



CULLEN RESOURCES LIMITED

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QUARTERLY REPORT FOR PERIOD ENDING 31 MARCH 2005

HIGHLIGHTS

- The Gunbarrel Nickel Joint Venture (WMC) has identified sixteen geochemical anomalies for field assessment;
- The Gunbarrel Gold Joint Venture (Newmont) has highlighted the Southern Gold Prospect as a priority target following prospectivity mapping, 3D analysis of controls to mineralization, and gravity surveying;
- The Company has agreed to sell its NSW tenement package to Condor Mining Corporation Ltd—a proposed new IPO;
- Joint Venture partners are gearing up for an active coming Quarter with a range of programmes possible, which may include: TEM geophysics, air core, RC and diamond drilling, potentially at seven projects; and,
- Drilling by Cullen at its Killaloe Gold Project (near Norseman, W.A.) has intersected quartz veining with pyritization and biotite alteration at three targets along the interpreted extension of the Zuleika shear zone, with assay data awaited.

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EXPLORATION ACTIVITIES – WESTERN AUSTRALIA

NORTH EASTERN GOLDFIELDS

GUNBARREL NICKEL JOINT VENTURE - (Eureka Group : E53/568, E53/535, E53/818, E53/837, MLA's 53/868-870, and 1021-1047 Cullen 100%, WMC Resources Ltd (WMC) has earned a 75% interest in nickel and base metal rights by spending \$1M, Cullen's 25% is free carried to Decision to Mine)

During the Quarter, a geochemical data compilation and review programme was completed by operators WMC in preparation for a regional project review. This work identified sixteen geochemical anomalies from the available surface and drillhole geochemical data. Many of these anomalies are however single point Ni-Cu responses, three of which also have elevated Zn and are hence downgraded. Rock chip sampling of the most coherent Ni-Cu responses has been completed with assay data awaited.

A “geochemical effectiveness” map was also completed which highlighted that 30% of the tenements require drilling to obtain effective geochemical samples. The map, viewed together with all previous exploration data, has identified key regions which require further work to assess the prospectivity of the ultramafic belts for nickel deposits.

Further work was also completed on the geological interpretation of the Mt Eureka target area from diamond drilling information, with refinement of the interpreted basal contact of the target ultramafic units.

Exploration programs to test the geochemical and geological targets identified will now be prepared for management approval.

GUNBARREL GOLD/NEWMONT JOINT VENTURE - (Eureka Group, E53/568, E53/535, E53/818, E53/837, MLA's 53/868-870, and 1021-1047, Cullen 100%)

As announced previously, a conditional agreement has been reached with Newmont Exploration Pty Ltd (Newmont), a subsidiary of Newmont Mining Corporation, to form a joint venture (Newmont Joint Venture) covering a portion of Cullen's Gunbarrel Project tenements (E53/535, E53/568, E53/837 and E53/818). Formation of the Newmont Joint Venture, for gold rights only, is contingent upon development of documentation satisfactory to WMC, Newmont and Cullen. Work on the various agreements is nearing finalization.

In preparation for on-ground exploration, Newmont has continued to analyse and review the Cullen database. During the Quarter, a gravity survey was completed across the entire project area, and 3D visualization and modeling was used to interpret the geology and mineralization at the Southern Prospect. The results of the gravity survey are currently being analysed in more detail.

The results of this work to date have encouraged Newmont to plan diamond drilling to evaluate depth extensions beneath the Southern gold prospect, and initiation of wide-ranging, first pass exploration drilling programs across a number of targets as soon as the documentation is finalized.

IRWIN BORE JOINT VENTURE - (E53/403, 925 and 981, Cullen 90% Independence earning 65%)

Cullen's 90% interest in the nickel rights for the Irwin Bore Project has been farmed out to the Independence Group NL (Independence). The CO2 Group Limited owns the remaining 10% interest which is free carried to completion of a pre-feasibility study in the project.

This Joint Venture is situated immediately south of WMC is AK47 massive sulphide discovery. Joint Venture manager, is systematically testing the strike extension of the AK47 ultramafic stratigraphy for nickel sulphides using a combination of soil geochemistry and surface TEM surveys. Interpreted bedrock conductors and coincident soil geochemical anomalies have previously been reported.

Work during the Quarter consisted of continuing the systematic surface TEM program over the main target zones in the JV. This is scheduled to be completed in late April. Follow-up surveys will be completed and drill testing will be undertaken once all priority target areas have been identified.

WONGANOO GOLD/NICKEL PROJECT - (E53/1046, ELA's 53/1030, 1069, and 1083 Cullen 100%, Cullen can earn 80% in E53/988)

During December 2004, Cullen completed a short, wide spaced RAB/air core drilling programme within E53/988, to test between some previous drilling with anomalous Ni and Cu values, and across some untested aeromagnetic anomalies. The programme also provided general information about the petrology of ultramafic sequences as a precursor to detailed exploration.

During the current Quarter, geological mapping was completed to plan infill RAB traverses in order to optimize the position of ground, TEM geophysical surveying. This indicated scope for more systematic geological mapping to precede the next stage of RAB drilling, and a number of interpreted structural complexities in the ultramafic stratigraphy require further investigation.

Mapping and soil sampling will now be used in conjunction with infill RAB during the coming Quarter to be followed by ground TEM surveying.

EASTERN GOLDFIELDS

KILLALOE NICKEL PROJECT - (E63/722*, E63/765*, Ps 63/1131-1133, 1172-1174, Cullen 100%, * 7.5% NPI to Xplore Pty Ltd applies to these tenements)

In October 2004, Nickel Australia Ltd (NAL) and Cullen agreed that NAL can earn a 70% interest in the nickel rights on the Killaloe Project in the Norseman district of Western Australia, with expenditure of \$1.5 million over four years. This project forms a strategic addition to Nickel Australia's Norseman portfolio.

In their December 2004 Quarterly report, NAL stated that:

"There is significant potential to better define the known TEM conductors as well as undertaking further TEM surveys over areas not yet explored. In addition, numerous gossans located in favourable geological locations have yet to be drill tested. These will undergo aircore drilling to confirm the orientation and definition of the target zones prior to deep drill testing by RC and diamond drilling."

NAL is managed by an experienced team with a track record in nickel sulphide discovery. Exploration at Killaloe will commence as soon as practicable after formal documentation, which is nearing completion, and will include: surface electromagnetic and geochemical surveys, and aircore, RC and diamond drilling.

KILLALOE GOLD PROJECT - (E63/722*, E63/765*, Ps 63/1131-1133, 1172-1174, Cullen 100%, * 7.5% NPI to Xplore Pty Ltd applies to these tenements)

During the last Quarter, Cullen assessed the drilling results obtained by Placer Development Asia Pacific (PDAP) during its exploration of the Killaloe tenements, (PDAP subsequently withdrew from the Joint Venture in October 2004), and compiled and integrated the results of PDAP's exploration into its own database.

The results of PDAP's RAB drilling (214 holes for 5459m) at Killaloe included a best intersection of **6m @ 1.32 g/t Au from 30m** to end of hole in "KLRB092", together with other, low-grade gold anomalies. Cullen has concluded that the Killaloe-Buldania break/shear zone targeted by PDAP's drilling is an extension of the Zuleika Shear, and models like the Kundana, White Foil and Broads Dam gold ore bodies are valid targets types. These ore bodies are localized along the Zuleika Shear and consist of either high grade quartz veins, or moderate grade quartz stockworks and silicified shear zones localized along lithological contacts, often near cross-cutting fault offsets.

The Killaloe/Zuleika Shear extends for over 15km of strike within the Cullen tenements and includes several targets areas as follows:

- Killaloe - old gold workings and abundant quartz veins localized along a 300° structural trend/splay from the Killaloe/Zuleika Shear (330°), coincident with a linear, aeromagnetic, "low" feature.

- Cashel - where gold mineralization has been intersected in previous drilling in quartz veins hosted by sheared basalt close to the Killaloe/Zuleika Shear, a series of interpreted N and NNE trending faults; and,
- Windy Hill - where gold mineralization, indicated by PDAP's drilling, is coincident with the Killaloe/Zuleika Shear which in this section includes shale and conglomerate lithologies in contact with basalts, and faulting along N-S trends.

Cullen has just completed a short programme of RAB hammer drilling at these three prospects, and two other targets within the project area. The programme comprised **18 holes for 770m** which consisted of drilling beneath and across the positions of Placer's best gold anomalies where the geological setting was interpreted by Cullen to warrant further investigation.

The drilling intersected quartz veining, biotite alteration and pyritization of highly foliated basalts and/or metasediments in the three prospect areas mentioned above. Assays are expected towards the end of May, and will dictate the extent and nature of follow up drilling required.

ASHBURTON GOLD PROVINCE

Cullen holds a strategic position in the NW sector of the Ashburton Gold Province, including a number of projects areas along the Paraburdoo Hinge Zone - a 300km long set of regional structures which host a number of gold deposits and prospects (see Figure). During the last Quarter new initiatives included : a Joint Venture with Aquila Steel Pty Ltd (Aquila) to explore for iron ore on a group of Cullen's tenements; and a farm-in agreement with NuStar Mining Corporation Ltd (NuStar) to explore for gold.

The Farm-In Agreement by NuStar Mining Corporation Limited has now been signed and exploration by Nustar can commence. Similarly, Aquila has taken over management of the Joint Venture tenements and is planning initial drilling programmes to commence following Heritage Clearances.

YANKS BORE PROJECT - Yanks Bore (E08/1022, Cullen 51% and Udu Resources Ltd 49%, diluting; Red Hill West, E08/1135 Cullen 100%)

There was no field work completed during the Quarter. The partners are continuing to seek a farm in partner to progress the exploration.

EXPLORATION ACTIVITIES - QUEENSLAND
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DUCHESS PROJECT AREA - Erle (EPM 11990) and Mayfield (EPM 12395).

No field work occurred during the quarter because of the wet season. Gravity data were processed and integrated with available geological data. Further modelling of gravity and magnetics is planned together with the digital capture of outcrop geological information at a more detailed scale to complement the geophysical datasets.

EXPLORATION ACTIVITIES – NEW SOUTH WALES

CENTRAL LACHLAN INTRUSIVE-RELATED GOLD PROJECT (EL's 6168, 6206, 6227, 6207, 6220, 6235, 6257, 6256, Cullen 100%; option to purchase - EL's 5891 and 6020 from Mr Denis Walsh, Yalgogrin Prospect Area)

The Company has agreed terms for the sale of its entire New South Wales tenement interests to **Condor Mining Corporation Ltd**, a proposed new IPO headed by Mr Martin Blakeman and Mr. Peter Anderton. Condor has a portfolio of properties in NSW, Victoria and Queensland with a focus on gold / base metals exploration and mining.

The portfolio includes the Granite Castle gold project in North Queensland which consists of a coherent granite-hosted gold-silver-lead-zinc lode style mineralized body which was extensively drilled in the early 1990's and calculated by JORC standards of 1993 to contain in excess of 130,000oz gold.

The Condor team has broad, long standing, practical industry experience in corporate dealings and company development, prospectus construction, and management of exploration and mining.

The Consideration for the Sale of Cullen's tenements, which is subject to a number of terms and conditions, is:

\$850,000, to be satisfied by the issue of 4,250,000 fully paid ordinary 20c shares in the capital of Condor.

Cullen and Condor are currently formalizing the documentation for the Sale and Purchase and Condor is completing an Information Memorandum to form the basis of a Seed capital raising. Condor hopes to list on the ASX by the end of 2005, probably in September.

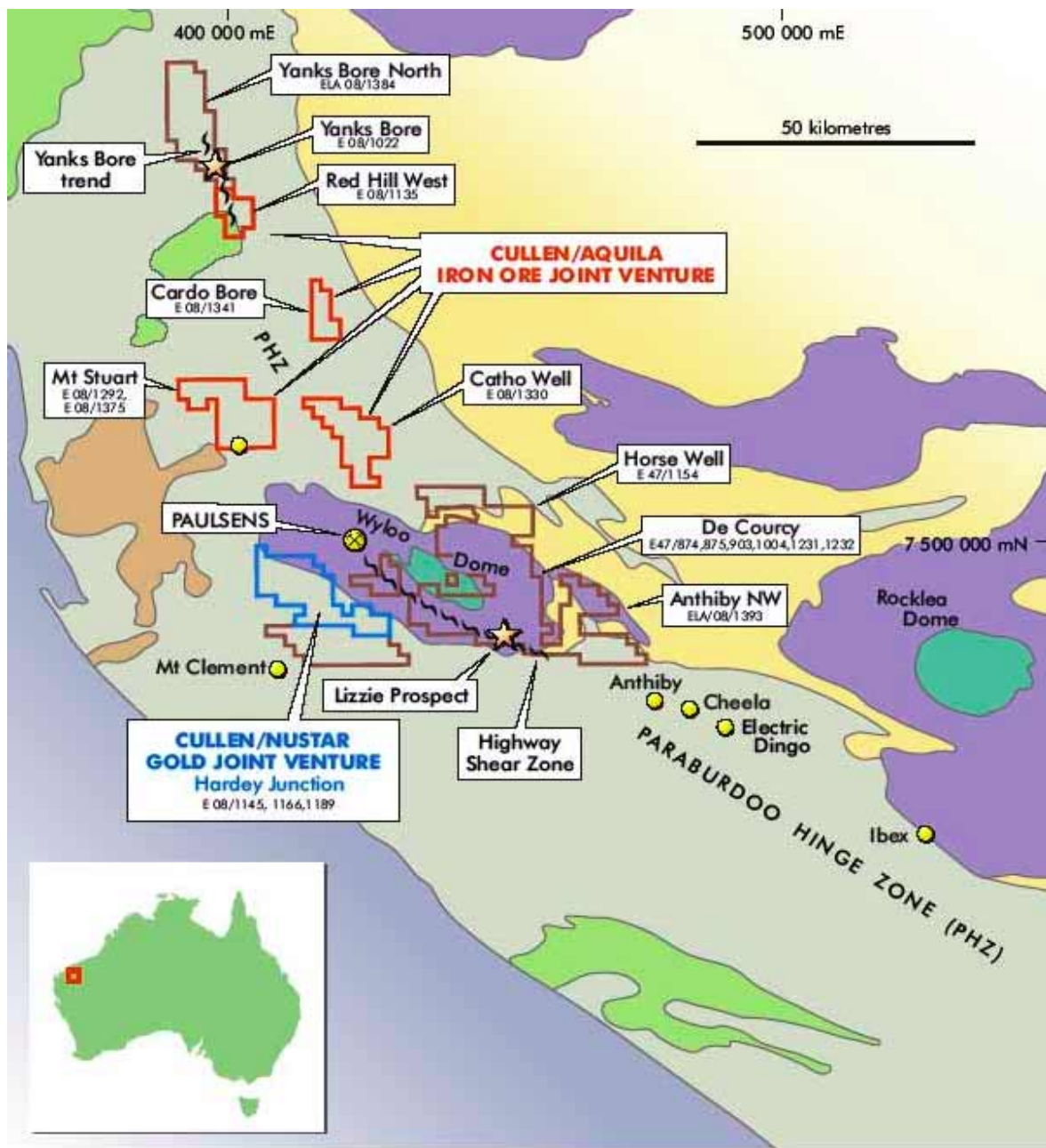
Through its shareholding in Condor, Cullen will have a continuing interest in exploration and drilling of targets within the NSW package plus exposure to an advanced project in Queensland and five projects in Victoria, each containing advanced or identified drill targets.

Cullen looks forward to an on-going association with the Condor team.

CORPORATE

The Company is continuing to pursue the identification and evaluation of advanced exploration/resource project opportunities both in Australia and overseas.

Two projects, which broadly meet Cullen's criteria, are currently the subject of detailed evaluation for possible purchase, including on-going discussions with the owners.



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| PROTEROZOIC | |
| | Mount Minnie Group |
| | Boolaloo Granodiorite |
| | Wyloo Group - Ashburton Basin |
| ARCHAEAN | |
| | Hammersley Basin |
| | Fortescue Group |
| | Granite/greenstone |
| | Gold mine |
| | Gold prospect |
| | Cullen's recently completed drilling |
| | Cullen Tenement |
| | Cullen/Aquila Steel Pty Ltd JV |
| | Cullen/Nustar Mining Corporation Limited JV |

ASHBURTON PROJECT
 Joint Venture Areas & Recent Drilling Location Plan

