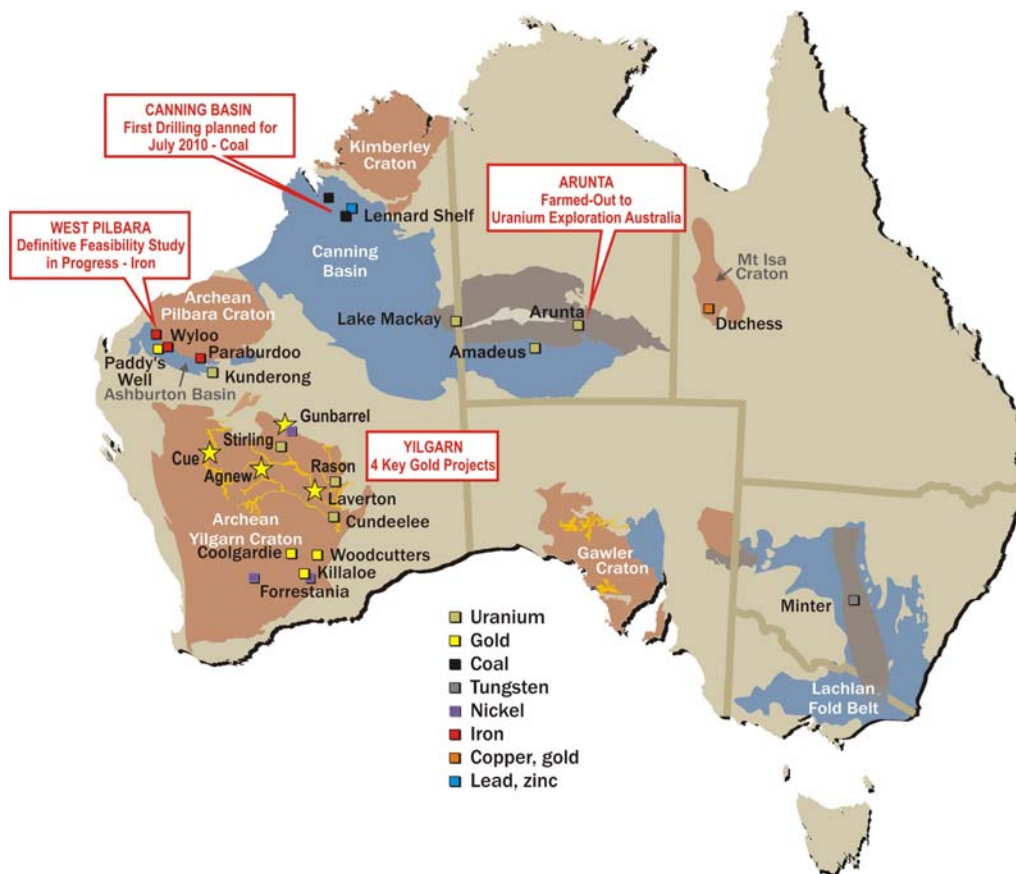


**QUARTERLY REPORT** for the period ended 31 March 2010

**HIGHLIGHTS**

- **WEST PILBARA IRON:** Technical studies for the mining Definitive Feasibility Study (DFS) for the Catho Well Channel Iron Deposit (79.5Mt @ 55.34% Fe - Cullen 30%) nearing completion and the DFS report is planned for issue during the June 2010 quarter.
- **CANNING BASIN COAL:** Targeting completed in area south of Fitzroy Crossing with programme of fifteen drillholes planned; new EL located ~50km south east of Derby now granted.
- **YILGARN GOLD:** Drill testing of gold in soil anomalies and/or structures to commence this month at Agnew and Laverton.



**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 (FMG, API (Aquila-AMCI), Hannans Reward, Intrepid, and Thundelarra), 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 (particularly geochemistry). Projects are sought for most commodities mainly in Australia but with selected consideration of overseas opportunities. The Company has focused its most recent exploration programmes on four gold prospective project areas namely: Agnew, Laverton, Cue and Gunbarrel, in WA.

**REGISTERED OFFICE:** Unit 4, 7 Hardy Street, South Perth WA 6151. Telephone: +61 8 9474 5511 Facsimile: +61 8 9474 5588

**CONTACT:** Dr Chris Ringrose, Managing Director. E-mail: [info@cullenresources.com.au](mailto:info@cullenresources.com.au)

## DEFINITIVE FEASIBILITY STUDY – Iron

### WEST PILBARA, W.A.

**MT STUART IRON ORE JOINT VENTURE:** API JV 70%, Cullen 30% - iron ore rights

Cullen has approved a 2009/2010 Financial Year budget of \$2.223M (Cullen's share ~\$0.7M) for the Mt Stuart Joint Venture (MSJV). This Joint Venture is between the Australian Premium Iron Joint Venture (APIJV) - 70%, which comprises Aquila Resources Limited 50% and AMCI Holdings 50%, and Cullen - 30%. The budget will provide for completion of a Mining Definitive Feasibility Study (DFS) for the Catho Well Channel Iron Deposit (CID) - 79.5Mt @ 55.34% Fe, one of several CIDs which comprise the broader West Pilbara Iron Ore Project (WPIOP) in which APIJV has an interest. Engineering studies for the Mining Definitive Feasibility Study (DFS) are nearing completion and the DFS report is planned for issue during the June 2010 quarter.

A draft Environmental Management Plan for the mine operations has been completed. The project's consultation programme continued via meetings with relevant government and community stakeholders along with the process for securing required approvals. The mining DFS report writing has commenced incorporating plant, machinery and labour plans and estimates. Work continued to optimise the mining schedule.

During the previous Quarter, a broad spaced RC drilling programme was completed at Catho Well South to test a north-south oriented palaeodrainage system. No significant intercepts were recorded and no further work is planned in this area.

## KEY EXPLORATION INITIATIVE – Coal

### KIMBERLEY, W.A

**CANNING BASIN** - EL04/1836; 1837 and 1930 ; ELAs 04/1837;1838;1932,1933,1945,and 1946

The Canning Basin is regarded by Cullen as an important exploration frontier for coal with substantial resource potential. A reconnaissance field assessment of Cullen's tenement areas in the Canning Basin was completed in late September 2009 and the company is working towards commencing on-ground exploration in the coming 2010 season (April onwards).

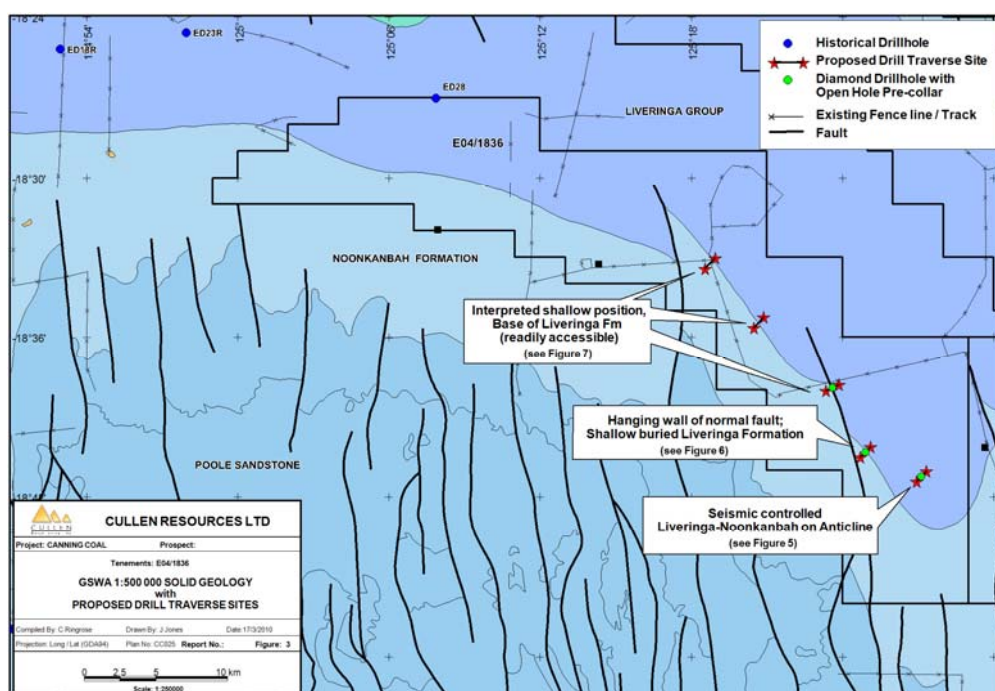
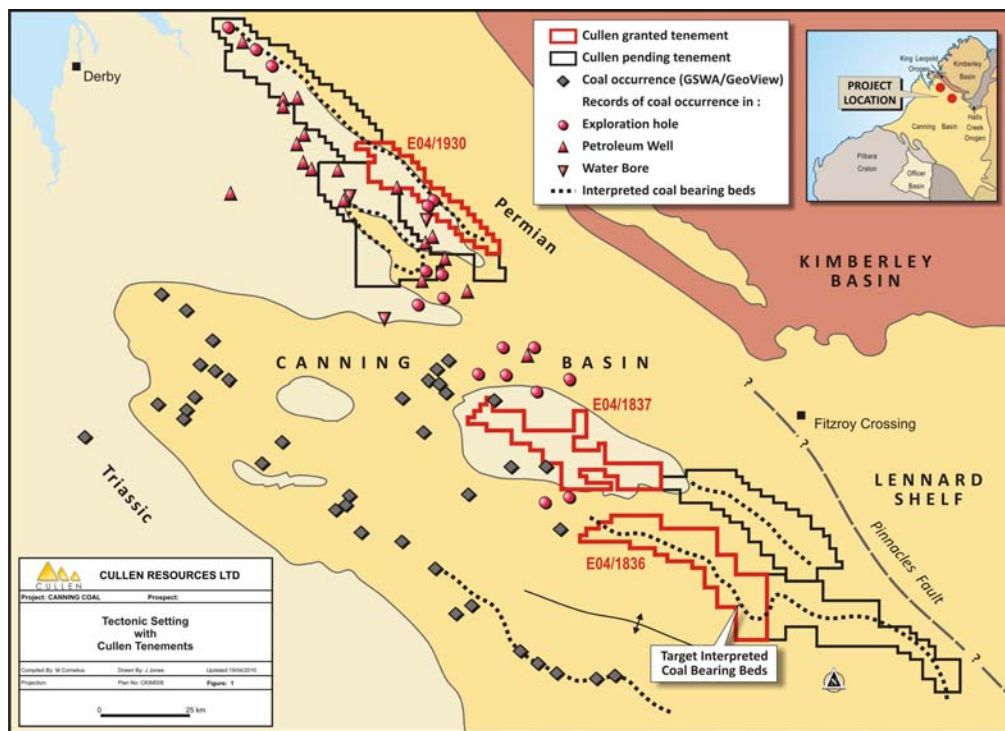
EL04/1836 covers some 50 strike-km of the Lightjack Formation along the northern limb of the St George Ranges Anticline. There is no previous drilling on this tenement, nor is there is any outcrop mapped on the Noonkanbah 1: 250,000 geological map sheet, but the Lightjack trend can be interpreted from the structural setting of the Liveringa Group in the area .

The seismic profiles across EL04/1836 (see Figures) trace the geological units forming the stratigraphy northeastwards from the flank of the St Georges Anticline through EL04/1836. The base of the Liveringa Group is interpreted as a distinct seismic reflector that can be traced across the tenement. The target unit for coal, the Lightjack Formation, is expected to be present above this horizon. Along the seismic profiles are "horst-like" structures, where the interpreted seismic reflector at the base of the Liveringa Group, i.e. the likely position of the Lightjack Formation, is relatively shallow. This area presents one of the most suitable targets for testing by RC/diamond core drilling.

Cullen engaged the **CSA Global** consulting group to undertake geological and geophysical compilation and interpretation work (including seismic data) in order to prioritise areas within its Canning Basin project tenements where initial exploration drilling for coal will be focused. Exploratory drilling will commence on

approved tenement EL04/1836, as soon as heritage surveying has been completed, to test interpreted coal-bearing stratigraphy and determine potential coal characteristics.

Cullen's drill programme will comprise 15 holes along five traverses. Three of the 15 holes will be cored with an open hole pre-collar; the remaining 12 holes will be open with a possible diamond tail, if coal is intersected. The programme is designed to establish the stratigraphy in this part of the basin, correlate the bedrock geology with the seismic data and test for the occurrence of coal in the target horizon. The position of northeast trending folds and north-northwest trending faults projected to traverse the tenement have been taken into account in planning the drilling on EL04/1836 as these may define original depositional sub-basins when coal was being formed. Further to the northwest, Cullen has proposed drilling to test the base of the Liveringa Group, based only on its interpretation of the mapped (underlying) Noonkanbah Formation, due to lack of seismic data in this area. Another exploration licence, EL04/1930, located in the north western block of Cullen's project and ~50km south east of Derby has now been granted (see Figure).



# EXPLORATION PROJECTS – Gold

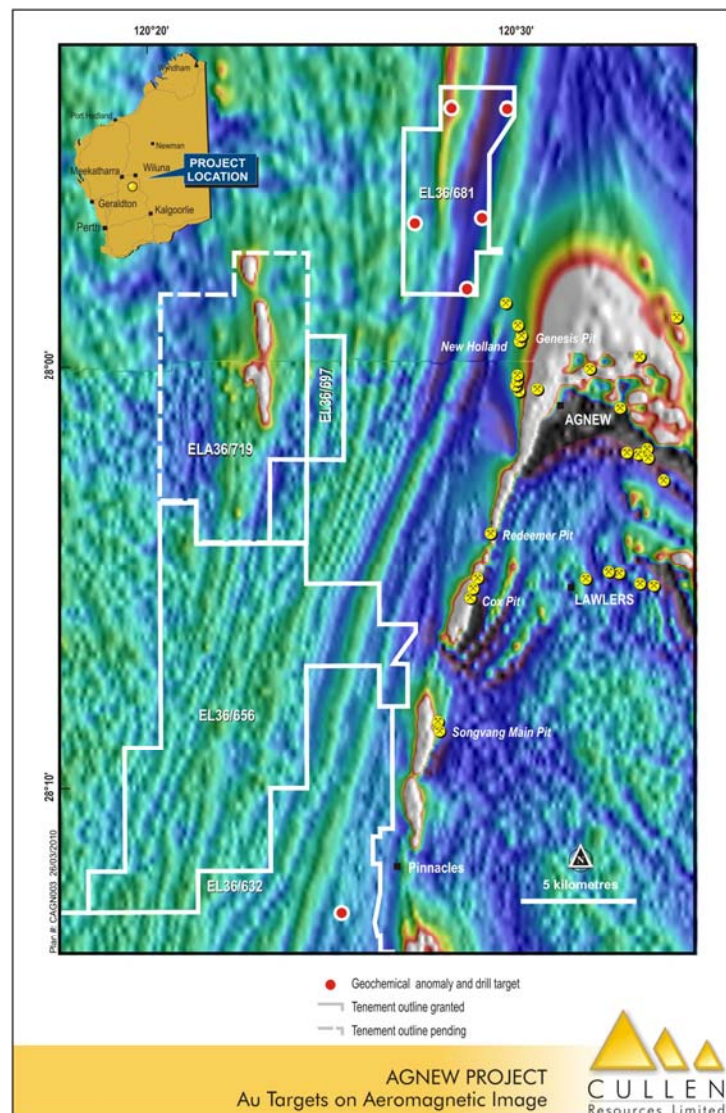
## NORTH EASTERN GOLDFIELDS, W.A.

AGNEW - E36/632, 656 and 681, Cullen 100%

The company holds three tenements along the western margin of the Agnew-Lawlers greenstone belt (see Figure). Geochemical surveys on E632, 681 and 656 completed by Cullen in 2008 and early 2009 generated several targets for primary and secondary Au mineralisation. These geochemical anomalies are being systematically investigated by infill sampling and reconnaissance drilling where appropriate.

In particular, broad-spaced soil sampling (200m x 200m) has delineated a northeast trending, gold and arsenic anomaly (maximum of 126 ppb Au) that measures ~1100x200m, oblique to the course of Lawler Creek. This anomaly may represent the signature of primary bedrock-hosted mineralisation beneath shallow cover, or it may have formed by mechanical dispersion of Au-bearing fines from Lawler Creek. Air core drilling is scheduled to test the anomaly during April 2010; all required approvals have been obtained.

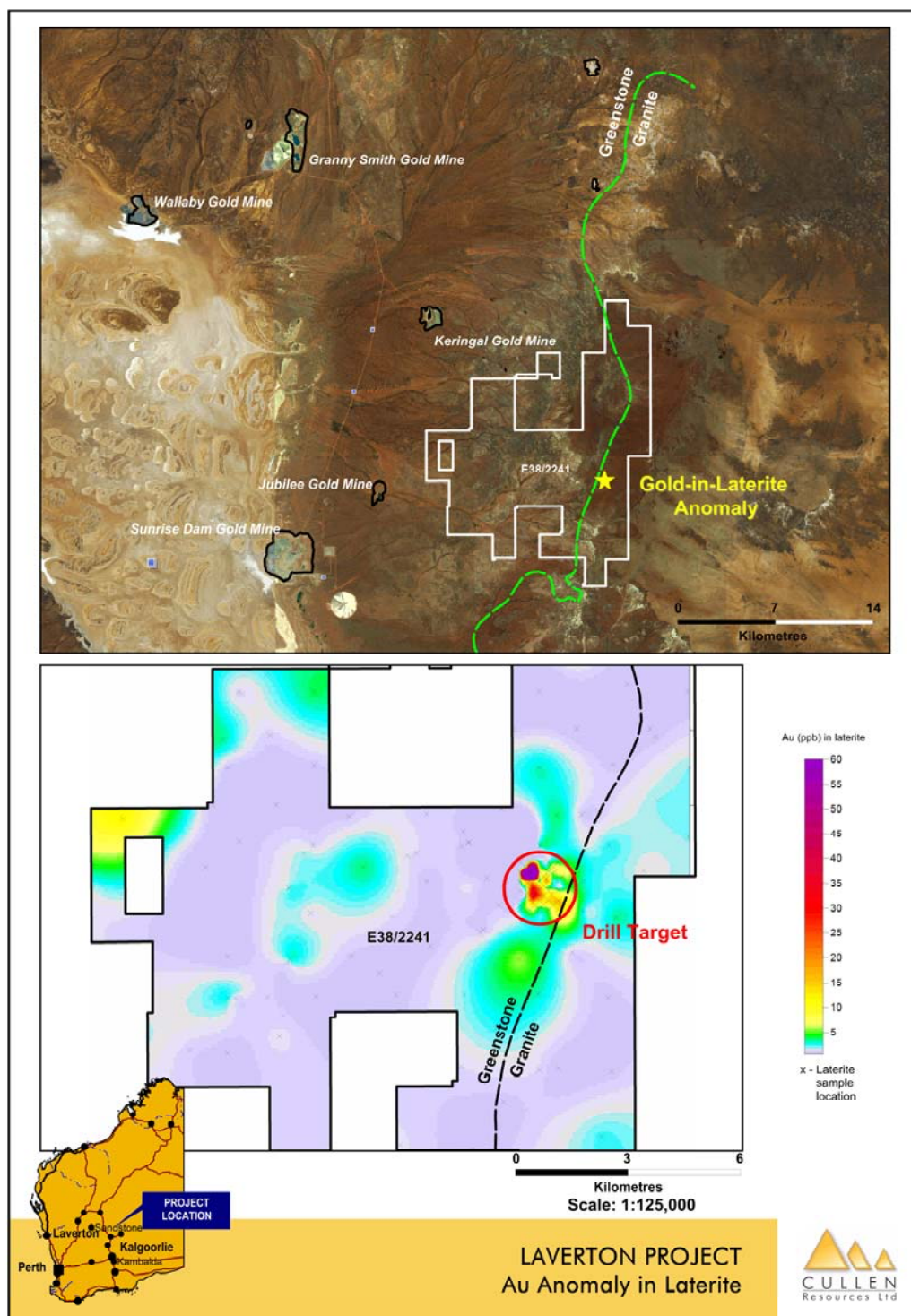
On E36/681, geochemical sampling has delineated a large Au-As anomaly in the southeast corner of the tenement. In addition, a distinct aeromagnetic high with an associated Mo-Re (molybdenum-rhenium) anomaly and other geochemical and structural targets will be tested using RAB/AC drilling. All required approvals have been obtained and drilling will commence in April.



**LAVERTON - E 38/2241 and ELA 38/2245 Cullen 100%**

These tenements are located approximately 50km SSE of Laverton and approximately 10km ENE of the Cleo-Sunrise Dam gold mine. Cullen has completed geochemical sampling programmes, of mainly ferruginous lateritic gravels and lag at 1-2 km spacing, which have outlined a broad 2500 x 500m laterite anomaly (>4.5ppb).

Infill laterite sampling completed during the last quarter defined a coherent >10ppb Au anomaly (max 59ppb Au) measuring 950 x 300m lying along the eastern granite-greenstone contact in an area with no previous drilling. A RAB drilling programme is planned to test the anomaly - all statutory approvals and heritage clearance have been received.



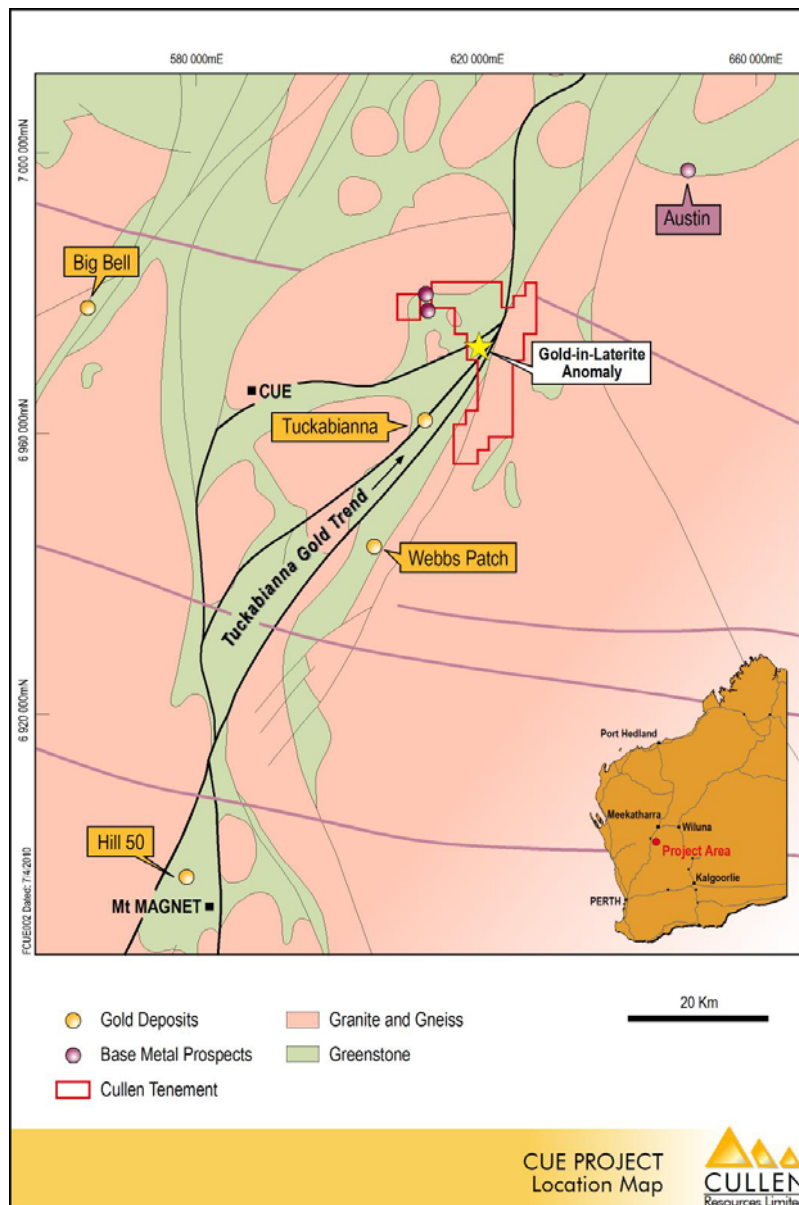
# EXPLORATION PROJECTS – Gold and Base Metals

## MURCHISON, W.A.

### CUE – ELA 20/0714 Cullen 100%

The company has applied for an exploration licence approximately 30km east of Cue, covering the northern part of the Tuckabianna – Webbs Patch greenstone sequence and the eastern granite-greenstone contact. The principal exploration targets are gold and VMS-style base metal mineralisation in this underexplored northern section of the greenstone sequence, which is largely covered by colluvium and sandplain.

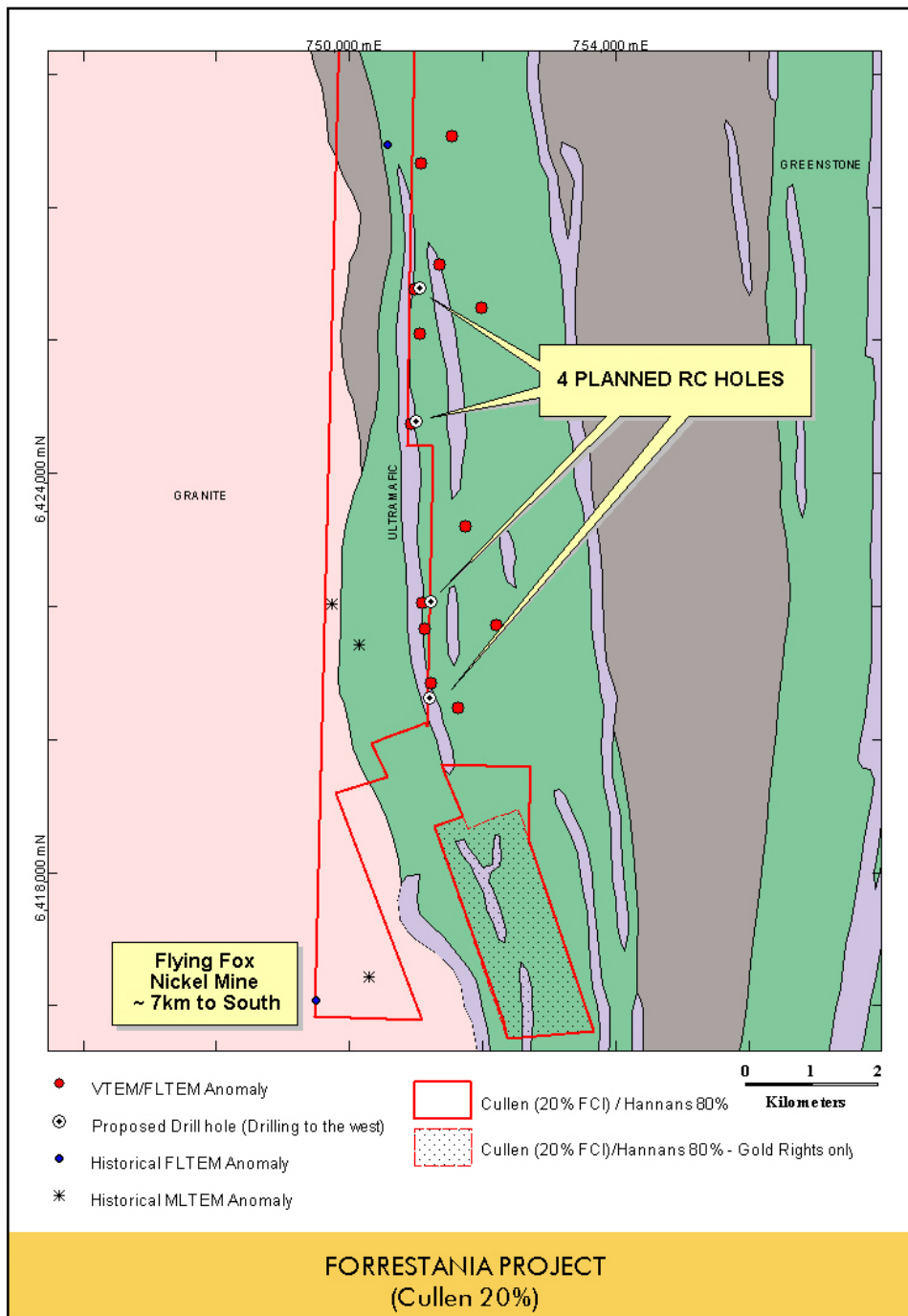
Regional geochemical sampling was completed during the last quarter and 74 samples of ferruginous gravel were collected across the tenement. The results show a large Au anomaly (11-29ppb Au), approximately 3.5km x 0.75km, lying along the Tuckabianna Gold Trend. Several samples outside the Au anomaly have high Bi concentrations (max. 8.7ppm or >98<sup>th</sup> percentile for Yilgarn greenstone laterite) associated with other pathfinder elements that may indicate potential for VMS-style base metal mineralisation within the tenement area. Following these encouraging results, a systematic geochemical sampling programme has now been completed over the entire tenement area, with assay results expected in May/June, and field reconnaissance will be completed in the area of the laterite gold anomaly.



## JV EXPLORATION ACTIVITIES – Gold / Nickel

**STORMBREAKER AND NORTH IRONCAP**– Hannans Reward Limited 80%, and Cullen 20%, free carried to a Decision to Mine.

Cullen holds a 20% Free Carried Interest in the western portion of Hannans Stormbreaker Prospect, centred ~12km north of the Flying Fox Nickel Mine in the Forrestania Greenstone Belt. Hannans has defined a number of EM anomalies within its prospect area, including four which lie close to the boundary of Hannans (100%) - Hannans/Cullen JV ground, which it intends to drill test (see figure below). The four planned drill holes along Cullen-Hannans JV boundary will be inclined to the west, drilling into an interpreted ultramafic horizon, and the holes may penetrate Cullen-Hannans JV ground, dependent on the depth at which the target is intersected



**GUNBARREL** - E53/1299, 1300 Cullen 100%;

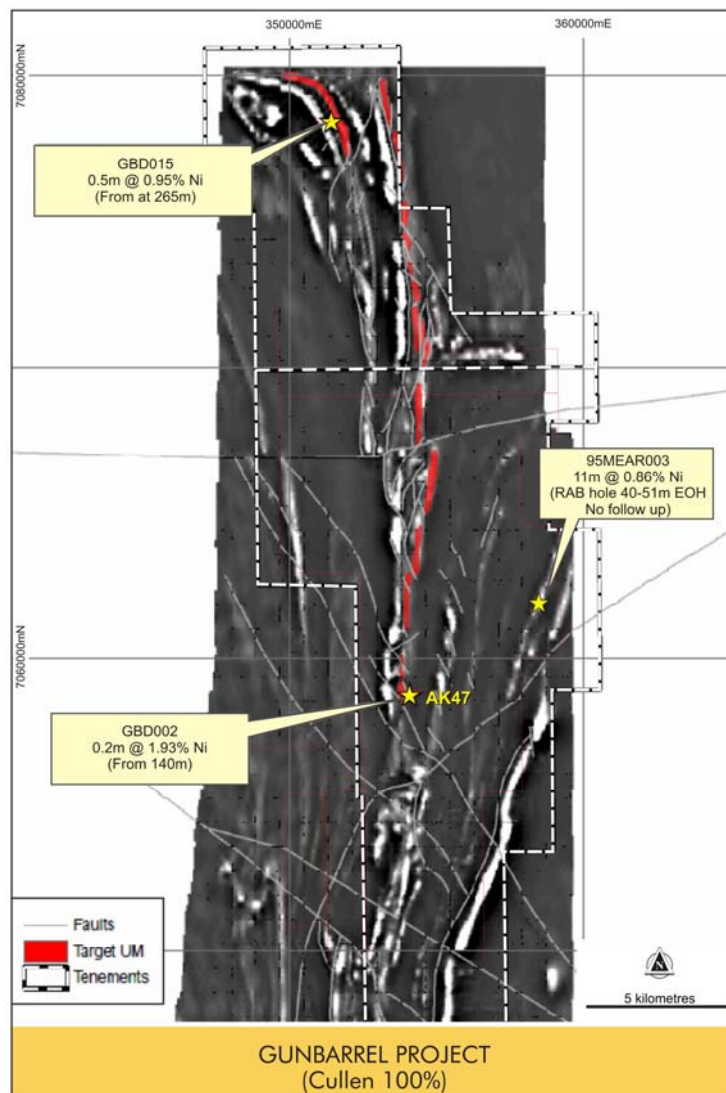
**IRWIN BORE** - E53/1040, Cullen 100%; E53/1209 and E53/1137, Cullen 90% and Western Australian Resources Ltd 10%

E53/1299 and E53/1300 has been the subject of a Joint Venture between Cullen and WMC Limited (and later BHP Billiton) since 2001. BHP Billiton has now withdrawn from the JV, effective 12<sup>th</sup> April 2010, and Cullen is progressively retrieving data and undertaking its own review of the nickel prospectivity of the belt.

WMC Limited and BHP Billiton together completed 39 RC/diamond holes testing various targets based on geochemical surveying, geological mapping, and ground and down-hole EM surveying. Intersections of nickel sulphide were made at either end of one particular interpreted ultramafic horizon about 20km in strike length (see Figure below – an aeromagnetic image, TMI1VD) where further, more detailed work is warranted. Cullen has also noted that the historical database includes a reported intersection of **11m @ 0.86% Ni from 40-51m** in a 1995 RAB hole, in a subsidiary ultramafic horizon within the project area. This drill hole result and the ultramafic horizon it intersected has not been the subject of any detailed follow-up work, and hence will be a high priority for Cullen's further exploration.

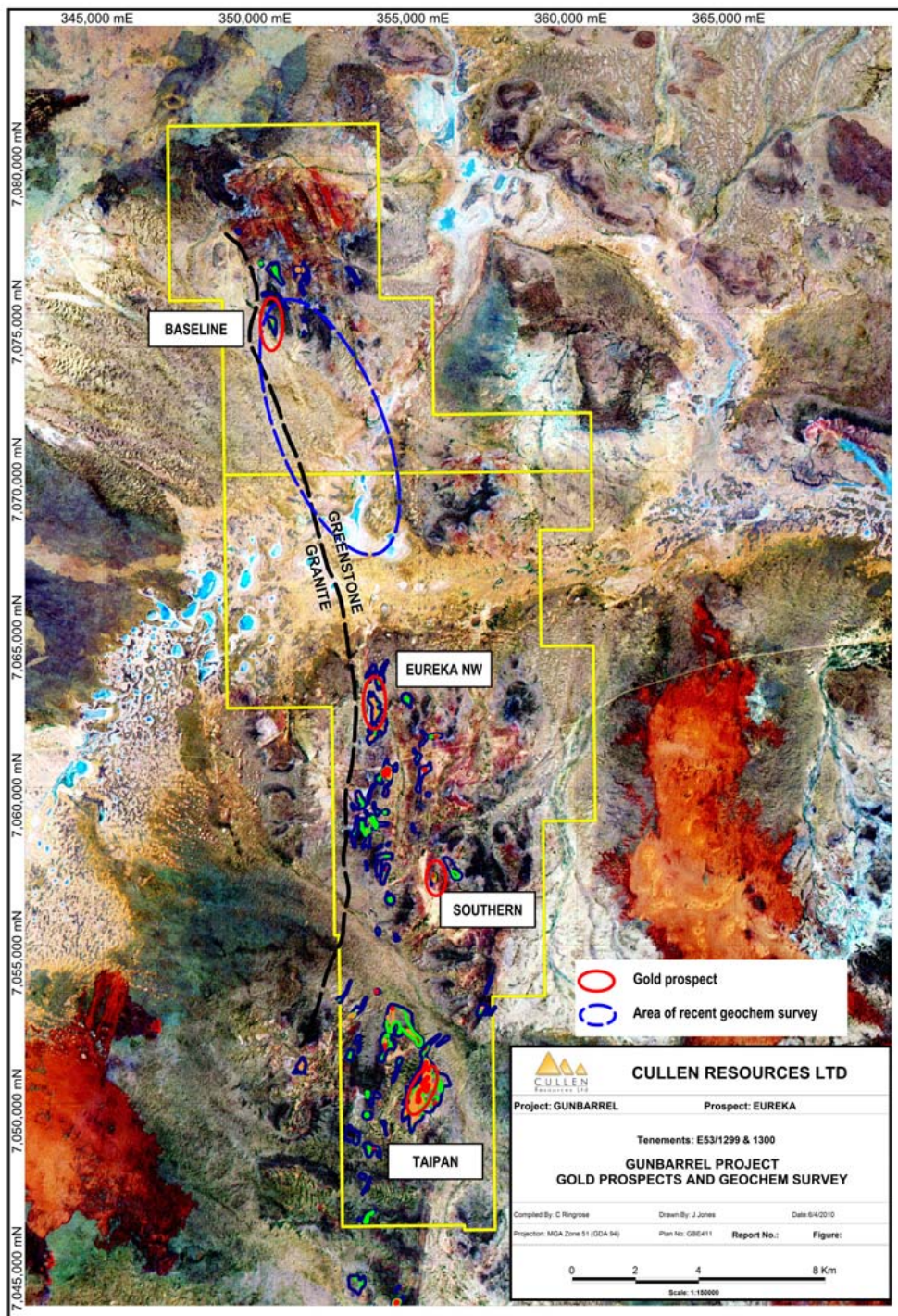
BHP Billiton also flew a VTEM (helicopter-borne EM) survey across a large part of the project area. These data have now been provided to **Newexco Services Limited (Newexco)**, expert consultants in nickel sulphide exploration, for their review. The remaining ground and down hole EM data from Gunbarrel will be reviewed by Newexco in due course.

**Figure :** An aeromagnetic (TMI1VD) image of the Gunbarrel area showing the interpreted target UM (in red) which hosts the two known, nickel sulphide intersections. Also shown are the interpreted faults in the area.



Exploration for gold by Cullen has previously resulted in the discovery of significant gold mineralisation at the Southern Prospect. During February and March, the **CSA Global Consulting Group** completed a structural review of the Southern mineralisation based on drillhole, geophysical and geological data. Their conclusions are that the Southern Prospect has been drilled tested in an appropriate orientation and to an adequate depth to indicate that the mineralisation zone is not a priority, and their observations have led to re-prioritisation of budgeting and activities. RC drilling previously planned for this Quarter at Southern has been postponed.

Instead, a previously very lightly explored portion of the greenstone belt in the northern half of the project area, partly covered by Tertiary drainage, has been tested using geochemical surveying with assays pending. Any anomalies detected in this area will be drill tested by aircore drilling.



**KILLALOE, EASTERN GOLDFIELDS, W.A. - E63/1018, and PL's 63/1331-1333, Cullen 100%**

Killaloe covers about 20 strike km of greenstones located ~30km SE of the Higginsville gold mine. It includes several structurally-controlled gold prospects including Cashel, where a sub-cropping narrow quartz vein with bonanza-grade native gold was discovered by pitting, and Duke where previous drilling intersected a 200m long, SE trending zone of ultramafic-hosted, low-grade Au mineralisation, 5-30m wide - dipping steeply to the SW. As for the Gunbarrel Project, an extensive exploration database has been accumulated for the Killaloe project and the project remains relatively unexplored at levels below oxidation (-50m). A joint venture partner will be sought to progress this aspect of project exploration.

Cullen's Killaloe project also adjoins the Polar Bear Project of Sirius Resources NL on the southern side of Lake Cowan to the south. Cullen's ground includes strike extensive ultramafic target areas in two belts. Previous drilling has included up to 1.4% Ni over 1m (RAB hole "ABR71", from 15-16 EOH) where further follow-up work is warranted. A number of gossans and rock chip anomalies in favourable stratigraphic positions at the base of individual flows in the north of the East Ultramafic Complex also remain untested. Newexco Services Limited has similarly been commissioned to review the existing EM data from Killaloe, and to prioritise targets and plan follow up work.

## **EXPLORATION PROJECT – Tungsten**

### **CENTRAL LACHLAN, N.S.W.**

**MINTER – E6572 Cullen 100%**

At the Minter Project, Central Lachlan, Cullen is targeting intrusive, cupola-related, vein/stockwork-type tungsten mineralisation along the 12km Doyenwae Trend - a north trending chain of fractured and quartz-veined zones in hornfelsed Ordovician sediments. This trend is inferred to coincide with an underlying ridge of Kikora Granite along which centres of cupola-related hydrothermal mineralisation were developed.

In September 2009, Cullen carried out a trial gravity survey (on a 100 x 50m grid) over the Doyenwae prospect (scheelite and minor wolframite mineralisation in sediment-hosted quartz-carbonate-pyrite veinlets) to test if the suspected cupolas above the granites could be mapped. Two prominent gravity highs 400m apart were outlined, which correlate well with magnetically flat areas and highly anomalous tungsten, tin and arsenic in soils. These gravity highs represent drill targets for potentially higher grade, cupola-related tungsten deposits.

Follow-up drilling at Doyenwae and Orr Trig to test the two cupola targets is planned.

## **JV EXPLORATION ACTIVITIES – Uranium**

### **ASHBURTON, W.A.**

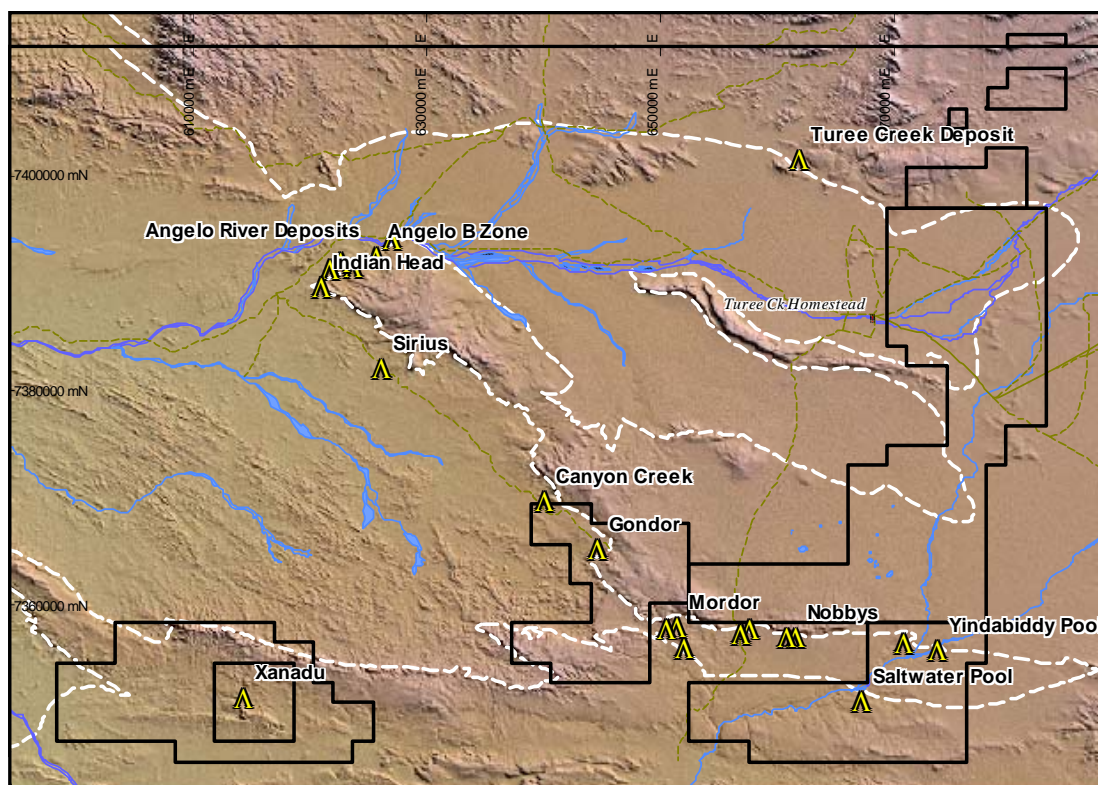
**KUNDERONG / TUNNEL CREEK – ELs 52/1890-1982, Thundelarra can earn 70%**

The Company has a Joint Venture agreement with Element 92 Pty Ltd, a wholly-owned subsidiary of Thundelarra Exploration Ltd (Thundelarra), over its three tenements (EL's 52/1890-1892) at **Tunnel Creek / Kunderong**, in the Ashburton Province. Thundelarra can earn a 70% interest. Native title negotiations have now been finalised and the tenements have been granted.

Angelo River and Turee Creek, the principal known uranium deposits in the Kunderong area, are recognised as having strong geological similarities to the world-class Ranger and Jabiluka deposits in the Alligator River area of the Pine Creek Inlier. The uranium, gold and PGE association at Saltwater Pool also suggests similarities to the Coronation Hill deposit.

A secondary target is paleochannel-type uranium mineralisation within the Cretaceous-Tertiary sediments of the Nalgomia / Tunnel Creek drainage systems. Significant deposits with similar geological controls include Honeymoon and Beverley in SA, and Manyingee in the Carnarvon Basin of WA. Uranium mineralisation is associated with "Red-ox" boundaries within the permeable units.

Figure: **Kunderong Project** showing Thundelarra and Thundelarra/Cullen Tenure and the mapped unconformity between Wyloo and Bresnahan groups (white). The Cullen JV licences cover Saltwater Pool and Gondor, along with the area surrounding Xanadu.



## JV EXPLORATION ACTIVITIES – Uranium

### HARTS RANGE, NT.

**YAMBLA - EL26142, Uranium Exploration Australia Limited can earn 75%**

The Company has announced the signing of an agreement with Uranium Exploration Australia Limited (ASX: UXA) allowing UXA to explore for uranium at Yambla in the Harts Range, 140km East of Alice Springs, Northern Territory.

This tenement covers an area of historical uranium prospects poorly tested by previous explorers and with potential for early drill targets given that uranium mineralisation is outcropping. Uranium was discovered at Yambla by PNC Exploration in 1992, which drilled a number of holes to test radiometric anomalies and outcropping uraninite-rich veins within the amphibolite rock. A number of other styles of uranium mineralisation occur in the area and may constitute potential for an "unconformity" type deposit. The principal terms of the agreement with UXA are:

1. UXA will spend \$800,000 over 3 years on uranium exploration to earn 75%.
2. UXA may pull out after spending \$150,000.
3. UXA will be the manager and operator of the exploration activities.
4. Should UXA earn 75%, a joint venture will be formed with Cullen to further develop any discoveries.

Cullen may elect to contribute or take a 20% interest free carried to a decision to mine based on a bankable feasibility study. UXA plans an aggressive exploration programme to include geophysical surveys, field sampling and shallow drilling to commence later in 2010. Field work is planned to start later this month.

## JV EXPLORATION ACTIVITIES – Gold

### ASHBURTON PROVINCE, W.A.

**HARDEY JUNCTION JOINT VENTURE** - Intrepid Mines Limited 51%, earning up to 70%

Intrepid Mines, operator of the Paulsens Gold Mine located approximately 15km north of the Hardey Junction JV ground, has completed a review of prospectivity for gold and iron deposits within the Joint Venture tenements.

Exploration for gold has recently focused on the Paddy's Well Prospect (E08/1166) where Intrepid completed 10 RC holes (from 80m to 220m depth) following completion of a heritage survey in the last Quarter, with a best results of 4m @1.1 g/t Au from 28-32m. No further exploration is planned at present.

## JV EXPLORATION ACTIVITIES – Iron

### ASHBURTON PROVINCE, W.A.

**WYLOO** - Iron Ore Rights JV with Fortescue Metals Group Ltd (FMG); Cullen retains 100% of Other Mineral Rights

FMG can earn up to an 80% interest in the iron ore rights on E08/1393 and Es 47/1154, 1649 and 1650. FMG has completed aeromagnetic and radiometric surveys over the northern portion of the tenements, purchased satellite imagery and completed reconnaissance mapping and rock chip sampling.

A Miscellaneous Licence, L47/232, for track access to Wyloo North over competitor tenements, has now been granted and work applications have been lodged with the DPM. Heritage surveys will also be required before an initial drilling programme of approximately six RC holes can commence.

**PARABURDOO** - Iron Ore Rights JV with Fortescue Metals Group Ltd (FMG), Cullen retains 100% of Other Mineral Rights

FMG can earn up to an 80% interest in the iron ore rights on Cullen's E52/1667, located ~25km south east of Paraburdoo in the Pilbara Region of Western Australia. The tenement includes potential for bedded iron deposits within the Brockman Iron Formations, along strike from the Paraburdoo and Channar Groups of iron deposits.

FMG has compiled historical exploration data, flown helicopter-borne reconnaissance, purchased orthophotography and completed infill geological mapping at 1:10,000 scale. A ten-hole drilling programme has been designed with targets including possible extensions to outcropping iron mineralisation and also buried CID mineralisation. A heritage survey is being organised and drilling will be undertaken in conjunction with other projects of FMG in the Eastern Hamersley.

# CORPORATE

Cullen's Substantial Holders are the AMCI and FRC Groups which together hold 17.60%, and Aquila Resources Limited which holds 16.91%.

Dr Chris Ringrose  
Managing Director  
+61 8 9474 5511

April 21<sup>st</sup> 2010

**ATTRIBUTION:**     **Competent Person Statements**

*The information in this report that relates to Exploration Results is based on information compiled by Dr Chris Ringrose, Managing Director, Cullen Resources Ltd who is a Member of the Australian Institute of Mining and Metallurgy. Dr. Ringrose is a full time employee of Cullen Resources Ltd. 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 2004 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.*

*The information in this report that relates to Exploration Results for uranium is based on information compiled by Dr Chris Ringrose, Managing Director of Cullen Resources Ltd and reviewed by Mr Grahame Hamilton, Director, Cullen Resources Ltd, both of whom are Members of the Australian Institute of Mining and Metallurgy. Mr Hamilton is also a geological consultant to Cullen Resources Ltd. 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 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr. Ringrose and Mr Hamilton consent to the report being issued in the form and context in which it appears.*

*The information in this announcement, insofar as it relates to iron ore exploration activities, is based on information compiled by Mr Stuart H Tuckey who is a member of the Australian Institute of Mining and Metallurgy, and who has more than five years experience in the field of activity being reported on. Mr Tuckey is a full-time employee of API Management Pty Ltd. Mr. Tuckey has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Tuckey consents to the inclusion in the report of the above matters, based on their information in the form and context in which it appears.*