

Investor Update – August 2002

Cullen is actively exploring for gold and nickel in world class regions of Australia including:

Ashburton Gold Province

- *Hardey Junction*
- *De Courcy*
- *Horse Well*
- *Yanks Bore*
- *Red Hill West*
- *Mt Stuart*
- *Catho Well*
- *Slate Bore*

Norseman Gold and Nickel

- *Killaloe*

NE Goldfields

- *Gunbarrel*
- *Irwin Bore*
- *White Well*

Cullen's Cash Position

Drill intensive exploration 2nd half 2002.

WELL FUNDED GOLD AND NICKEL EXPLORER

- Projects are in world class exploration regions of Western Australia: the **Ashburton Gold Province**, the **Norseman Gold and Nickel Province** and the **NE Goldfields**.
- Major milestone - \$3 million received in cash and tradeable shares in Peter Hambro Mining Plc from Cullen's 2% interest in the Pokrovskiy gold project in Eastern Russia.
- With \$4 million available Cullen is well placed to mount vigorous target development and drill testing. 2002 is the most active for drilling in the Company's history.

ASHBURTON GOLD PROVINCE

Market attention is on the Ashburton following gold discoveries by Newcrest Mining Ltd and Sipa International Resources NL at Cheela Plains and by Sipa at Waugh. Cullen is a substantial Ashburton tenement holder. Properties have major structures, prospective host rocks and significant soil/rock chip gold anomalies, mostly untested by drilling. **Hardey Junction** is geologically similar to Cheela Plains where Newcrest-Sipa are targeting Carlin style gold deposits and has 40+ strike km of unexplored structures. **De Courcy** is strategically SE of the Paulsens gold project (development planned by St Barbara Mines Ltd) and has untested RAB/RC targets at Lizzie (extensive soil gold anomaly) and Cullen 5 (similar setting to Paulsens).

NORSEMAN GOLD AND NICKEL PROVINCE

Killaloe is located between the Boulder Lefroy Fault and Zuleika Shear, 60 km south of the Kambalda nickel district and 30 km east of Norseman is prospective for Kambalda style nickel sulphide deposits and Norseman type gold deposits. Cullen's assessment of the nickel prospectivity was vindicated by the introduction of Sipa as a joint venture partner covering nickel rights with a **commitment to spend \$450,000 before November 2002**. Sipa may then earn a 70% interest by spending a further \$3.5M over 4 years. Cullen's gold exploration last year was encouraging with a new prospect at Baseline where drilling returned strongly anomalous results. The area is underexplored for structural related gold deposits.

NE GOLDFIELDS

Gunbarrel is a substantial property covering 50km of greenstones prospective for gold and nickel 50km east of the Yandal Belt. **JV partner, WMC, is exploring extensive ultramafics for nickel deposits by spending \$1M to earn a 75% interest.** WMC is currently following up highly encouraging Ni/Cu and Pt/Pd assays in rock and lag samples with EM surveys and drilling. The area is structurally complex with a variety of geological settings prospective for gold. There are abundant indications of gold mineralisation. **Cullen is exploring for gold in its own right.** Initial drilling last year recorded promising intersections at Eureka North (including 8m @ 1.1g/t Au and 40m @ 0.6g/t Au).

CASH POSITION

Cullen has \$4 million in cash and shares.



2002 EXPLORATION PROGRAMME

Ashburton: RAB drilling at De Courcy, Slate Bore, Red Hill, Hardey Junction.

Gunbarrel: RAB/RC drilling by WMC following geochemical and geophysical surveys. Best results from Cullen RAB drilling: 4m @ 23.7 g/t Au from Southern anomaly with follow up RAB/RC drilling 3rd Quarter.

Killaloe: Results pending from Sipa RAB drilling in 2nd Quarter. EM survey in progress. Follow up RC/diamond drilling 3rd Quarter. Cullen RC/RAB drilling 3rd Qtr.

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PORTFOLIO STRATEGY

Cullen has established strong land positions in several of the most prospective mineral districts of Western Australia. By focussing on the Ashburton, NE Goldfields and Norseman, Cullen has acquired strategic tenements proximal to major mineralised centres in each district. Current exploration is strongly weighted towards prospect development and target drill testing. The most advanced projects are at Gunbarrel Gold, Gunbarrel Nickel (WMC JV), Killaloe Nickel (Sipa JV), Killaloe Gold and Ashburton De Courcy. Objectives are achieved by:

- Balance of self funded exploration and joint venturing.
- Emphasis on drill target generation.
- Upgrade of properties to secure major joint ventures on attractive terms, eg Gunbarrel nickel project (WMC) and the Killaloe nickel project (Sipa).
- Assess advanced project acquisition opportunities within spheres of activity.

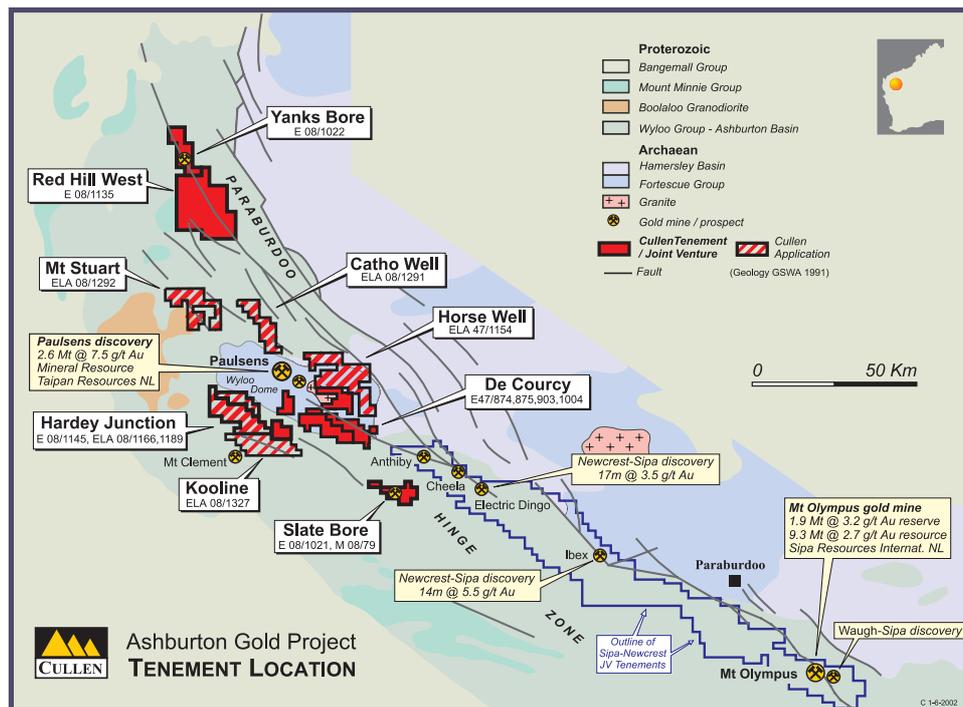
ASHBURTON GOLD

Cullen's extensive tenement package in the West Ashburton covers prospective geology for both sediment-hosted (Carlin style) and Paulsens type gold mineralisation. The 2002 programme will be a mix of farmouts and self funded exploration. Cullen is endeavouring to seek joint venture participation by one or more larger companies.

Projects prospective for Carlin style gold mineralisation include Hardey Junction, Catho Well, Yanks Bore and Red Hill West. Hardey Junction (Cullen 100%) covers Mt McGrath Formation and Duck Creek Dolomite units over 40 strike km of unexplored structures and alteration zones identified from satellite imagery. Leads from previous exploration include +1g/t Au in rock chips and anomalous gold in soils over Mt McGrath Formation and several gold anomalous drainage basins.

Exploration on the Yanks Bore tenement (Cullen earning 51%) has located a strongly gold mineralised structure extending through the Yanks Bore and Red Hill West (Cullen option to buy 100%) tenements. Scout RAB drilling has intersected anomalous quartz veined dolomites with best intersection of 3m @ 2.4 g/t. The Mt Stuart ELA (Cullen 100%) contains a strongly folded pyritic banded iron formation that has up to 0.5 g/t Au reported in rock chip samples from previous base metal exploration.

At De Courcy the Lizzie gold anomaly is extensive and requires RAB drilling. Also, Cullen 5 is an outcropping vein system, similar in some respect to Paulsens (2.5Mt @ 7.7g/t Au resource published by St Barbara) and is untested.



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GUNBARREL – GOLD

Cullen has identified high priority RAB drill targets at six prospects in the 1,000 km² tenement package in the Mt Eureka Greenstone Belt. The targets include follow up of an earlier RAB intersection of 8m @ 1.1 g/t Au and surface rock chips of 2.2 g/t Au at **Eureka North**, infill drilling at the **Southern** RAB anomaly and Irwin Bore with 6m @ 3.3 g/t Au in cherts in previous RC drilling. Best results: 4m @ 23.7 g/t Au, 5m @ 2.4 g/t Au at Southern. Base of hardpan drilling in July is designed to define further drill targets on the **Eureka North Trend** and in the recently granted Doyle Bore EL. A second phase of RAB/RC drilling is scheduled for the third quarter.

GUNBARREL – NICKEL

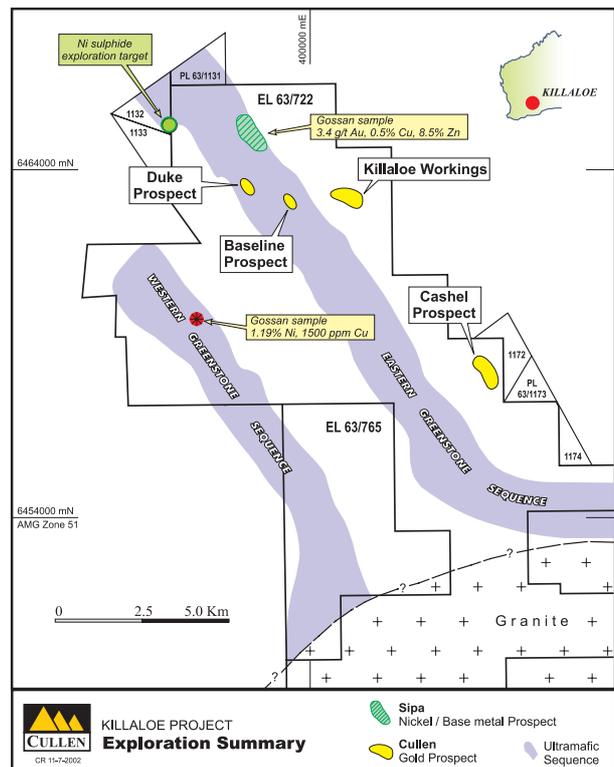
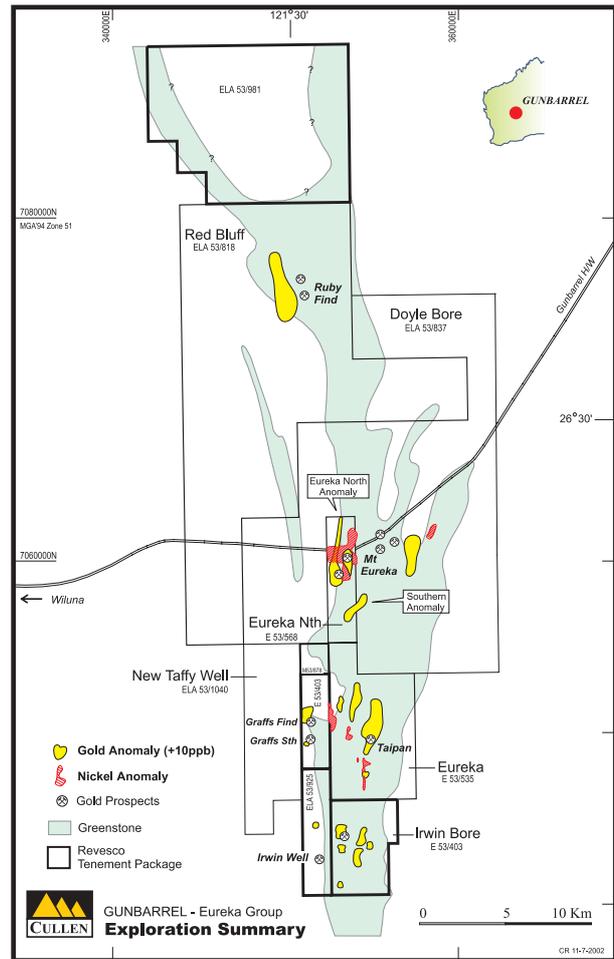
WMC has completed extensive lag geochemical sampling (results pending) in the Eureka-Taipan-Doyle Bore and Ruby Find prospect areas. Several high priority anomalies have been investigated using electromagnetic surveying to define drill targets. WMC has been using a combination of Ni and base metal geochemistry together with Pt/Pd assays to define targets. Aircore drilling of covered areas in the central part of the Red Bluff EL is planned for July. WMC is comparing Gunbarrel geology and geochemistry to the productive Mt Keith-Leister Nickel Belt to the west.

KILLALOE – GOLD

Cullen's gold programme has consisted of interpretation of the aeromagnetics, evaluation of prior exploration and auger and RAB drilling of structural/geochemical targets. For example, RAB drilling of pedogenic carbonate gold anomalies at **Baseline** located strongly anomalous gold up to 21m @ 0.25g/t Au over a 500m strike related to silicified structures in ultramafics. Grid based pedogenic carbonate sampling in July will extend the 2001 survey to cover structural projections and new targets generated by Sipa's nickel exploration. RAB drilling of anomalies and infill at Baseline will follow.

KILLALOE – NICKEL

Sipa has conducted vigorous exploration resulting in RAB drilling and ground EM surveying of significant sections of the highly prospective basal contact of the Eastern and Western Ultramafic sequences. Results from the RAB drilling are pending. Geological mapping and historical gossan sampling are encouraging with assays up to 1.2% Ni and 0.2% Cu reported and favourable cumulate ultramafic lavas present over 25 strike km. These units are considered by Sipa to be equivalent to the rocks hosting the world class Kambalda and Widgiemooltha nickel deposits 80km to the north.



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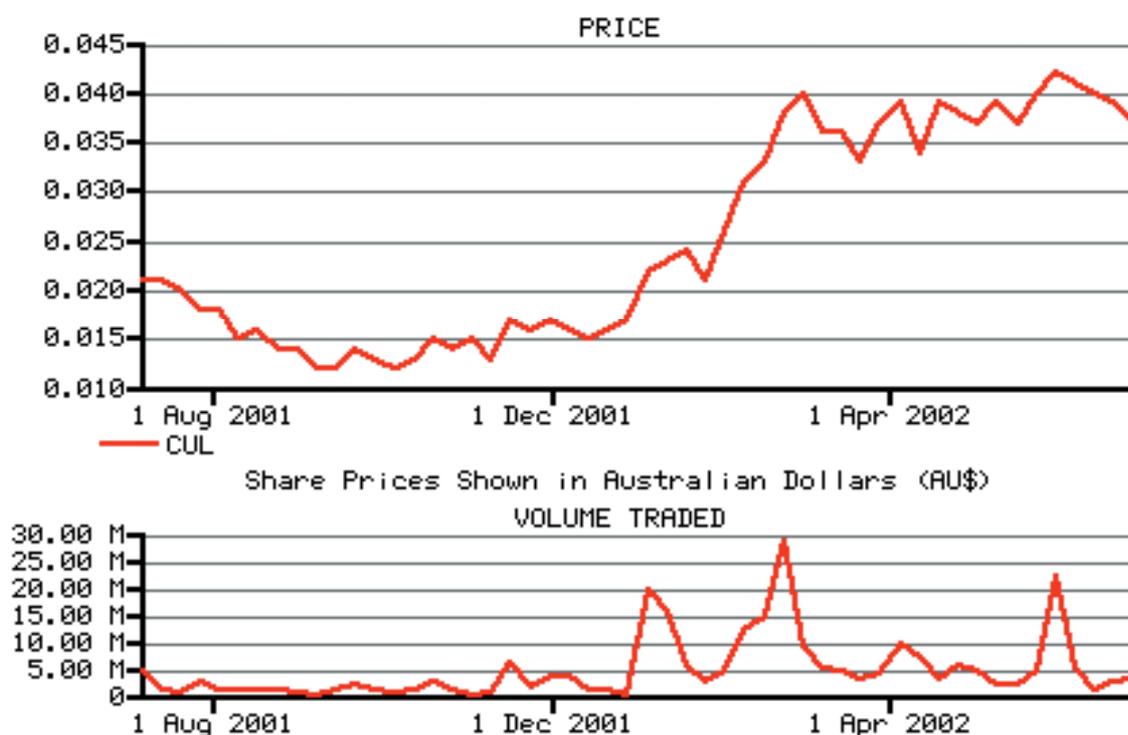
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CASH POSITION

The company realised over \$2 million from the sale of 70% of its share holding in Peter Hambro Mining Plc, the AIM listed company that controls the Pokrovskiy Gold Project in Russia. Cullen still holds 270,000 shares in PHM valued recently at over \$1 million. At the end of the 2001/2002 financial year, Cullen is in the relatively strong position of holding over \$4 million in cash and reserves.

SHARE PRICE GRAPH

TRADING GRAPH for CULLEN RESOURCES LIMITED (ORDINARY FULLY PAID SHARES) to 02 Jul 2002



SHARES

DIRECTORS

| | | | |
|---------------------------|---|------------------|----------|
| Issued Capital: | 269,052,376 | Denis Clarke | Chairman |
| Options: | 10,000,000 | Grahame Hamilton | Director |
| Top 20 shareholders hold: | 24.16% | John Horsburgh | Director |
| Largest Shareholders: | Dunslair Pty Ltd Kitchsmith Pty Ltd ANZ Nominees Limited National Australia Trustees Limited | Wayne Kernaghan | Director |

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