



ABN 46 006 045 790

QUARTERLY REPORT for the period ended 31 December 2013

www.cullenresources.com.au

ASX Symbol: CUL

30 January 2014

HIGHLIGHTS

Cullen is exploring in highly prospective terranes, focused in Australia, and has projects with drill-ready targets for gold, nickel and tungsten. Cullen also has two Joint Ventures for iron ore in the West Pilbara managed by key players. These projects provide an excellent platform of projects for future growth.

❖ **Gold and Nickel - Mt Eureka Project, North Eastern Goldfields, W.A. (Cullen 100%)**

During the Quarter, Cullen planned and proposed to initiate a ground EM survey at its Doyles nickel prospect. This survey was completed in January as reported to the ASX on 22/1/2014. In summary, the ground EM survey was highly successful and:

- Preliminary interpretation indicates two strong EM conductors and one weaker EM conductor within an interpreted ultramafic sequence
- Cullen has clearance to drill two of these EM conductors, and intends to commence as soon as possible, and will seek statutory approvals and heritage clearance for drilling the third conductor in the same programme
- Cullen also intends to drill test (diamond or RC) the Silverbark North nickel prospect where two previous RC holes did not reach the target

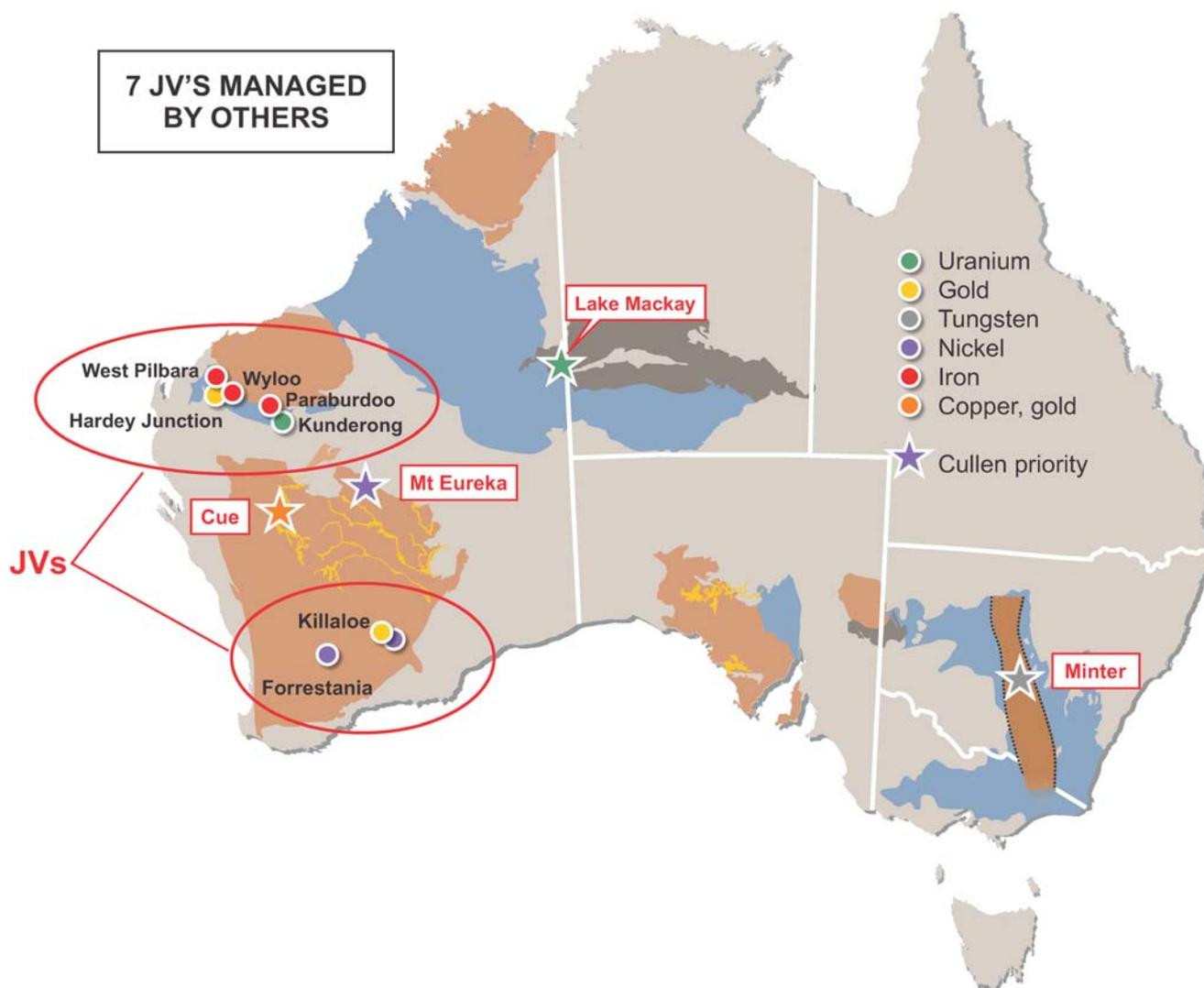
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❖ **Iron Ore - Mt Stuart Iron Ore Joint Venture (MSIOJV), West Pilbara**
- Cullen 30% iron ore rights

Cullen is contributing funds and maintaining its 30% participating interest in the MSIOJV with on-going work focused on obtaining approval of Mining Lease applications. Exploration drilling (36 RC holes for 1164m) was completed on four prospects during the Quarter with assays awaited.



❖ **Iron Ore - Wyloo Joint Venture – Cullen 49% iron ore rights**

JV Manager, Fortescue Metals Group Ltd (Fortescue), earning 80% of iron ore rights, has previously reported supergene mineralisation at the Wyloo North prospect, interpreted to be in northerly-dipping, Brockman Iron Formation and open along strike and up dip.

MT EUREKA, NORTH EASTERN GOLDFIELDS, W.A. – Gold and Nickel

Background

Cullen Resources Limited (Cullen) holds 100% of ~650km² of approved tenure* in the Mt Eureka Greenstone Belt in the North Eastern Goldfields of Western Australia which includes multiple targets for nickel sulphides and gold. The high nickel prospectivity of Cullen's ground is confirmed by the discovery of nickel sulphides by Rox Resources Limited (Rox) at Camelwood and Cannonball – Musket (Fisher East Project), located a few kilometres along strike to the south of Cullen's tenement boundary (Rox ASX release, ASX: RXL of 3/10/2013 describes the maiden mineral resource for Camelwood and ASX release of 10/1/2014 describes discoveries at Cannonball and Musket).

1. GROUND EM COMPLETED AT DOYLES NICKEL PROSPECT

Cullen has completed a ground EM survey at its Doyles nickel prospect, located approximately 25km north and along strike of Camelwood, to optimise drilling positions. This survey covers a cluster of “picks” (anomalies), from a 2007 VTEM survey. These anomalies are broadly coincident with an area of anomalous nickel geochemistry from historical shallow drilling (as reported previously, Cullen ASX: 23/10/2013). **Preliminary interpretation of the ground EM data has identified two strong conductors, interpreted by Cullen to be at the base of the oldest ultramafic horizon (UM) within the Mt Eureka greenstone sequence.**

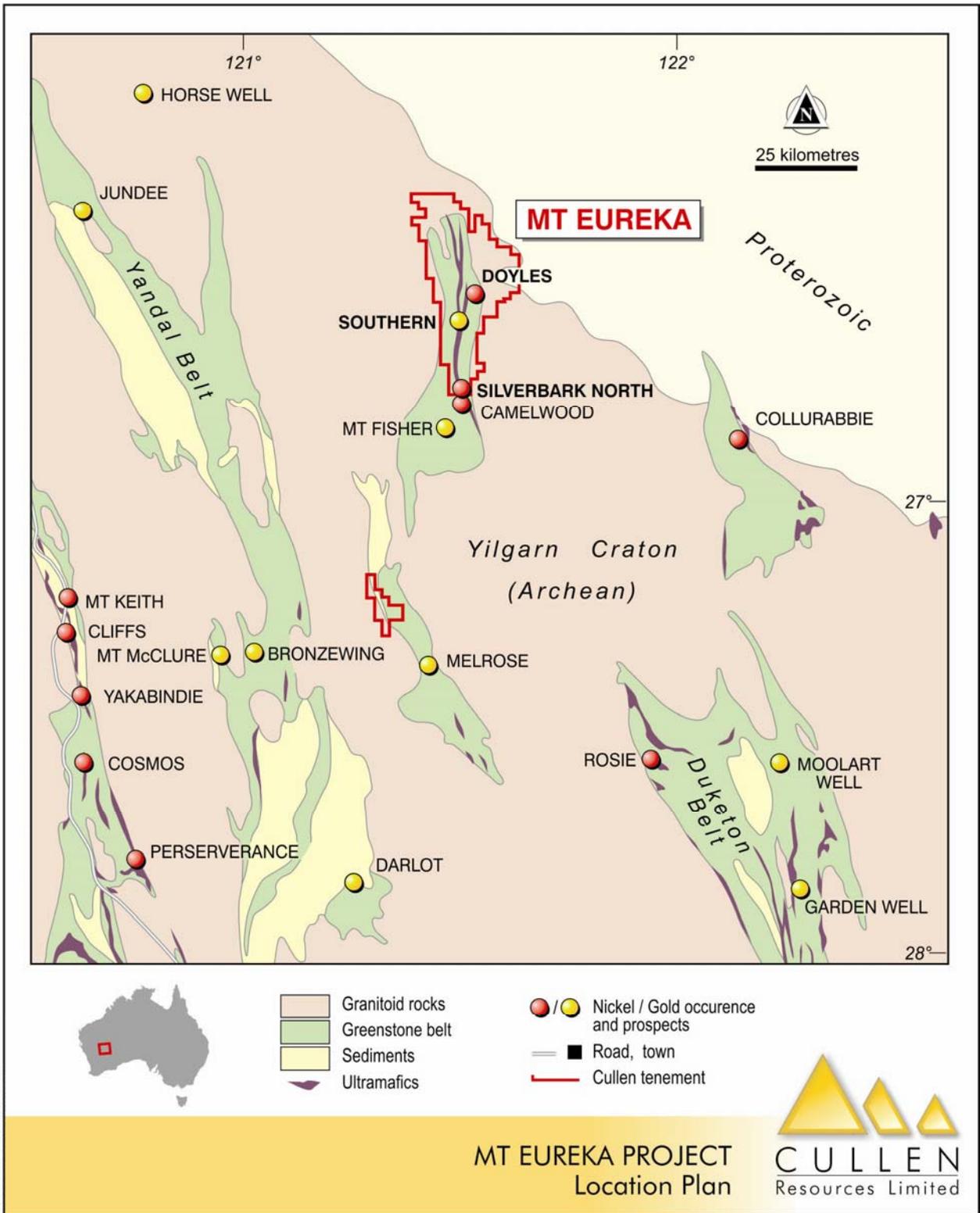
This part of the stratigraphy was only lightly examined by previous explorers with no deep drilling (>35m) known to have occurred in the vicinity of the recently-discovered conductors. Cullen also notes that the Doyles prospect is located where the strongly magnetic BIF, which marks the eastern stratigraphic base to the greenstone belt, appears to be demagnetised or thinned – a setting very similar to the stratigraphic situation at the Camelwood discovery. Cullen's consultants (Southern Geoscience Consultants) are now modeling the anomalies to estimate the size, shape and orientation of the conductor plates, and to calculate drill hole positions to test these.

The strong northern EM conductor at Doyles (“C2” – see Figure) is located along a line for which all statutory approvals and heritage clearance have been received so drilling can commence. It is anticipated that such approvals and clearances will also be obtained for the strong southern conductor (“C1”). Cullen is sourcing a suitable drilling rig and intends to recommence its field activities in February, subject to any rain affected access.

2. SILVERBARK NORTH GROUND EM TARGET

Cullen's previous reconnaissance RC drilling testing conductors at its Target Area 1 (“Silverbark North”) prospect, failed to reach the target depth and two drill holes were abandoned in silicate facies, Banded Iron Formation (BIF) about 100m above the target EM conductor. Cullen now intends to complete an effective test of one of the modeled conductive plates at Silverbark North using an RC pre-collared diamond drill hole or RC drilling with specialised equipment.

This prospect comprises a series of VTEM and ground EM modeled conductors stretching over 1km in Cullen's ground (E1637). The recent results reported by Rox Resources Limited (10/1/2014) from their Camelwood-Cannonball-Musket discoveries, demonstrate that nickel sulphide mineralisation in the region may have significant strike potential. Cullen interprets its Silverbark North conductors as being along strike from the Camelwood-Cannonball-Musket mineralisation.



* Mt Eureka Project – ELs 53/1299, 1300, 1209, 1630, 1635, 1637, 1611 - Cullen 100%

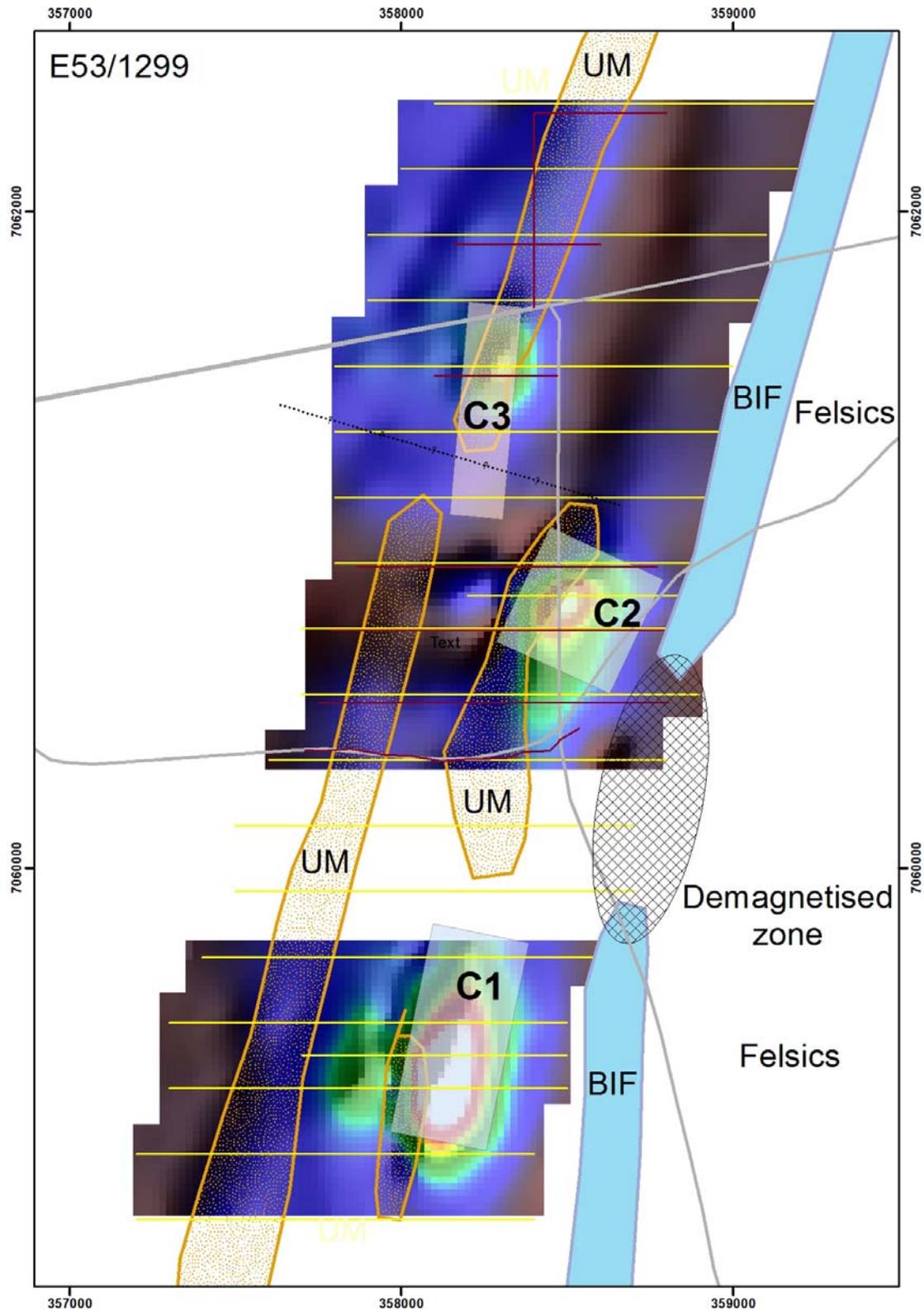


Figure: Doyles nickel prospect - Cullen’s interpreted geological setting (from aeromagnetic data and limited historical drilling) and ground EM survey data showing two strong conductors at the base of ultramafic lenses – note strata are younging to the west and dipping moderately east (overturned sequence). Preliminary, modeled conductor plates (C1 – C3) are shown.

Image: Doyle_MLEM_Ch20_SEshadeL: Image of In-loop, vertical component (Z), EM amplitude channel 20 (6.0925 msec) amplitude, shaded from the southeast, linear colour stretch.

3. GOLD TARGETS

The Southern gold prospect was discovered by RAB/air core drilling across a gold-in-lag geochemical anomaly in 2001. A review of the tenor and position of this anomaly on Cullen's aeromagnetic interpretation and regolith maps shows a major NW-SE alluvial channel lying south of Southern which overlies a number of interpreted intersecting structures. It is notable that a number of gold-in-lag gold anomalies sit at the margin of this channel and are controlled by structures, suggesting that other such geochemical anomalies may have been "stripped out".

The position of Southern and other truncated geochemical anomalies suggests that numerous north and NW-SE trending shear zones and thrusts mapped beneath the alluvial channel are prime targets for gold. Although there have been some previous RAB and aircore traverses drilled in the channel, most holes are too shallow and too widely spaced to have effectively tested this area.

It is notable that the Garden Well gold deposit in the Duketon greenstone belt sits on the margin of a Tertiary palaeochannel, and that the Bronzewing gold deposit in the Yandal greenstone belt was discovered beneath thick, transported overburden.

Cullen has further prioritised the targets: the NW-SE structure which hosts the Galway prospect, only lightly explored, and the parallel structure directly beneath the alluvial channel are key targets for the next drilling programme (see Figure).

MINTER, N.S.W – Tungsten

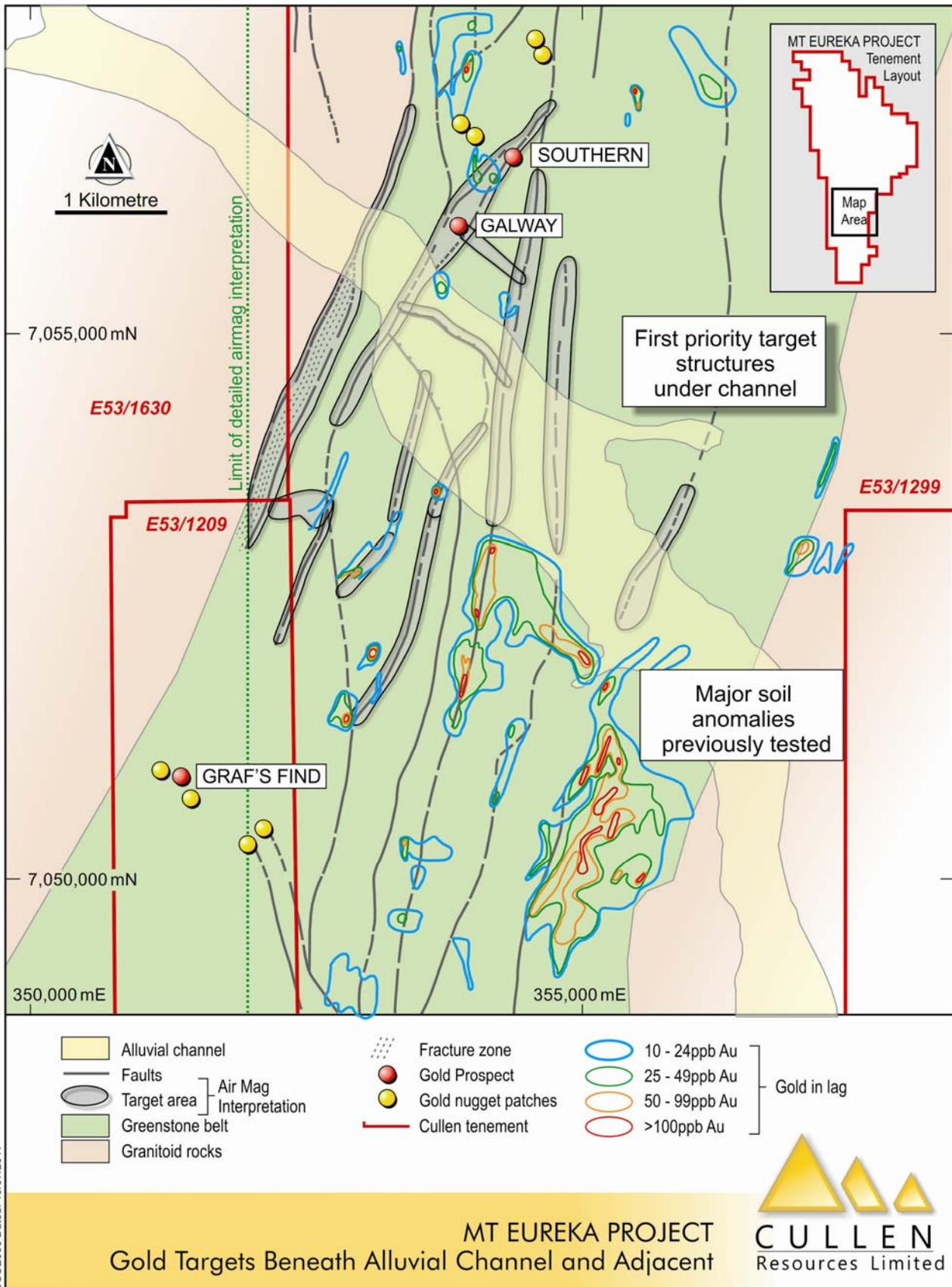
MINTER - EL6572 - Cullen 100%

No exploration completed.

ASHBURTON, W.A. – Gold

WYLOO DOME AREA – EL08/1341, Cullen 100% of mineral rights other than iron ore; E08/2145, E2227 - Cullen 100%

No exploration completed.



CCUE006 Dated: 19/07/2011

MT EUREKA PROJECT
 Gold Targets Beneath Alluvial Channel and Adjacent



NOTE: The information relating to Cullen's past exploration results and its compilation of historical exploration data, in the figure, was prepared and first disclosed under the 2004 JORC code. Cullen has not updated the compilation to comply with the JORC 2012 Code on the basis that there is no change to the information since last reported.

JOINT VENTURES MANAGED BY PARTNERS

WEST PILBARA, W.A. – Iron

MT STUART IRON ORE JOINT VENTURE (MSIOJV) – ELs 08/1135, 1292, 1330, 1341, API JV 70% (Manager), Cullen 30%, and contributing. Cullen retains 100% of Other Mineral Rights

The **MSIOJV** is between Cullen - 30%, and API Management Pty Ltd (“API”) - 70%. The shareholders of API are the parties to the unincorporated joint venture known as the Australian Premium Iron Joint Venture (APIJV). The participants in the APIJV, Aquila Steel Pty Ltd (a subsidiary of Aquila Resources Limited, ASX: AQA) 50%, and AMCI (IO) Pty Ltd 50%.

The Manager provided the following information in relation to activities for the December Quarter:

- “There were no significant safety incidents reported during the December quarter.
- Several environmental reports were submitted to the Office of the Environmental Protection Authority (OEPA).
- Native title negotiations continue with the Kuruma Marthudunera (K&M) and Puutu Kunti Kurrama & Pinkura (PKKP) people.
- 36 RC drill holes were completed for 1,164m at the Yanks Bore, Catho Well, Mt Stuart and Cardo Bore prospects targeting CID”

“Exploration work continued during the Quarter targeting Channel Iron Deposits (CID) and included the completion of an RC drilling programme. CID have been formed by the alluvial and chemical deposition of iron rich sediments in palaeo-river channels after erosion and weathering of lateratised Hamersley Group sediments.

A total of 36 RC drill holes were completed for 1,164m at the Yanks Bore, Catho Well, Mt Stuart and Cardo Bore prospects targeting CID. Assay results remain pending. “

WEST PILBARA, W.A. – Iron

WYLOO JV – Iron Ore Rights JV with Fortescue Metals Group Ltd (Fortescue) - Fortescue has earned 51% and may earn 80%, Cullen 20% (FCI to DTM). Cullen retains 100% of Other Mineral Rights - EL08/1393, ELs 47/1154, 1649, 1650 and MLA 47/1490.

The **Wyloo JV project** lies within Fortescue’s proposed “Western Hub” mining centre, and just south east of the MSIOJV’s Catho Well Channel Iron Deposit. Fortescue has previously provided a maiden Resource Estimate of 16.9 Mt @ 57.11% Fe, for the **Wyloo South Bedded** Iron deposit, classified as Inferred and JORC 2004 Compliant.

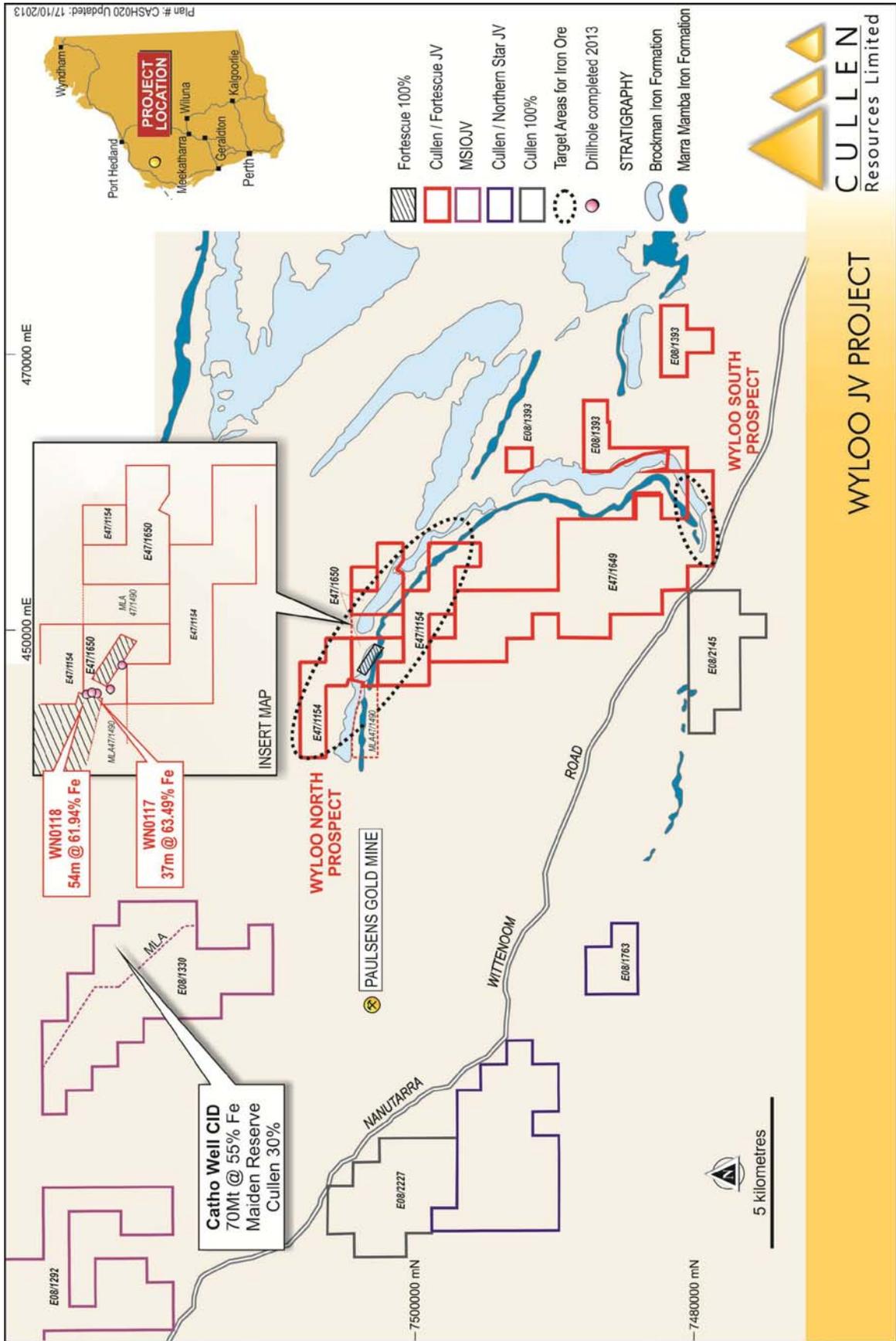
Fortescue has also previously identified significant iron ore mineralisation within E47/1650 at its **Wyloo North** prospect and drilling in 2013 (6 RC holes for 583m) highlighted potential for further mineralisation and tonnage to be added on E47/1650.

Also during 2013, Fortescue made an Mining Lease application (MLA 47/1490) over parts of E47/1650 and E47/1154 positioned to include a proposed open-pit mine for any Fortescue 100% - owned iron ore in MLA47/1489 and MLA47/1488, and incorporating any ore on the intervening MLA47/1490 owned by the Wyloo JV (see Figure). The Wyloo JV’s MLA47/1490, may host a large amount of the infrastructure required for this proposed mining operation.

Note: to earn an 80% interest in the iron ore rights of the Wyloo JV Project, Fortescue must delineate an Indicated Resource (without time limit) and must pay Cullen \$500,000 in cash and 3c per tonne of Resource >62% Fe delineated, already or thereafter, up to a maximum of 35Mt and minus the \$500,000 already paid. Cullen will then retain 20% FCI to DTM.

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

Fortescue can earn up to an 80% interest in the iron ore rights on Cullen’s EL52/1667 (Snowy Mountain), 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 Formation, along strike from the Paraburdoo and Channar Groups of iron deposits. Further work is planned to follow up this drilling over the next 2 years.



NOTE: In this figure, the information relating to exploration drilling results and a Reserve, was prepared and first disclosed under the 2004 JORC code. Cullen has not updated the compilation to comply with the JORC 2012 Code on the basis that there is no change to the information since last reported.

EASTERN GOLDFIELDS, W.A. – Gold / Nickel

KILLALOE JV – EL63/1018, 1199 and PLs Matsa Resources Limited 80%; Cullen 20% free carried interest

No exploration completed.

ASHBURTON, W.A. – Gold and Uranium

KUNDERONG/SALTWATER POOL JV: ELs 52/1890, 1892, Thundelarra and Lion One Metals Limited (ASX: LLO) - can earn 70%, Cullen 100%

No exploration completed.

ASHBURTON, W.A. - Gold

HARDEY JUNCTION JV – ELs 08/1166, 1189, 1763, 1145; PL 08/546 Northern Star Resources Limited 80%, Cullen 20% free carried interest

No exploration completed.

FORRESTANIA, W.A. – Gold / Nickel / Iron

STORMBREAKER AND NORTH IRONCAP JV – ELS 77/1327, 1354, 1406, ML 77/544 and PLs Hannans Reward Limited 80%, Cullen 20% free carried interest

No exploration completed.

OVERSEAS PROJECTS

Cullen's present activities overseas are restricted to data base reviews and monitoring of competitor exploration in certain regions of Namibia, Finland and Sweden. In Namibia, Cullen's two EPL's in the Tsumeb area were relinquished, and in Finland a number of Cullen's Claim Reservations around Rovaniemi in northern Finland lapsed. Other overseas tenure is under constant review and prioritisation. Cullen intends to withdraw from the option to earn equity in the TL property in Canada, which will lapse in March, 2014.

CORPORATE

BASS GAS ROYALTY – T/L1 BASS BASIN PROJECT, YOLLA GAS FIELD

Cullen Resources Limited (Cullen), formerly Montague Gold N.L., is entitled to an overriding royalty of 2.5% of 1.25% of the gross production from Tasmanian Exploration Permit T/14P, as created in a Deed of Assignment and Grant of Royalty (Deed) between Montague Gold N.L. and Galveston Mining Corporation Pty Limited (Galveston), dated 24/3/1986.

The Joint Venture partners in the Yolla Gas Field are: Origin Energy Resources Limited (Origin – Operator) - 42.50%; AWE Limited (through subsidiaries) - 46.25%; and Toyota Tsusho Gas E&P Trefoil Limited - 11.25%.

Origin has recently provided Cullen with a Royalty Statement for the first two Quarters of 2013-2014 and has indicated it will pay Cullen **\$1,226 and \$2,235** for Q1 and Q2 respectively as their obligation for the Montague Royalty (being 50%).

SHARE CAPITAL INFORMATION

The issued capital of the company is as follows:

- 818,389,431 fully paid shares
- 6,000,000 unlisted options exercisable at 6.0 cents expiring on 13 March 2014

The substantial shareholders of the Company are:

- Aquila Resources Limited – 12.81%
- Wythenshawe Pty Ltd and associates – 11.52%
- Brisbane Investments I and II, Mende and Kundrun – 6.22%

Cash at the end of the quarter was: \$0.84M.

Dr Chris Ringrose, Managing Director

30 January 2014

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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 (Fortescue, APIJV (Aquila-AMCI), Hannans Reward, Northern Star, Matsa and Thundelarra/Lion One), 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 in Namibia, Canada and Scandinavia. A number of Cullen's projects are at the target drill-testing stage.

ATTRIBUTION: Competent Person Statements

The information in this report that relates to exploration activities is based on information compiled by Dr Chris Ringrose, Managing Director, Cullen Resources Limited who is a Member of the Australasian Institute of Mining and Metallurgy. Dr. Ringrose is a full-time employee of Cullen Resources Limited. 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 2012 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 from the Mt Stuart Iron Ore Joint Venture (MSIOJV) is based on information compiled by Mr Stuart Tuckey, who is a Member of The Australasian Institute of Mining and Metallurgy and is a full-time employee of API Management Pty Ltd (API), manager of the MSIOJV. 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Tuckey consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Tables: Data description as required by the 2012 JORC Code

Section 1 Sampling techniques and data – ground EM programme, Cullen 100% project		
Criteria	JORC Code explanation	Comments
Sampling technique	Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.	A ground electromagnetic survey was completed using a Moving In-Loop configuration. Transmitter loops were 200m x 200m with a three component fluxgate sensor was used as the receiver.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used	At least two readings were performed at each station in order to ensure data repeatability.
	Aspects of the determination of mineralisation that are material to the Public report In cases where ‘industry standard’ work has been done this would be relatively simple (e.g. ‘reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	Not applicable for all Criteria in these Tables relating to drilling, as no drilling completed in this Quarter.
Drilling technique	Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method etc.).	Not applicable, as no drilling completed in this Quarter.
Drill Sample recovery	Method of recording and assessing core and chip sample recoveries and results assessed	Not applicable, as no drilling completed in this Quarter.

	Measurements taken to maximise sample recovery and ensure representative nature of the samples.	Not applicable, as no drilling completed in this Quarter.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	Not applicable, as no drilling completed in this Quarter.
Logging	Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.	Not applicable, as no drilling completed in this Quarter.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel etc.) photography.	Not applicable, as no drilling completed in this Quarter.
	The total length and percentage of the relevant intersections logged	Not applicable, as no drilling completed in this Quarter.
Sub-sampling techniques and sample preparation	If core, whether cut or sawn and whether quarter, half or all core taken.	Not applicable, as no drilling completed in this Quarter.
	If non-core, whether riffles, tube sampled, rotary split, etc. and whether sampled wet or dry.	Not applicable, as no drilling completed in this Quarter.
	For all sample types, quality and appropriateness of the sample preparation technique.	Not applicable, as no sampling completed in this Quarter.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Not applicable, as no sampling completed in this Quarter.
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	Not applicable, as no sampling completed in this Quarter.

	Whether sample sizes are appropriate to the grain size of the material being sampled.	Not applicable, as no sampling completed in this Quarter.
	The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.	Not applicable, as no sampling completed in this Quarter.
	For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	EM Receiver: Smartem 24; EM Transmitter: Phoenix TX-50; Sensor: fluxgate magnetometer; Current:30 amps; Base frequency: 1Hz.
Quality of assay data and laboratory tests	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Not applicable, as no sampling completed in this Quarter.
Verification of sampling and assaying	The verification of significant intersections by either independent or alternative company personnel.	Not applicable, as no sampling completed in this Quarter.
	The use of twinned holes	Not applicable, as no drilling completed in this Quarter.
	Documentation of primary data, data entry procedures, data verification, data storage (physically and electronic) protocols.	All primary analytical data were recorded digitally and sent in electronic format to Southern Geoscience for quality control and evaluation.
	Discuss any adjustment to assay data.	Not applicable, as no sampling completed in this Quarter.
Location of data points	Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resources estimation.	Not applicable, as no sampling completed in this Quarter.
	Specification of the grid system used.	The grid system is MGA_GDA94, Zone 51
	Quality and adequacy of topographic control.	Topographic data has been obtained from the 2007 VTEM survey, which uses a radar altimeter and GPS for calculation of the digital terrain model. The VTEM survey was flown along E-W lines spaced 200m.
Data spacing and distribution	Data spacing for reporting of Exploration Results.	Not applicable, as no sampling completed in this Quarter.

	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Reserve and Ore Reserve estimation procedure(s) and classifications applied.	Not applicable, as no sampling completed in this Quarter.
	Whether sample compositing has been applied.	Not applicable, as no sampling completed in this Quarter.
Orientation of data in relation to geological structure	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	Not applicable, as no sampling completed in this Quarter.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	Not applicable, as no drilling completed in this Quarter.
Sample security	The measures taken to ensure sample security.	Not applicable, as no sampling completed in this Quarter.
Audits or reviews	The results of and audits or reviews of sampling techniques and data.	All electromagnetic data was quality checked by Southern Geoscience Consultants
Section 2 Reporting of exploration results - ground EM programme, Cullen 100% project		
Mineral tenements and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interest, historical sites, wilderness or national park and environmental settings.	The prospect is located on E53/1299 which is 100% owned by Cullen Resources Limited. Cullen has signed an agreement with Central Desert on behalf of the Wiluna traditional owners who have native title over the respective area. A heritage survey was conducted by Central Desert in late 2013 and approval was given to conduct non-ground disturbing activities on the survey area. Some areas have also been cleared for ground disturbing activities, such as drilling.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The tenure is secure and in good standing at the time of writing.
Exploration done by other parties	Acknowledgement and appraisal of exploration by other parties.	A VTEM survey was carried out by BHP in 2007 that showed some VTEM anomalies in the survey area. The possible significance of these VTEM anomalies was recently recognised by Cullen and Southern Geoscience as part of a technical review.

Geology	Deposit type, geological settings and style of mineralisation.	The targeted deposit style is an Archaean komatiite-related nickel mineralisation.
Drill hole information	A summary of all information material for the understanding of the exploration results including a tabulation of the following information for all Material drill holes:	Not applicable, as no drilling completed in this Quarter.
	· Easting and northing of the drill hole collar	Not applicable, as no drilling completed in this Quarter.
	· Elevation or RL (Reduced level-elevation above sea level in metres)and the drill hole collar	Not applicable, as no drilling completed in this Quarter.
	· Dip and azimuth of the hole	Not applicable, as no drilling completed in this Quarter.
	· Down hole length and interception depth	Not applicable, as no drilling completed in this Quarter.
	· Hole length	Not applicable, as no drilling completed in this Quarter.
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	Not applicable, as no drilling completed in this Quarter.
Data aggregation methods	In reporting Exploration results, weighing averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually material and should be stated.	Not applicable, as no sampling completed in this Quarter.
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	Not applicable, as no drilling completed in this Quarter.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	Not applicable, as no drilling completed in this Quarter.
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results.	Not applicable, as no drilling completed in this Quarter.

	If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.	Not applicable, as no drilling completed in this Quarter.
	If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known')	Not applicable, as no drilling completed in this Quarter.
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts would be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views..	see attached plans
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	Not applicable, as no drilling completed in this Quarter.
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations, geophysical survey results, geochemical survey results, bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or containing substances.	Previous VTEM surveying showed two discrete, late time anomalies which are possibly caused by significant accumulations of massive sulphide mineralization.
Further work	The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).	Further work will include RC and possibly diamond drilling of modeled conductive plates to test the nature of the conductors.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, providing this information is not commercially sensitive.	see attached plans

JORC Code, 2012 Edition – Table (contd.)

Section 1 Sampling Techniques and Data – Mt Stuart Iron Ore JV

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> • <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> • <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> • <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> • <i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i> 	<ul style="list-style-type: none"> • Samples for analysis were collected every 2m down hole directly from the cyclone after passing through a three tier riffle splitter mounted on the RC drilling rig. Each sample represented 12% (by volume) of the drilling interval with an average weight of 4kg for a 2m interval. Standards and duplicates were inserted into the sample sequence at the rate of 1 in 50 samples, i.e. every 25th sample was a standard or a duplicate. These samples were used to test the precision and accuracy of the sampling method and laboratory analysis. • Sample analysis was completed by SGS Laboratories in Welshpool, WA. Samples were sent direct to the laboratory, sorted, dried and pulverised using a ring mill. • Samples were analysed for a suite of elements by X-Ray Fluorescence Spectrometry and gravimetrically for Loss on Ignition (LOI 1000° and LOI 371 °C). Assays were reported to API by email.
Drilling techniques	<ul style="list-style-type: none"> • <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i> 	<ul style="list-style-type: none"> • RC drilling utilised a 5 ¼” face sampling hammer.
Drill sample recovery	<ul style="list-style-type: none"> • <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> • <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> 	<ul style="list-style-type: none"> • Sample recoveries and quality were recorded for each sampling interval by the geologist as part of the digital logging system. Samples were classified as dry, damp or wet. Sample recoveries were based on estimates of the size of drill spoil piles and were recorded as a percentage of the expected total

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<p>sample volume. The majority of drilling was completed above the water table and sample recovery estimates of 100% were the norm. The cyclone was cleaned in between drill holes to minimise sample contamination. Previous twinned hole studies (diamond vs RC) indicate minimal sample bias using RC drilling techniques.</p>
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> All RC drill holes were sampled, assayed and geologically logged. All data and information was validated prior to being uploaded and stored in the API SQL-based geological database in Perth.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> Sample recoveries and quality were recorded for each sampling interval by the geologist as part of the digital logging system. Samples were classified as dry, damp or wet. Sample recoveries were based on estimates of the size of drill spoil piles and were recorded as a percentage of the expected total sample volume. The majority of drilling was completed above the existing water table and recoveries of 100% were therefore the norm. Samples for analysis were collected every 2m down hole directly from the cyclone after passing through a three tier riffle splitter mounted on the RC drilling rig. Each sample represented 12% (by volume) of the drilling interval with an average weight of 4kg for a 2m interval. Duplicate samples were collected every 50th sample. Results were compared on receipt of results from laboratory.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. 	<ul style="list-style-type: none"> Sample analysis was completed by SGS Laboratories in Welshpool, WA. Standards and duplicates were inserted into the sample sequence at the rate of 1 in 50 samples, i.e. every 25th sample was a standard or a

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<p>duplicate. These samples were used to test the precision and accuracy of the sampling method and / or laboratory analysis. All results show an acceptable level of accuracy and precision.</p>
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> Laboratory performance was monitored by the submission of analytical standards and the collection of duplicate samples. Standards and duplicates were inserted into the sample sequence at the rate of 1 in 50 samples, i.e. every 25th sample was a standard or a duplicate. Results from the standard and duplicate samples were monitored for any discrepancies throughout the drill programmes. QA/QC reports were routinely generated by API geological staff and any issues were addressed immediately. QA/QC reporting was completed by a Senior Geologist (API). No twinned holes were completed during the programme. No adjustments were made to any of the results. All data management procedures (field and office) are documented.
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> All drill holes are initially surveyed by handheld GPS and later surveyed by differential GPS utilising an independent contractor (MGA, Zone 50). Drill hole collar co-ordinates were verified in MapInfo GIS software utilising aerial photography as part of API's routine QA/QC procedures. Topographic coverage has been established by aerial survey (LIDAR) with a vertical accuracy of $\pm 0.15\text{m}$.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications 	<ul style="list-style-type: none"> Drill hole spacing is sufficient for first pass and infill exploratory drilling to establish geological and grade continuity. No sample compositing has been undertaken.

Criteria	JORC Code explanation	Commentary
	<p><i>applied.</i></p> <ul style="list-style-type: none"> • <i>Whether sample compositing has been applied.</i> 	
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	<ul style="list-style-type: none"> • Ore bodies and the geology described at the RC drilling locations in this release are all flat lying. All drill holes were vertical. No sample biasing was observed.
Sample security	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • API and SGS communicate on a regular basis and standard chain of custody paperwork is used. Samples are despatched and transported to the laboratory on a regular basis.
Audits or reviews	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> • QA/QC procedures and rigorous database validation rules ensures sampling and logging data is validated prior to being used by API Geologists. • Independent audits of API's sampling techniques and QA/QC data have been undertaken. Sampling procedures are consistent with industry standards. Any inconsistency within the QA/QC dataset were investigated and action taken as required. API monitors in house all QA/QC data as and when it is received from the laboratory.

Section 2 Reporting of Exploration Results (contd.) – Mt Stuart Iron Ore JV

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> • <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites,</i> 	<ul style="list-style-type: none"> • The Mt Stuart Iron Ore Joint Venture (MSIOJV) between API and Cullen Resources Ltd is managed by API Management Pty Ltd (API).

Criteria	JORC Code explanation	Commentary
	<p><i>wilderness or national park and environmental settings.</i></p> <ul style="list-style-type: none"> <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	
Exploration done by other parties	<ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> No other mineral exploration for iron ore has taken place by any other parties on any of the project areas during the Quarter mentioned in this report. Exploration work completed by API prior to this report has been summarised in previous ASX releases.
Geology	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> Work during the Quarter focussed on exploration for outcropping and buried Channel Iron Deposits (CID). CID has been formed by the alluvial and chemical deposition of iron rich sediments in palaeo-river channels after erosion and weathering of lateratised Hamersley Group sediments.
Drill hole Information	<ul style="list-style-type: none"> <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> <i>easting and northing of the drill hole collar</i> <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> <i>dip and azimuth of the hole</i> <i>down hole length and interception depth</i> <i>hole length.</i> <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i> 	<ul style="list-style-type: none"> Not applicable – results from drilling not received from laboratory at time of reporting. All drill holes were drilled vertically.

Criteria	JORC Code explanation	Commentary
Data aggregation methods	<ul style="list-style-type: none"> <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i> <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> Not applicable – results from drilling not received from laboratory at time of reporting.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg ‘down hole length, true width not known’).</i> 	<ul style="list-style-type: none"> All drill holes in this report are vertical. Due to the shallow depth of drill holes and the horizontal stratigraphy of the CID it was not considered a requirement to complete down hole orientation surveys. Mineralisation in each of the areas reported in flat lying and only true mineralisation widths are reported.
Diagrams	<ul style="list-style-type: none"> <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> Not applicable – awaiting results from laboratory.
Balanced reporting	<ul style="list-style-type: none"> <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> Not applicable – awaiting results from laboratory.
Other substantive exploration data	<ul style="list-style-type: none"> <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of</i> 	<ul style="list-style-type: none"> Meaningful and material exploration data has previously been reported and is publically available.

Criteria	JORC Code explanation	Commentary
	<p><i>treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></p>	
Further work	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • Exploration work will continue next Quarter.

SCHEDULE OF TENEMENTS (as at 31 December 2013)

REGION	TENEMENTS	TENEMENT APPLICATIONS	CULLEN INTEREST	COMMENTS
WESTERN AUSTRALIA				
ASHBURTON / PILBARA				
Mt Stuart JV	E08/1135, E08/1330, E08/1341, E08/1292	MLA08/481, MLA08/482	30%	API has earned 70% of iron ore rights; Cullen 100% other mineral rights
Hardey Junction JV	E08/1145, 1166, 1189,1763, P08/546		20%	Northern Star Resources Limited 80%
Wyloo JV	E08/1393, E47/1154 E47/1649, 1650 P08/556	MLA47/1490	49%	Fortescue has earned 51%, can earn 80% of iron ore rights Cullen 100% other mineral rights
Paraburdoo JV	E52/1667		100%	Fortescue can earn up to 80% of iron ore rights; Cullen 100% other mineral rights
Tunnel Creek JV	E52/1890,1892		100%	Thundelarra Exploration/Lion One can earn up to 70%
Mt Edith	E08/2227		100%	
Wyloo SE	E08/2145		100%	
NE GOLDFIELDS				
Gunbarrel	E53/1299,1300 +/- * E53/1630,1635		100%	+2.5% NPI Royalty to Pegasus on Cullen's interest (parts of E1299); *1.5% NSR Royalty to Aurora (other parts of E1299 and parts of 1300)
Irwin Well	E53/1637		100%	
Irwin Bore	E53/1209		100%	
Woonganoo	E53/1611		100%	
LAKE MACKAY	E80/4209		100%	
DUNDAS		E63/1673	0%	
FRASER RANGE		E28/2376,2377	0%	In ballot – competing applications
MURCHISON, Cue	E20/714, E20/808		100%	
EASTERN GOLDFIELDS				
Killaloe	E63/1018, E63/1199, P63/1672 P63/1331-1333		20%	Matsa Resources Limited 80%
FORRESTANIA				
Forrestania JV	E77/1406, E77/1327, E77/1354 M77/544 P77/3607,3613,3762, 3763, 3582-3588		20%	Hannans Reward Ltd 80%
NEW SOUTH WALES				
Minter	EL6572		100%	
NORTHERN TERRITORY				
Amadeus		E25493, 25494,	0%	
FINLAND: Misi, Tunturi, Aitoo, Kolari, Rompas Central – Claim Reservations 100% interest				
SWEDEN: Holmajarvi 2; Lavasjakka – Exploration Permits 100% interest				
Tenements relinquished during the Quarter – 100%				
NAMIBIA				
Tsumeb	EPL 4493,4495		0%	
FINLAND				
Northern Finland, Rovaniemi area	Kuusamo West; Suurikuusikko NE; Rompas West; Suurikuusikko South; Rompas South; Kuusamo-South.		0%	