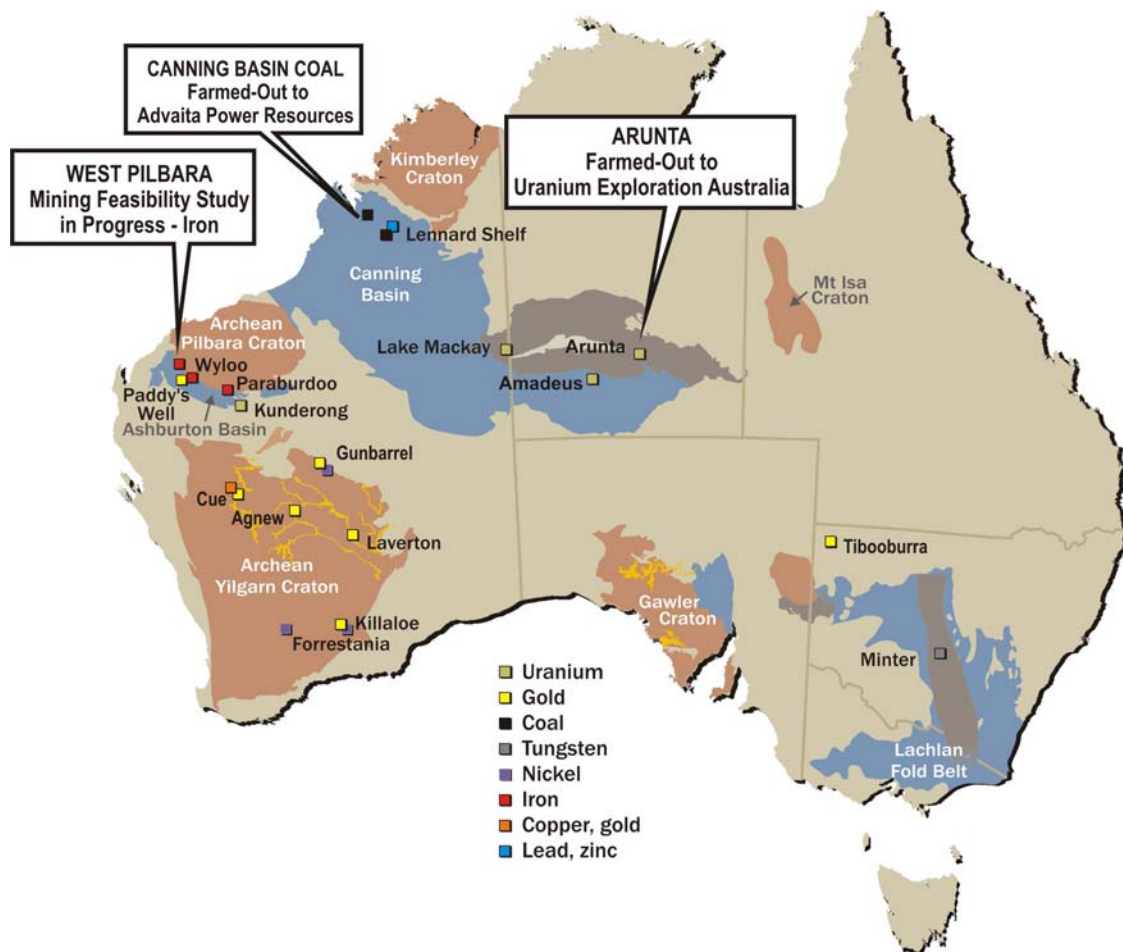


QUARTERLY REPORT for the period ended 30 June 2010

HIGHLIGHTS

- **WEST PILBARA IRON ORE PROJECT:** Technical studies for the Mining Feasibility Study (MFS) for the Catho Well Channel Iron Deposit (79.5Mt @ 55.34% Fe - Cullen 30%) are nearing completion, with issue of the MFS expected in the September Quarter.
- **WYLOO IRON ORE PROJECT:** JV manager FMG, has outlined Bedded Iron Deposit targets at the Wyloo North and Wyloo South prospects with drilling planned for the September Quarter.
- **CANNING BASIN COAL:** Farm out of coal rights to Advaita Canning Resources Pty Ltd, a subsidiary of a private, Singapore-based, energy-focused, investment company Advaita Power Resources Pte Ltd. (Advaita).
- **NAMIBIA COPPER:** Initiation of an exploration presence in Namibia, south-west Africa, with applications for ~8,000 km² of prospective ground lodged.



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MINING FEASIBILITY STUDY – Iron

WEST PILBARA, W.A.

MT STUART IRON ORE JOINT VENTURE- EL08/11135, 1292, 1330, 1341, API JV 70%, Cullen 30% - iron ore rights.

Cullen approved a 2009/2010 Financial Year budget of \$2.223M (Cullen's share ~\$0.7M) for the Mt Stuart Joint Venture (MSJV). The 2009/2010 budget provided for completion of a Mining Feasibility Study (MFS) for the Catho Well Channel Iron Deposit (CID) – 79.5Mt @ 55.3 % Fe, one of several channel iron deposits included in Stage 1 of the broader West Pilbara Iron Ore Project in which APIJV has a controlling interest. The MSJV is between Cullen - 30% and the unincorporated joint venture known as the Australian Premium Iron Joint Venture (APIJV) - 70%. The APIJV comprises Aquila Steel Pty Ltd (a subsidiary of Aquila Resources Limited ("Aquila" ASX: AQA)) 50% and AMCI (IO) Pty Ltd 50%. Work on mine planning, mine engineering and the approvals process continued during the Quarter.

In July 2010, Aquila reported the results of a Feasibility Study (FS) for the 30Mtpa West Pilbara Iron Ore Project indicating technical viability. The specific results of the Mining Feasibility Study for the Catho Well deposit (MFS), a subset of the FS mentioned above, is currently being prepared by the MSJV Manager (API Management) for distribution to the MSJV Participants.

A programme and budget meeting was held for the 2010 - 11 financial year, to support advancement of the project towards earliest practicable first ore on ship, and some generalised results of the MFS were discussed. The MFS envisages a mining operation at Catho Well and assumes ownership of Cullen's run of mine ore will then be transferred, after loading to trains at the "mine gate" (Cullen has been advised that a sales agreement for the acquisition of Cullen's Catho Well ore by the APIJV is currently being drafted by the APIJV).

The MFS and the draft sales agreement are expected to be distributed in the September Quarter. It is anticipated that, based on the MFS, the MSJV Participants will require the JV Manger to submit a Development Proposal to the MSJV Participants and that this, in turn, will lead to consideration of a Decision to Mine by the MSJV Participants.

Development of the MSJV project received a boost with the Hon Anthony Albanese MP announcing that he had granted Major Project Facilitation Status to API's West Pilbara Iron Ore Project.

The mine Public Environmental Review was released on June 21. Environmental surveys continued during the period along with the consultation programme via meetings, briefings, and site visits with relevant government and community stakeholders.

An exploration RC drilling programme was completed at the Yanks Bore prospect (29 holes / 710m). The typical CID profile at Yanks Bore consists of 20m thick mixed zone CID, with interweaved clay horizons, and 2-6m of basal clay. Assay results for the 29 drill holes remain outstanding and are expected in the September Quarter.

EXPLORATION PROJECTS – Coal

KIMBERLEY, W.A.

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

As announced to the ASX on 15th July, Cullen has signed a Heads of Agreement (HOA) with Advaita Canning Resources Pty Ltd, a subsidiary of a private, Singapore-based, energy-focused, investment company Advaita Power Resources Pte Ltd. (Advaita). Under the HOA, Cullen will receive a \$100,000 cash payment from Advaita within thirty days, with other key terms of the HOA being as follows:

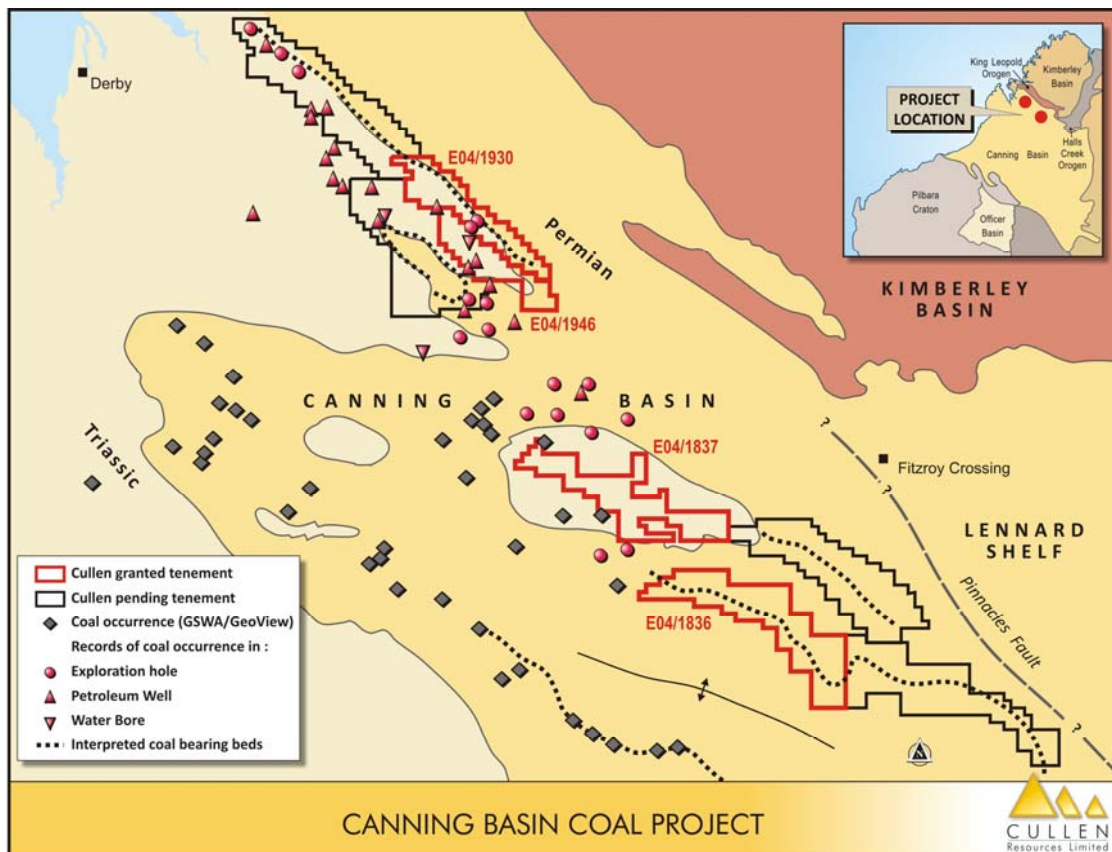
- The agreement relates to coal rights only, with Cullen retaining all other mineral rights;
- Advaita to commit to complete ~3000m planned drilling on E04/1836 in FY 2010-2011, for which Cullen is entitled to receive a grant of \$95,000 from the Western Australian Government;
- Advaita to spend \$1.5M before October 31st 2012 to earn 75%, including minimum \$500,000 before October 31st 2011;
- Advaita to then sole fund a further \$2.0M on exploration and maintaining tenements in good standing;
- Thereafter, Cullen can contribute at 25%, or take a 20% Free Carried Interest to Decision to Mine based on a Bankable Feasibility Study.

Advaita was founded by Mr. Hari Kiran Vadlamani, who was earlier the co-founder of a successful power development company in India. Advaita is aiming to become a preferred fuel supply partner for Indian power producers and has mandates for coal supply from several power companies setting up over 10 GW of imported coal-based power capacity in India. Advaita's strategy is to acquire and develop coal assets, either in its own right or in partnership with overseas mining companies or Indian Power Developers. Advaita believes that blending low rank coal from Indonesia with coal from Australia/Mozambique would be an ideal solution for Indian power projects. Advaita holds various equity and exploration interests for coal in Indonesia, Australia and South Africa and a 15% strategic investment in Churchill Mining Plc, an AIM-listed company with a 2.73 billion tonnes JORC coal resource in East Kalimantan.

Cullen has planned a first pass drilling programme for EL04/1836 which covers some 50 strike-km of the Lightjack Formation along the northern limb of the St George Ranges Anticline. Implementation of this programme will now be managed by Advaita who may incorporate additional drilling following its own field assessment. Further heritage surveying may also be required in this case. Unseasonal rains around Fitzroy Crossing in July have rendered access to E04/1836 impossible for perhaps the next month, and this may also have a bearing on a start date for drilling.

Summary of Canning Coal Project

The Canning Basin is regarded by Cullen as an important exploration frontier for coal with substantial resource potential. Cullen has four tenement applications and four granted tenements for coal in the Canning Basin of north Western Australia, all of which are the subject of the HOA with Advaita (see Figure).



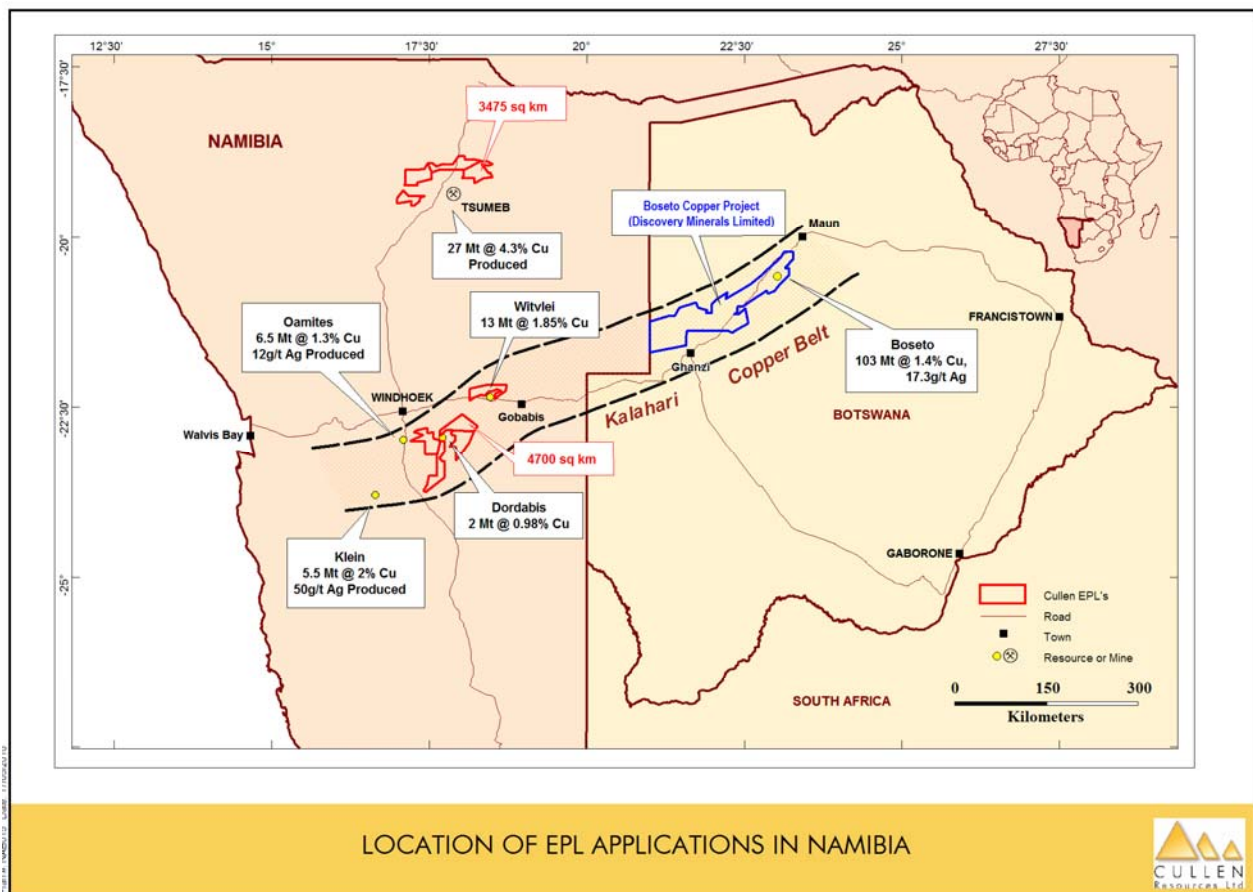
KEY EXPLORATION INITIATIVE – Copper

NAMIBIA, SOUTH-WEST AFRICA.

As reported to the ASX on 25th May, Cullen Resources Namibia (Pty) Ltd (**Cullen Namibia**) has initiated an exploration presence in Namibia, South-West Africa. Cullen Namibia has to date: lodged applications for ~8,000 km² of prospective ground in Namibia; targeting large, sediment-hosted, African copper belt-type deposits; Tsumeb-type base metal deposits; and Rare Earth Elements (REEs) in carbonatites; and has also initiated geophysical data interpretation with geochemical surveys planned.

Cullen Namibia's exploration applications are in two groups in two prospective terranes: one for copper and silver, and the other for copper, and rare earth elements in carbonatites. The first group of applications is within the **Kalahari Copper Belt (KCB)**; the second lies near the well known **Tsumeb** base metal deposit of the same name, as follows (see Figure):

The EPL applications will now be processed and reviewed by Namibian government departments with a decision on the grant of titles expected in six to twelve months.



EXPLORATION PROJECTS – Gold and Base Metals

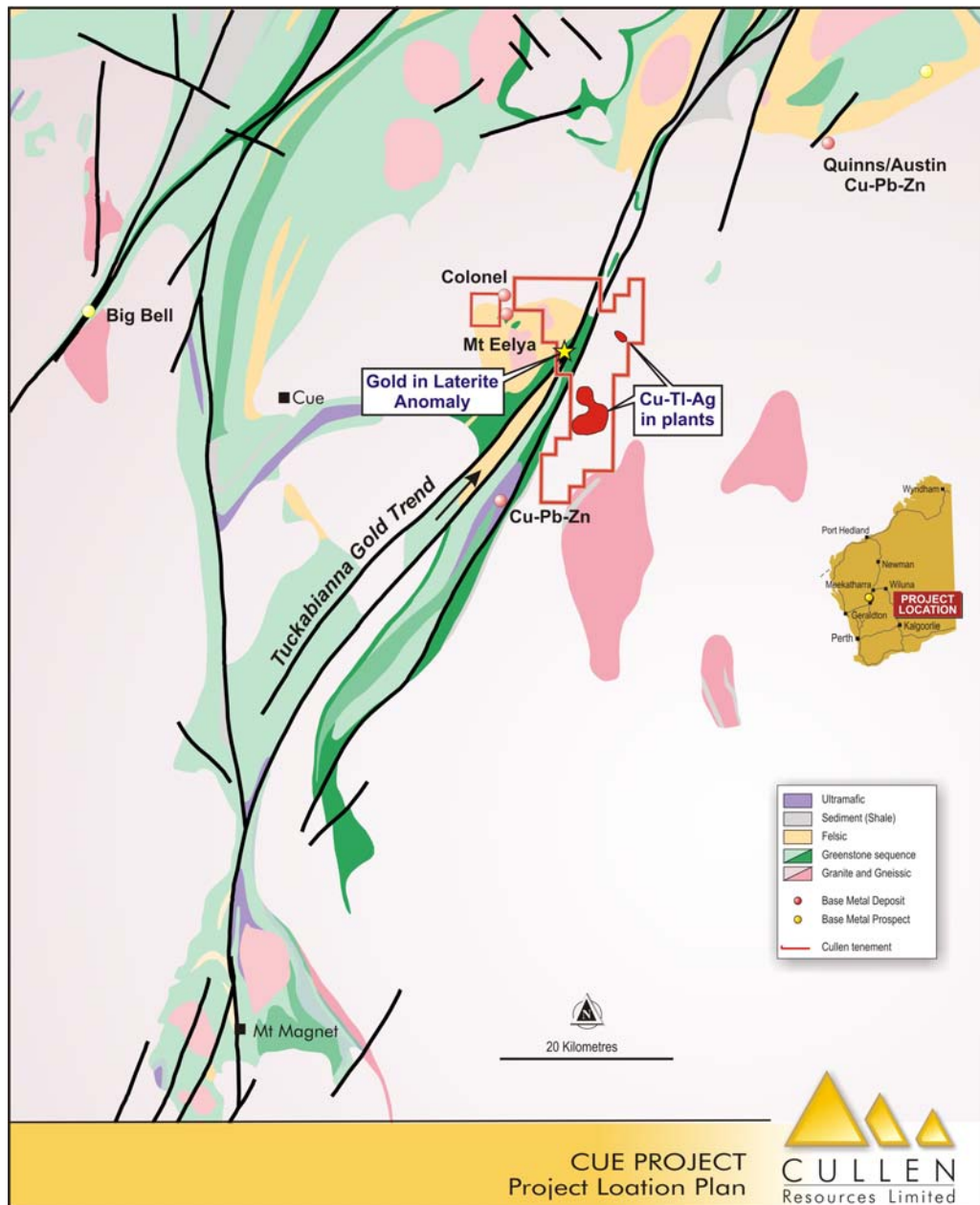
MURCHISON, W.A.

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 in early 2010 showed a large Au anomaly in ferruginous gravel (11-29ppb Au), approximately 3.5km x 0.75km, lying along the Tuckabianna Gold Trend. Systematic geochemical sampling using plants was completed over the entire tenement area. Assay results received during this quarter show two regional **copper - thallium - silver** (Cu-Tl-Ag) anomalies. These anomalies are located approximately 45km southwest of the Austin Cu-Pb-Zn deposit and 13km northeast of a Cu-Pb-Zn prospect on the eastern side of the Tuckabianna sequence (see Figure), in completely unexplored, sand-covered terrain. They lie approximately 2km east of the mapped Tuckabianna greenstone sequence and 2-13km north of a sedimentary inlier within the granite domain, but it is conceivable that they overlie a sequence of clastic and/or volcanoclastic sediments and greenstone remnants.

Field checks and some infill sampling around the anomalies has been carried out and results are pending. Further work will take place following approval of the tenement and grant of all statutory and heritage approvals.



EASTERN GOLDFIELDS, W.A.

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 have 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 12th 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 reviewed by **Newexco Services Limited (Newexco)**, expert consultants in nickel sulphide exploration. They reported a number of VTEM and Moving Loop EM anomalies in the vicinity of drillhole "GBD 15" required follow up with further drilling proposed. Field checking of the various EM anomalies in this area however showed a predominance of basalts and dolerites and suggested that EM anomalies are related primarily to sulphidic, interflow sediments.

However, the multiple geochemical and EM anomalies and the recorded nickel sulphide drillhole intersections in the project area, suggest further follow up work is required. Cullen is planning a ground EM survey in the vicinity of drillhole 95MEAR003 in the first instance.

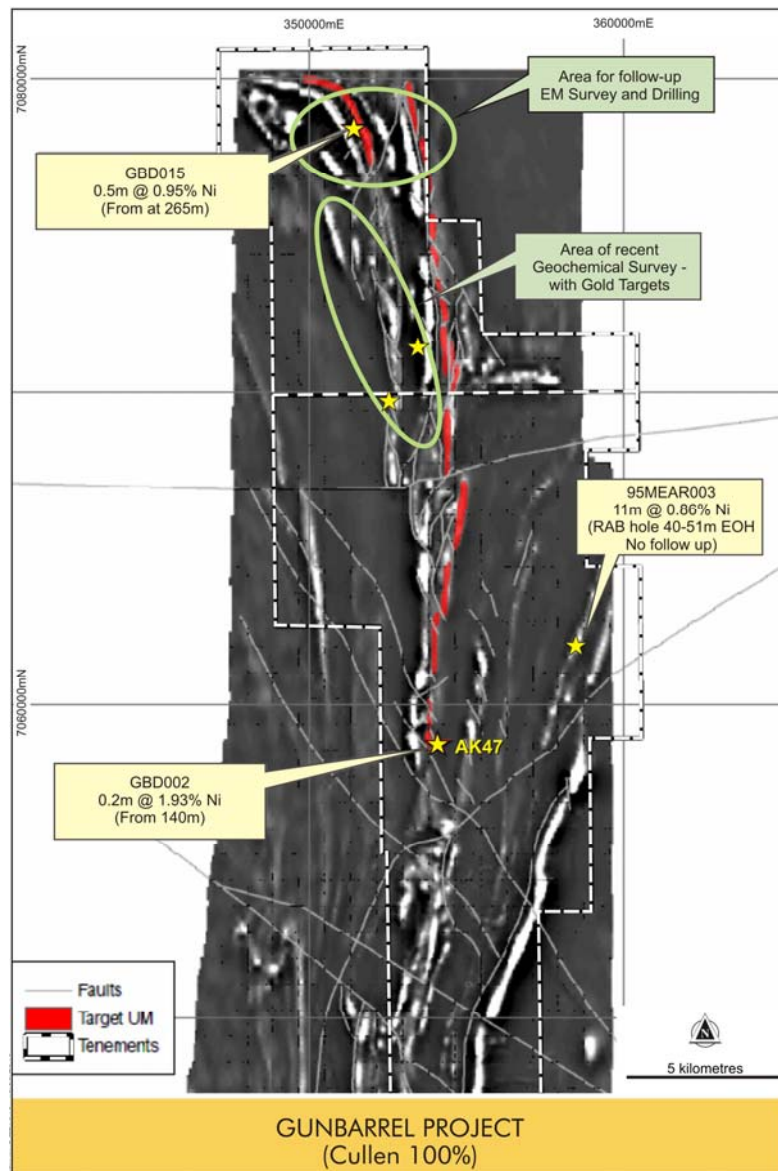


Figure: An aeromagnetic (TMI1VD) image of the Gunbarrel area showing the interpreted target UM (in red) which hosts the two known, nickel sulphide intersections

During February and March, the **CSA Global Consulting Group** completed a structural review of the Southern gold 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 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. The results show two potential targets for gold mineralisation under cover (see figure above).

EXPLORATION PROJECTS – Gold

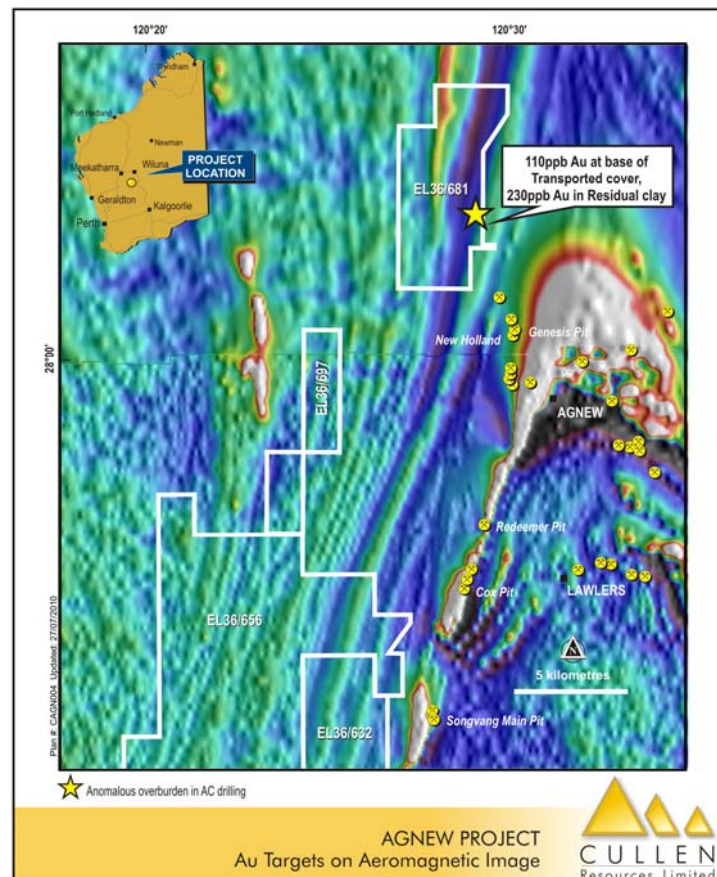
NORTH EASTERN GOLDFIELDS, W.A.

AGNEW - ELs 36/632, 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 E36/632, 681 and 656 completed by Cullen in 2008 and 2009 generated several targets for primary and secondary Au mineralisation. These geochemical anomalies have been systematically investigated by infill sampling and reconnaissance drilling, and targets for further work have now been prioritised on E36/681. Air core drilling during the quarter tested a large Au anomaly in soil on E632. Drilling indicated that the Au anomalism is within thick transported cover, including Tertiary channel clay, brought downstream from the Lawler district, and it is concluded that the anomaly is not indicative of buried bedrock mineralisation in the area. No further work is planned to test the geochemical anomalies in this tenement.

Drilling on E681, however, intersected altered mafic rock within mapped granite, approximately one kilometre west of the interpreted granite-greenstone contact. Low-level gold and arsenic anomalies at the base of the transported overburden (max. 110ppb Au from 8-9m depth and 105ppm As from 11-12m depth - see Figure) are encouraging. They lie in a virtually unexplored area, located approximately 5km north northwest of major Au deposits at Waroonga, and may be indicative of buried gold mineralisation. The present drainage direction is to the north northeast and it is therefore unlikely for Au and As to have come from the known deposits to the south southeast. More likely, anomalous Au and As concentrations indicate another gold source hidden beneath the transported cover. This is supported by weak Au anomalism in weathered bedrock (max. 0.23g/t) encountered along the same drill traverse.

Further shallow drilling is planned to the north and south of this drill traverse to establish the provenance of gold and arsenic at the base of the transported cover, and to establish the extent of the bedrock anomalism.



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

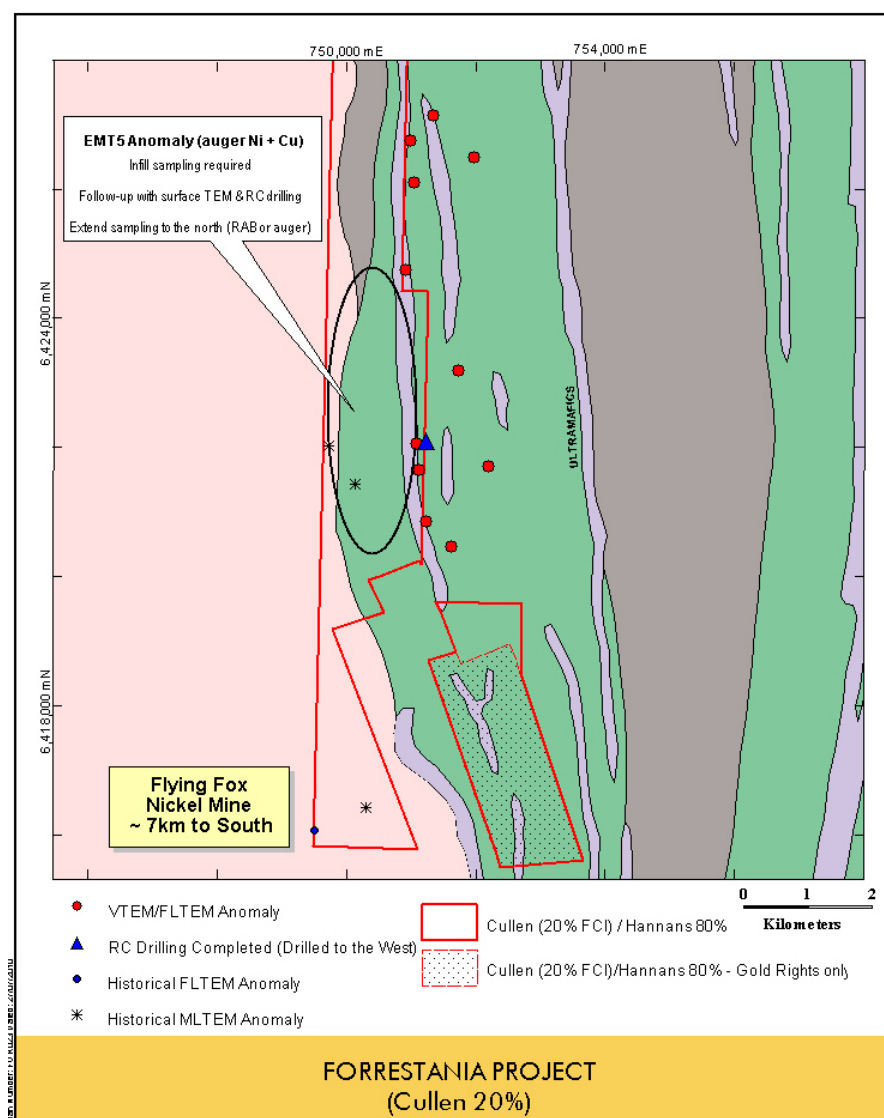
These tenements are located approximately 50km SSE of Laverton and approximately 10km ENE of the Cleo-Sunrise Dam gold mine. Last year, Cullen completed geochemical sampling of ferruginous lateritic gravel and lag at 1-2 km spacing; it outlined a broad 2500 x 500m laterite anomaly (>4.5ppb; max. 59ppb).

Drill testing of the laterite anomaly along two traverses failed to intersect economic mineralisation. Due to the existing drill coverage north and south of the laterite anomaly, no further work is warranted.

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 the Cullen-Hannans JV ground. One drill hole completed to test these anomalies penetrated the JV ground. It determined a banded iron formation was the source of the EM anomaly. Three lines of MLEM were completed and further soil sampling and ground EM is planned for the EMT5 Anomaly area (see Figure).



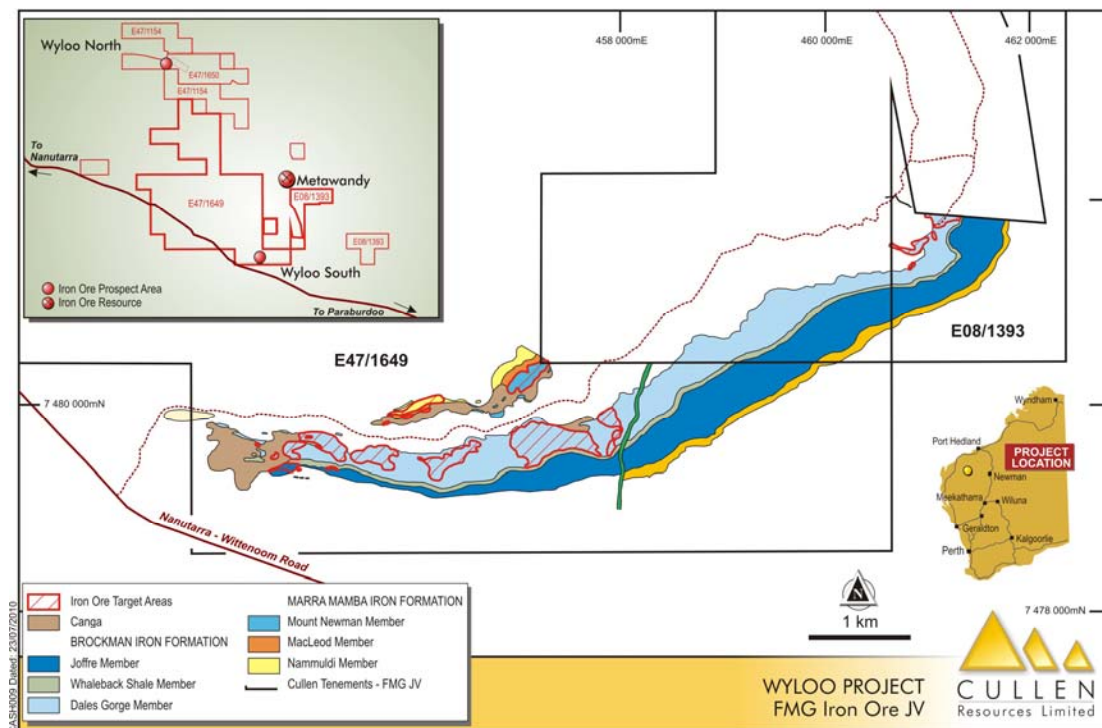
JV EXPLORATION ACTIVITIES – Iron

ASHBURTON PROVINCE, W.A.

WYLOO - Iron Ore Rights JV with Fortescue Metals Group Ltd (FMG); Cullen retains 100% of Other Mineral Rights - EL08/1393, E147/1154, 1649, 1650.

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 the **Wyloo North Prospect** has now been granted and dozing of the access track to the target area has commenced. A helicopter-supported heritage survey was also undertaken over the western (main) portion of the drilling grid. A programme of approximately six RC holes is planned.

Detailed geological mapping was completed over **Wyloo South Prospect** (E47/1649, E08/1393) at 1:10,000 scale and approximately 3 km strike extent of Brockman and Marra Mamba iron mineralisation was outlined. An RC drilling programme at approximately 200m x 100m spacing was designed and field checked for access, and a helicopter supported heritage survey was completed over the main (Brockman) mineralisation and over access on to the top of the Marra Mamba ridge. A follow up survey will be necessary to complete the Marra Mamba access and drilling sites clearance.



PARABURDOO - Iron Ore Rights JV with Fortescue Metals Group Ltd (FMG), Cullen retains 100% of Other Mineral Rights - EL52/1667.

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

JV EXPLORATION ACTIVITIES – Uranium

HARTZ RANGE, N.T.

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. Initial fieldwork by UXA, as reported by UXA to the ASX on 5th July, discovered uranium-rich nodules grading up to 13.8% U₃O₈ and anomalous uranium, up to 1140 ppm U₃O₈, with anomalous tantalum and niobium, in a pegmatite dyke stretching for 1.7km. UXA plans an aggressive exploration programme to include geophysical surveys, field sampling and shallow drilling to commence later in 2010.

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. There has been no exploration activity during the Quarter.

JV EXPLORATION ACTIVITIES – Gold

ASHBURTON, W.A.

HARDEY JUNCTION JOINT VENTURE - EL 08/1166, 1189, 1763, Intrepid Mines Limited 51%.

Intrepid Mines Limited (ASX:IAU), operator of the Paulsens Gold Mine located approximately 15km north of the Hardey Junction JV ground, has agreed to sell Paulsens to Northern Star Limited (ASX: NST) in a deal which includes sale of their 51% beneficial interest in the Hardey Junction JV. Cullen has a first right of refusal to purchase Intrepid's 51% interest on equal terms to that being offered by NST, and has 60 days in which to decide whether to match the offer. Cullen is currently considering its position.

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

CORPORATE

Substantial shareholder Notices lodged with Cullen show: 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

July 29th 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.

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, APIJV (Aquila-AMCI), Advaita, UXA, 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, with a recent entry into Namibia. The Company has focused its most recent exploration programmes on four gold prospective project areas in WA namely: Agnew, Laverton, Cue and Gunbarrel..

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