 1.33% Cu. (See: www.tukes.fi and http://tupa.gtk.fi/karttasovellus/mdae/raportti/532_Rauhala.pdf). Cullen’s application covers ~3km of prospective stratigraphy along strike of this prospect.

Sulkava, ~ 400 sq. km, is centred on a previously mined zinc deposit (Kangasjarvi), and covers about 20km of prospective stratigraphy including other base metal prospects in a VHMS setting. This reservation application is centred ~35 km south of the active, Phyasalmi base metal mine owned by First Quantum Minerals Ltd.(See: http://tupa.gtk.fi/karttasovellus/mdae/raportti/548_Kangasj%C3%A4rvi.pdf)



CORPORATE

SHARE CAPITAL INFORMATION AND CASH POSITION

Share capital consolidation

During the Quarter, Cullen consolidated its share Capital on the basis of 1 new share for every 22 shares on issue, as approved by shareholders at the Annual General Meeting held on 23 October 2018.

Successful Placement and Rights issue

The Company conducted a share Placement and Rights Issue which raised a total of \$861,040 (before expenses). There was a shortfall of 33,506,110 shares from the Rights Issue which the Directors may place before 11 March 2019, in accordance with the terms of the Rights Issue Offer. Since the end of the Quarter, the Company has raised a further \$165,957 (before expenses) from the issue of 8,297,866 shares from the shortfall.

The issued capital of the company at 31 December 2018 was:

- 161,166,962 fully paid ordinary shares
- 909,090 unlisted options expiring 30 November 2020 exercise price 6.6 cents
- 454,545 unlisted options expiring 1 November 2021 exercise price 6.6 cents

Substantial shareholder:

- Perth Capital, Wythenshawe Pty Ltd and Associates – 23.28%

Cash at 31 December 2018 was approximately **\$0.76M**.

IRON ORE ROYALTIES

Cullen has a **1.5% F.O.B. royalty** up to 15 Mt of iron ore production from the Wyloo project tenements, part of Fortescue's proposed Western Hub/Eliwana project, and will receive \$900,000 cash if and when a decision is made to commence mining on a commercial basis – E47/1649, 1650, ML 47/1488-1490, and ML 08/502.

Cullen has a **1% F.O.B. royalty** on any iron ore production from the following tenements – E08/1135, E08/1330, E08/1341, E08/1292, ML08/481, and ML08/482 (former Mt Stuart Iron Ore Joint Venture – Baosteel/Aurizon/Posco/AMCI) and will receive \$1M cash upon any Final Investment Decision. The Catho Well Channel Iron Deposit (CID) has a published in situ Mineral Resources estimate of 161Mt @ 54.40% Fe (ML 08/481) as announced by Cullen to the ASX – 10 March 2015.

SCHEDULE OF TENEMENTS (as at 31 December 2018)

REGION/ PROJECT	TENEMENTS	TENEMENT APPLICATIONS	CULLEN INTEREST	COMMENTS
WESTERN AUSTRALIA				
PILBARA				
Wyloo North	E47/ 3743		100%	
Paraburdoo JV	E52/1667		100%	Fortescue can earn up to 80% of iron ore rights; Cullen 100% other mineral rights
North Pilbara		ELA 45/4924	100%	
NE GOLDFIELDS- Mt Eureka				
Gunbarrel	E53/1299,1300 ^{+/ *} 1893, 1957 -1961	E53/2035	100%	+2.5% NPI Royalty to Pegasus on Cullen's interest (parts of E1299); *1.5% NSR Royalty to Aurora (other parts of E1299, E1300, E1893, E1957 and E1961).
Irwin Well	E53/1637		100%	
Irwin Bore	E53/1209		100%	
MURCHISON	E20/714 E59/2305		100%	
WONGAN HILLS	E70/4882, 5162,	ELA 70/ 5201	90%	
GREENBUSHES		ELA 70/4802		
EASTERN GOLDFIELDS				
Killaloe	E63/1018		20%	Sale of Matsa’s 80% interest to Liontown Resources Limited announced, 20 August 2018 – Cullen retains 20% FCI to DTM.
Bromus		ELA 63/1894		
FINLAND				
	Vesikko AngeS,Sulkava Korvenkylä		100% - Registered Reservations	
TENEMENTS RELINQUISHED, SOLD and APPLICATIONS WITHDRAWN DURING THE QUARTER				
	E47/3342, E63/1199		0%	Surrendered

ATTRIBUTION: Competent Person Statement

The information in this report that relates to exploration activities is based on information compiled by Dr. Chris Ringrose, Managing Director, Cullen Resources Limited who is a Member of the Australasian Institute of Mining and Metallurgy. Dr. Ringrose is a full-time employee of Cullen Resources Limited. He has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration, and to the activity which has been undertaken, to qualify as a Competent Person as defined by the 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Dr. Ringrose consents to the report being issued in the form and context in which it appears.

Information in this report may also reflect past exploration results, and Cullen’s assessment of exploration completed by past explorers, which has not been updated to comply with the JORC 2012 Code. The Company confirms it is not aware of any new information or data which materially affects the information included in this announcement.

ABOUT CULLEN: Cullen is a Perth-based minerals explorer with a multi-commodity portfolio including projects managed through a number of JVs with key partners (Fortescue and Liontown), and a number of projects in its own right. The Company’s strategy is to identify and build targets based on data compilation, field reconnaissance and early-stage exploration, and to pursue further testing of targets itself or farm-out opportunities to larger companies. Projects are sought for most commodities mainly in Australia but with selected consideration of overseas opportunities.

FORWARD - LOOKING STATEMENTS

This document may contain certain forward-looking statements which have not been based solely on historical facts but rather on Cullen's expectations about future events and on a number of assumptions which are subject to significant risks, uncertainties and contingencies many of which are outside the control of Cullen and its directors, officers and advisers. Forward-looking statements include, but are not necessarily limited to, statements concerning Cullen’s planned exploration program, strategies and objectives of management, anticipated dates and expected costs or outputs. When used in this document, words such as “could”, “plan”, “estimate” “expect”, “intend”, “may”, “potential”, “should” and similar expressions are forward-looking statements. Due care and attention has been taken in the preparation of this document and although Cullen believes that its expectations reflected in any forward looking statements made in this document are reasonable, no assurance can be given that actual results will be consistent with these forward-looking statements. This document should not be relied upon as providing any recommendation or forecast by Cullen or its directors, officers or advisers. To the fullest extent permitted by law, no liability, however arising, will be accepted by Cullen or its directors, officers or advisers, as a result of any reliance upon any forward looking statement contained in this document.

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