



CULLEN RESOURCES LIMITED

ACN 006 045 790
ABN 46 006 045 790

QUARTERLY REPORT

30 JUNE 2000

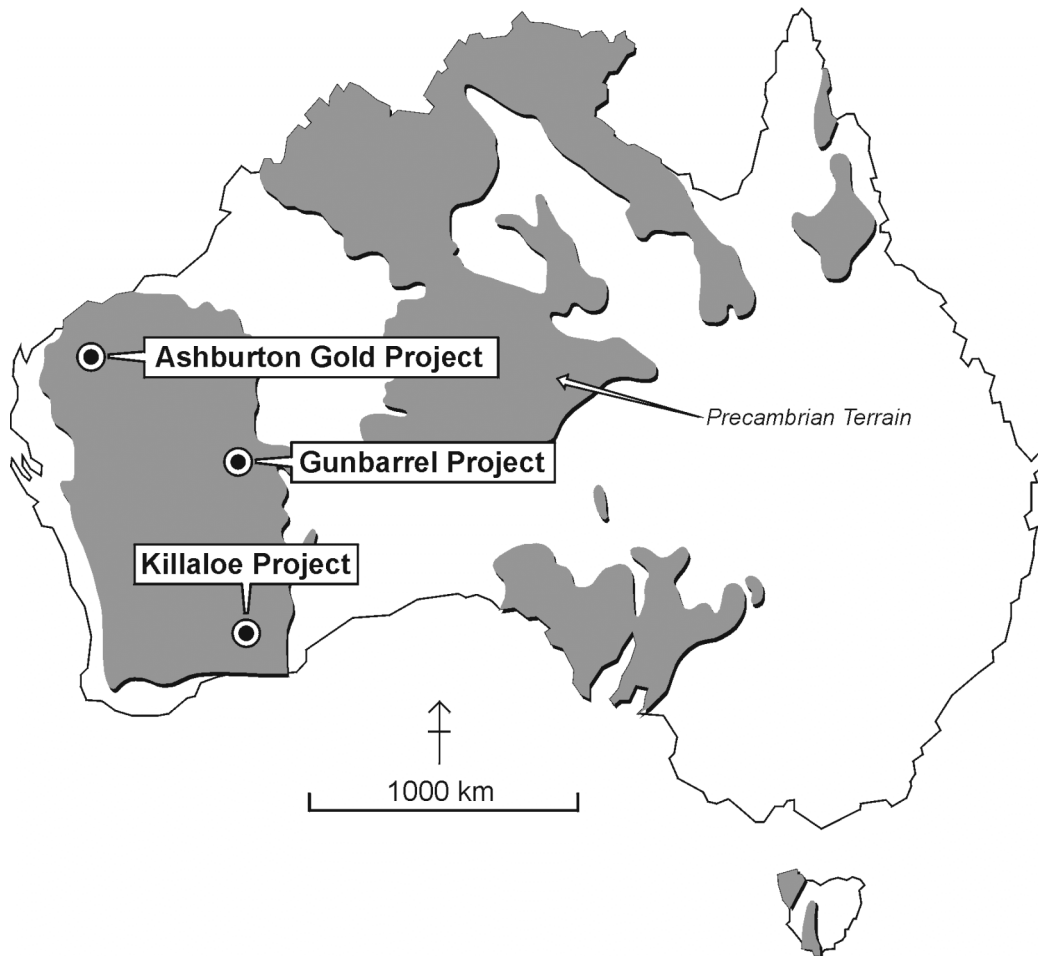
HIGHLIGHTS

- At Slate Bore in the Ashburton region of WA, further geological and geochemical surveys have outlined a large (500-800m by 5-6,000m) alteration system with potential for significant gold mineralisation.
- Reverse circulation percussion drilling of well defined gold targets at Slate Bore is scheduled for August 2000.
- Strong interest is being expressed by other explorers in farming into Cullen's major De Courcy project.
- Interpretation of recently acquired detailed airborne magnetics over the Killaloe property in the Kambalda-Norsemen Belt is in progress.
- Strong copper and zinc geochemical anomalies at White Well in the North Eastern Goldfields of WA indicate potential for base metal/gold mineralisation.

ASX Code : CUL
Level 4, 118 Christie Street
ST LEONARDS NSW 2065
AUSTRALIA

Phone: +61 2 9437 4588 Fax: +61 2 9437 4599
Email: info@cullenresources.com.au
Website: www.cullenresources.com.au

AUSTRALIAN ACTIVITIES



ASHBURTON GOLD PROJECT WA

Slate Bore (M 08/79, Cullen 100%, E 08/1021, Cullen earning 75%)

Slate Bore, the most advanced of Cullen's several Ashburton gold projects, is located 35km SE of De Courcy. Three high priority target zones designated A, B and C are defined by Cullen's exploration to date within a 3.5km zone of strong gold soil, rock chip and base of soil-bedrock interface gold anomalism. The geochemical anomalies together with adjoining and overlapping IP and EM anomalies are targets to be tested by RC percussion drilling.

Two styles of mineralisation have been recognised in outcrop: firstly sandstone hosted zones of silicification, quartz carbonate veining and stockworking and secondly siltstone/slate hosted zones of quartz carbonate sheet veining and silicification. Levels of gold, silver, lead, arsenic and antimony in both styles are significantly anomalous.

Work completed during the quarter included differential GPS pickup of the metric and older imperial exploration grids, assessment of access for drilling, and infill rock chip geochemistry of the Zone B target zone and further prospecting of the main Slate Bore Trend (44 samples).

Additional flat-lying quartz veins and a set of oblique quartz veins (170° and 200°) were found in the Zone B gold target. Layer parallel, steep dipping quartz veins are dominant in the siltstone/shale sections with more complex vein sets in the brittle (silicified) sandstones. Of particular interest are low outcrops of strongly silicified sulphidic mineralisation found in several of the largely alluvium/colluvium covered areas up to 200m north of the strongly outcropping Zone A-Zone B anomalies.

Broad spaced rock chip sampling of the Slate Bore Trend indicates that the gold mineralised system has overall dimensions of the order 500-800m by 5,000-6,000m. The sampling also indicates that there may be significant mineralised target zones for drilling beneath the cover north of the old trenches within Mining Lease M08/79.

Assays from infill rock chip sampling within Zone B confirmed 1999 results. All of 13 rock chip samples were anomalous to strongly anomalous in gold with values up to 1.1 g/t Au. Of 28 rock chip samples taken elsewhere along the trend, a total of 13 samples was anomalous in the range 100 to 640 ppb Au.

The planned RC drill programme aims to test priority targets within the 3.5km Au mineralised zone initially identified by Cullen. The cluster of higher gold rock chip values within Zone B (700m strike length) and strong IP anomalies define the obvious target zones for drilling. Drilling of targets will be on four or five sections, totalling 1,000m and is scheduled for August.

De Courcy (E 47/874, 875, 903, 1004, E 08/1145 – 100% Cullen)

Several major companies have expressed interest in farming in on Cullen's De Courcy Project. Reviews of the project and field inspections are current.

E 08/1145, De Courcy South was granted during the quarter. The area is south of the Wyloo Dome but within the Paraburdoo Hinge Zone. It has several gold targets for geochemical prospecting identified from previous exploration.

In compiling the De Courcy 1999 stream geochemistry, an additional target was identified at De Courcy Far East with bulk stream sediment values to 7.4 ppb Au sourced in an area of about 3-5km² where a major WNW trending fault cuts Jeerinah Formation sediments and mafic volcanics. Ground inspection located substantial exposures showing silicification, brecciation and kaolinisation and several generations of quartz veins, some of which are notably sulphidic. The anomalous area was followed up during the quarter with 22 rock chip and 22 stream sediment samples collected. Gold values in both stream sediments and rock chips are low and the regional anomaly remains unexplained.

The Lizzie Prospect in the south east of the tenement block has emerged as the best RAB/RC drill target. It comprises a soil bedrock interface and rock chip gold anomaly extending for at least 2000m and related to quartz veined altered mafic volcanics and argillites.

Yanks Bore (E 08/1022, Cullen earning 65% from Hunter Exploration NL)

Yanks Bore is within the NW sector of the Paraburdoo Hinge Zone, 80km NNW of De Courcy. The Cullen and Hunter programme of geological mapping, rock chip and soil geochemistry have indicated a complex regional mineralised system including a number of gold and gold-arsenic-antimony anomalies extending for 17km along NNW trending sub parallel faults of the Paraburdoo Hinge Zone.

A silicified horizon with variable iron oxides after sulphide and anomalous in gold extends generally along the western structural contact of the Wyloo Group shelf sediments and volcanics and the Ashburton Formation basin sediments. This "Hunter Zone" has been the principal target for both Hunter and Cullen's

exploration to date. However, the strongest gold in soil anomalies from the 1999 Cullen survey are closer to the eastern structural contact between Wyloo Group sediments and the Mt Minnie Formation, near the Yanks Bore Fault (Cullen South Grid). There has been little prospecting and rock geochemistry along this structure which is potentially a new regional target. Field investigations during the quarter have included follow up of gold geochemical anomalies located by the 1999 Cullen surveys and DGPS pickup of grids and photo control points. A total of 60 rocks, 14 soil and 2 stream sediment samples was collected mostly along mineralised trends which were not prospected in any detail by Cullen in 1999. Orientation soil sampling over the mineralised outcrop on the Hunter Grid, located in the central south of the EL, was carried out to calibrate Hunter and Cullen soil surveys.

Prospecting of the South Grid during the quarter has found alteration and/or pyritisation in outcrop associated with the stronger gold in soil anomalies immediately west of Yanks Bore. On the Main Grid, silicified outcrop and float with vein and saccharoidal quartz with pseudomorphs after pyrite are located within the Cullen gold-arsenic-antimony anomalies, ie similar to Hunter Zone mineralisation. Further north, in the North Grid the pattern of soil gold anomalies and localised exposures of mineralised bedrock indicate extensions of the Hunter Zone. At Eight Mile Bore, beyond the northern boundary of the Cullen North Grid, the Hunter Zone continues to the northern property boundary for about 8 km, thereby extending the strike of the Hunter Zone to a total of 25km.

Only preliminary gold assays have been received. The highest gold value in rock chips from the South Grid anomalies is significant (689 ppb Au) and highlights the prospectivity of the gold anomalies immediately west of Yanks Bore Fault. Along the Hunter Zone northwards from the Main Grid, gold values in both soils and rock chips decrease reflecting either declining strength of mineralisation or a regolith control. Follow-up of the Cullen soil anomalies and the orientation soils indicates that gold dispersion in soils is localised and developing targets for drilling may require closer spaced sampling.

Two bulk samples of stream sediments were collected. Both are strongly anomalous (7.6 and 16.5 ppb Au). The anomaly from Main Grid East (about 1.5km east of the Hunter Grid) is of particular interest in indicating the potential for mineralisation on a north south trending fault located about 1km east of Yanks Bore Fault.

This work confirms Cullen's previous assessment that the strike extent and consistency of gold-arsenic-antimony anomalism (soil and rock chip) along these regional faults of the Paraburdoo Hinge Zone indicates a major Proterozoic hydrothermal system. Within the Hunter Zone and Yanks Bore Fault mineralised structures there is potential for substantial deposits of gold mineralisation.

EASTERN GOLDFIELDS WA

GUNBARREL PROJECT,

White Well, (E53/645, Cullen 100%)

A gold-in-lag anomaly from previous exploration by Pegasus was further tested with a total of 59 lag samples taken from surficial rock debris over a 1200 x 400m grid area at 50m intervals on traverse lines 200m apart. Additionally, 44 bulk stream sediment samples from active channels draining the grid and surrounding areas were collected over a 20km² area

The lag results are encouraging and confirm the Pegasus gold-in-lag anomaly over an area of 750 x 200m with a max value of 34 ppb Au. Follow up requires RAB drilling on at least two traverses. A stream sediment gold anomaly (6.6 ppb) detected in a channel draining a granite source about 2km east of the lag grid also warrants follow-up.

Partly coincident patterns of strongly anomalous copper (+200 ppm, 619 ppm Cu max.) and zinc (+250 ppm, 1065 ppm Zn max.) were detected grid south of the gold-in-lag anomaly. The copper lag anomaly is open to the south and east and extends for at least 1000 x 200-400m on a NNE trend. The zinc anomaly is broadly coincident and extends over an area of 900 x 200m within the copper anomaly. The lag sampling anomalies indicate adjacent or overlapping targets for base metals. The drainage survey shows a pattern of strongly anomalous copper and zinc values over an area of about 2 x 2km in the NE of the area sampled. The copper-zinc lag anomalies are to be field checked prior to follow up gridding, geological mapping and surface geochemistry.

The gold and copper-zinc anomalies occur along a major greenstone-granite structural contact which is an extension of the eastern bounding fault of the Dingo Range Greenstone Belt. **Additional ground (35 sub-blocks) has been applied for on strike and south of the White Well gold and base metal anomalies.** The new tenement ELA53/933, White Well South covers the southern projection of this contact zone, in an area that is mostly covered by alluvium and colluvium.

Eureka Group (E 53/568, ELAs 53/818, 837, Cullen 100%, E 53/535, Cullen 80%)

Investigation of the **nickel potential** of the Eureka Group Gunbarrel tenements 30km north of White Well was continued. Aeromagnetics flown by Pegasus in 1994 together with earlier geological mapping by various companies show 40 strike km of outcropping and sub-outcropping ultramafic sequences over which there has been no systematic exploration for nickel since the late 1960s-early 1970s

Research of nickel exploration carried out by Tenneco in the early 1970's has turned up a significant diamond drill intercept within the Doyle Bore ELA. Hole EP7 intersected 6m of 0.1% Cu, 0.5% Ni in saprolitic komatiites. Follow-up drilling by Tenneco was inconclusive. In addition, there are areas of anomalous copper-nickel values from Tenneco's surface and shallow drill hole geochemical surveys which are targets for modern geochemical surveys.

The 1993-1997 Kingston Joint Venture (Dominion/Plutonic), while primarily focused on gold, paid some attention to the potential for nickel and drilled some saprolitic zones of enriched secondary nickel (e.g. Doyle Bore Nickel). Of possibly greater interest is the potential for sulphide nickel. North and east of Ruby Find there are a number of geochemical drill holes and lag samples with anomalous levels of both copper and nickel.

A programme of shallow base-of-hardpan geochemical drilling to develop **gold drill targets** around clusters of old gold workings near **Mt Eureka** and investigate high priority target zones at "**Northern**" (E 53/568), "**Southern**" (E 53/568) and "**Taipan South**" (E 53/535) remains scheduled. The programme includes relogging of Pegasus RAB and RC drilling, establishment of a regolith model and surface geological mapping.

Native Title objections continue to delay granting of Red Bluff E53/818 and Doyle Bore E53/837.

KILLALOE PROJECT, (ELA 63/722, P 63/1131, 1132, 1133, Cullen 100%).

Cullen's 50 sub-block Killaloe application (145km²) is centred about 30km NE of the Norseman gold mining centre. It covers about 20 strike km of greenstones packaged between the NNW to NW trending Zuleika Shear and Boulder-Lefroy Fault. The project area has recently been extended by a further 4.5 km² by pegging of 3 PLs over open ground on the northern boundary of ELA 63/722. The application area is prospective for both structurally controlled gold deposits and sulphide and oxide nickel mineralisation hosted by the Killaloe ultramafic complexes.

Recently flown detailed magnetics and radiometric survey data have been acquired by Cullen. Processing and imaging of the survey are complete and preliminary interpretation is underway. A digital project data base is being established incorporating surface and drill hole geochemistry and other openfile information.

Gold targets identified from initial openfile research include Duke (previous RAB hole intercepts of 24m @ 2.15 g/t, 12m @ 1.12g/t Au and 4m @ 1.28g/t Au.). **The Killaloe gold prospect is located along the contact zone between the Buldania Formation and Killaloe Ultramafics. This contact has a strike length of approximately 18km within the Killaloe tenements and is considered by Cullen to be an important structure for gold exploration.**

MANAGEMENT AND CORPORATE

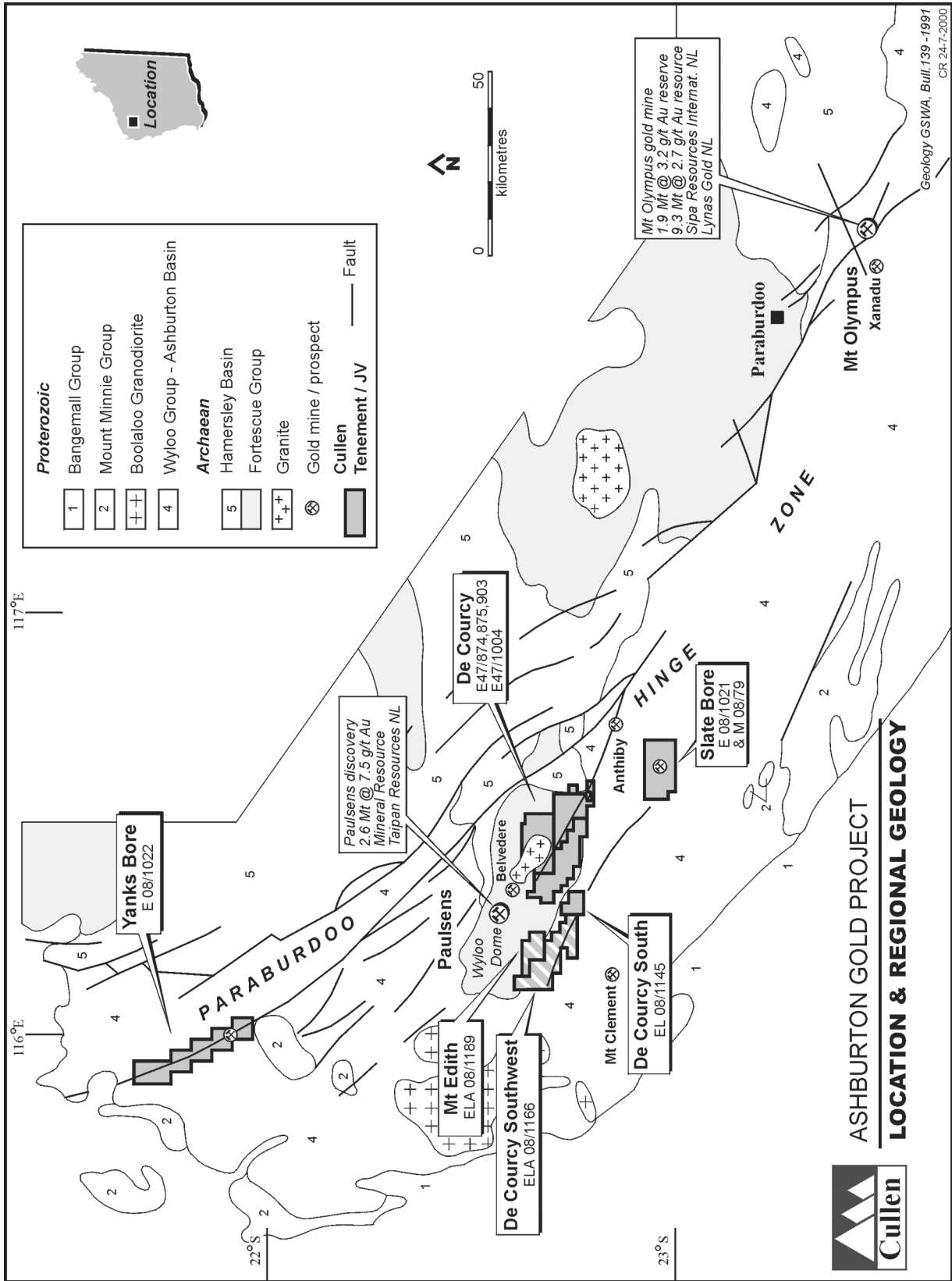
New Opportunities

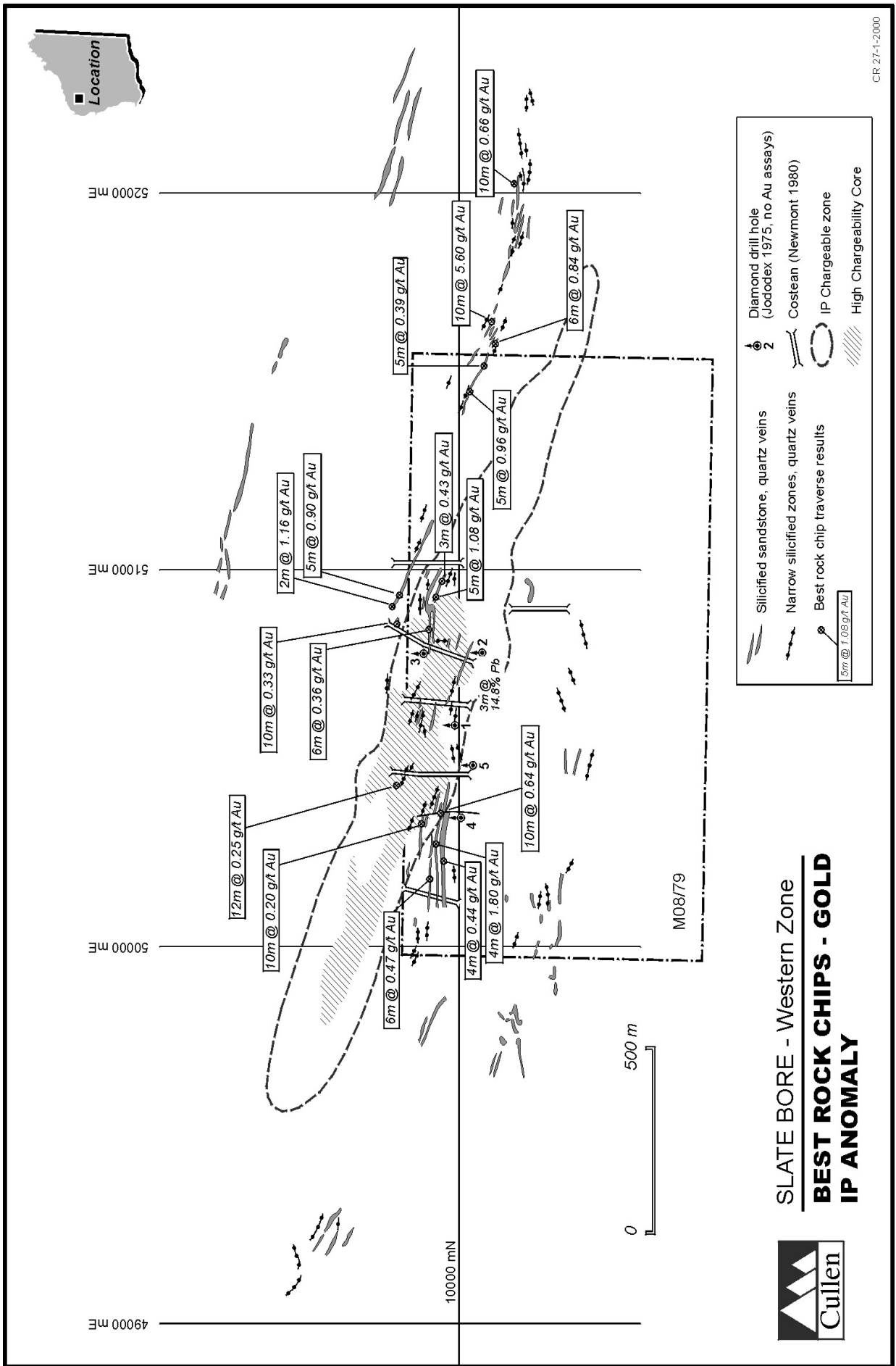
During the quarter, the Company has continued to review a number of new investment opportunities both in the resources sector and in the areas of information technology and e-commerce.

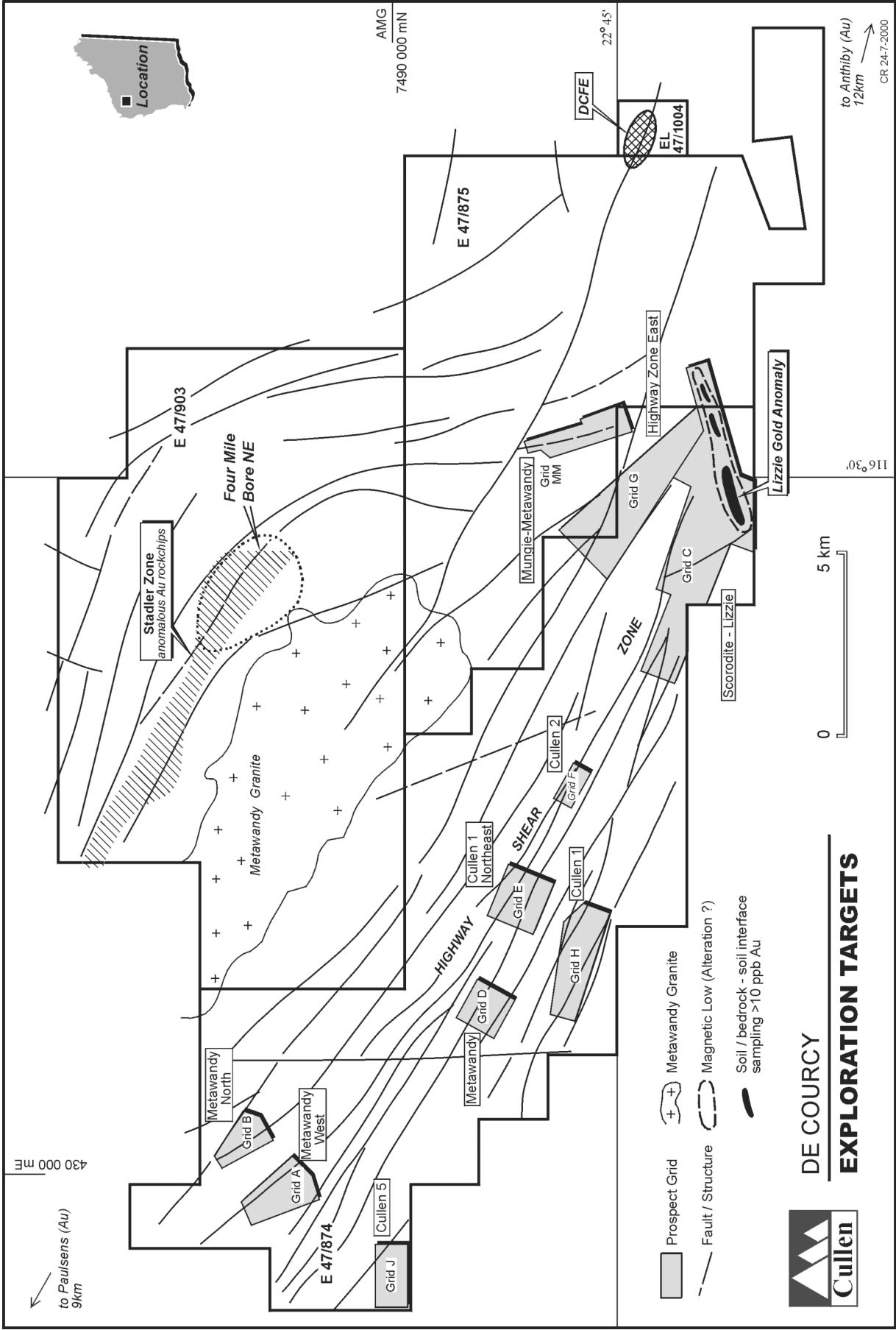
The correction in the stockmarket valuations of technology companies, particularly those with pure internet-based business models, which occurred during the quarter has had a positive effect on the quality of the opportunities reviewed by the Company and the price expectation of vendors. Accordingly, the Company remains well positioned to take advantage of the continued number of investment opportunities being created by the broadening acceptance of new technologies in the business and consumer market place.

The Company also continues to generate new opportunities in its exploration activities. The securing of a new, advance exploration project at Killaloe is an example of the Company's ability to identify and acquire attractive gold exploration properties which have not had their potential fully tested by previous owners.

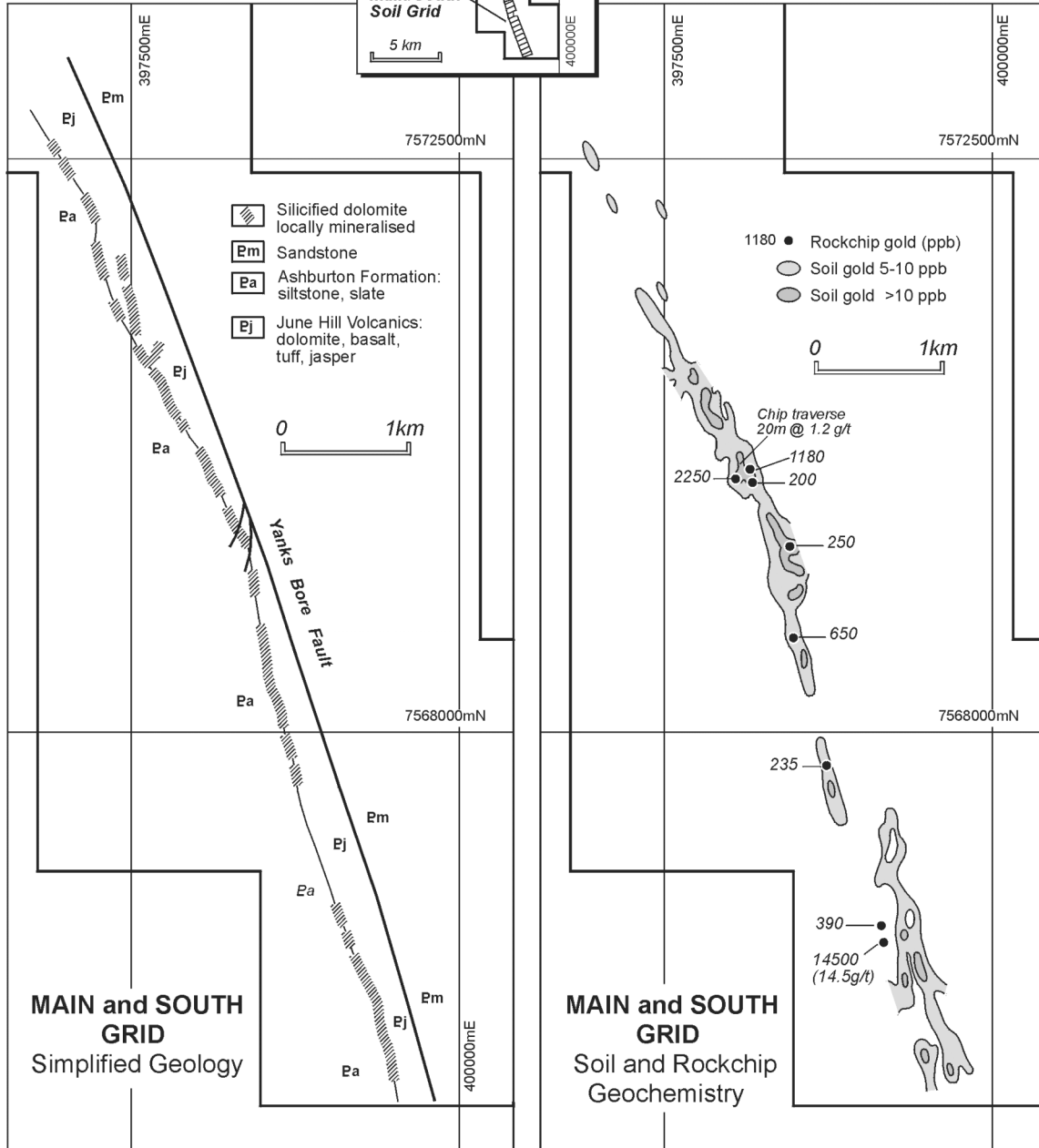
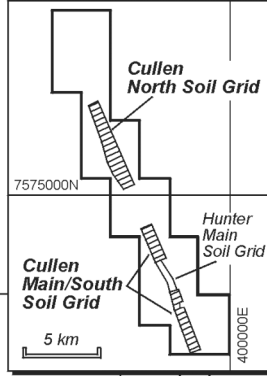
**J. HORSBURGH
DIRECTOR**







YANKS BORE Soil Sampling Grids



YANKS BORE

TENEMENT LOCATION - GEOLOGY - GEOCHEMISTRY

