



ABN 46 006 045 790

**QUARTERLY REPORT** for the period ended 31 March 2017

[www.cullenresources.com.au](http://www.cullenresources.com.au)

**ASX: CUL**

28 April, 2017

## SUMMARY

During the Quarter, Cullen Resource Limited, “Cullen” or the “Company” has:

- successfully progressed the Sale and Purchase Agreement (see CUL: ASX 29 Nov 2016) to sell the Company’s 30% contributing interest in the Mt Stuart Iron Ore Joint Venture, tenements and associated interests for a consideration of cash plus a 1% Free On Board (F.O.B.) Royalty (the initial cash payment of \$1 million was received on 12 April 2017 - see CUL:ASX 12 April 2017);
- received Department of Mines and Petroleum approvals to follow-up ore grade intersections in the Company’s previous drilling and to target several new gold targets at its wholly-owned Mt Eureka project, NE Goldfields, W.A.;
- progressed new project generation with two additional Exploration Licence Applications for gold and base metals in and around the Wongan Hills greenstone belt, W.A.; and a Reservation application for gold in the Central Lapland greenstone belt of northern Finland - a region of significant ore deposits, a recent gold discovery and the focus of multiple explorers; and,
- on 27 January 2017 Cullen completed a capital raising of \$200,000 (before expenses) by a placement of securities to sophisticated and professional Section 708 investors.

## SIGNIFICANT DEVELOPMENT

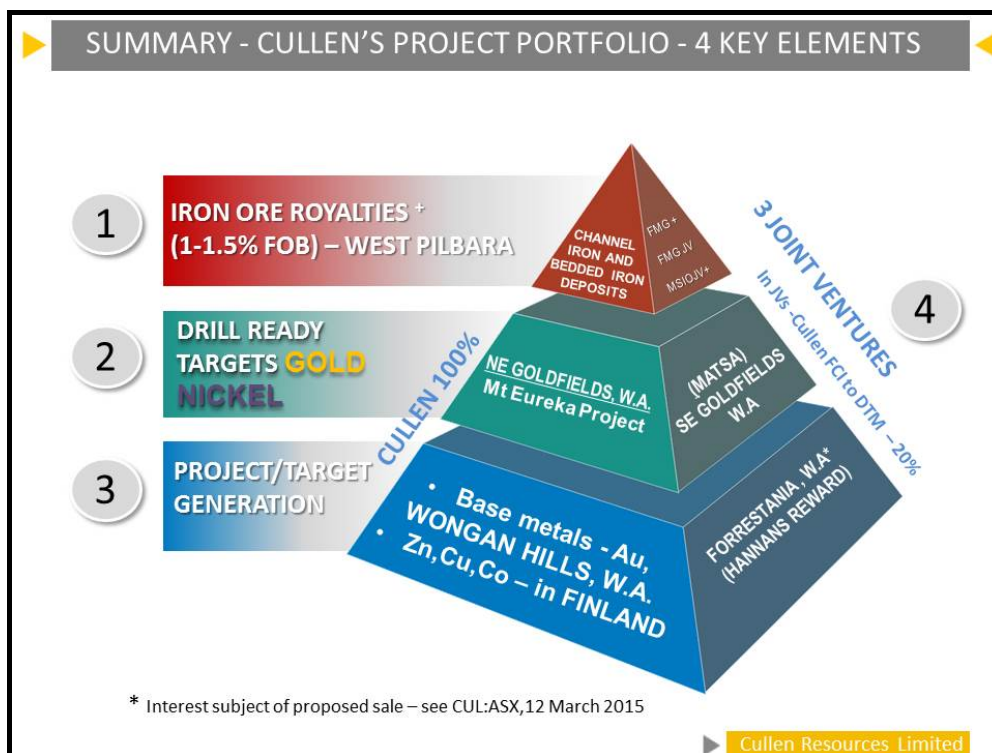
The Sale and Purchase Agreement in relation to the Company’s Mt Stuart iron Ore Joint Venture interest announced to the ASX on 29 Nov 2016 reached Completion and on 12 April 2017 Cullen received \$1M in cash. Cullen will receive a further \$1M cash, if and when there is a Final Investment Decision for the West Pilbara Iron Ore Project (“WPIOP” - owners being: Posco, Baosteel, Aurizon and AMCI). Cullen retains a 1% F.O.B. Royalty on **all** iron ore production from the Mt Stuart Iron Ore Joint Venture tenements (Mineral Resource Estimate of **161 Mt @ 54.40% Fe**, as per CUL: ASX 10 March 2015) a part of the WPIOP.

Despite current uncertainty about the commencement of mining and its timing, Directors believe this iron ore Royalty is a valuable asset, and any future decision made by the WPIOP owners to commence mining will significantly increase the perceived value of the royalty.

### PLANNED DEVELOPMENTS

Cullen plans to concentrate on three principal objectives for the immediate future:

- Evaluation of the large, wholly-owned Mt Eureka Project, North Eastern Goldfields, W.A. This will involve focused, staged drilling by Cullen. Additionally Cullen will promote the project to potential farm-in partners with expectation that joint ventures may be arranged on various portions of this very large project. The Mt Eureka project covers a very under-explored Archaean greenstone belt in comparison to the nearby Duketon, Yandal and Mt Fisher greenstone belts all of which are currently the focus of extensive gold exploration drilling programmes ;
- Completion of relatively low-cost field reviews of its current portfolio of lithium and base metals tenure both in W.A. and Finland to determine whether further exploration, farm-out or surrender is more appropriate; and,
- Continuation of project generation activities to identify quality new exploration projects both in Australia and in Scandinavia.



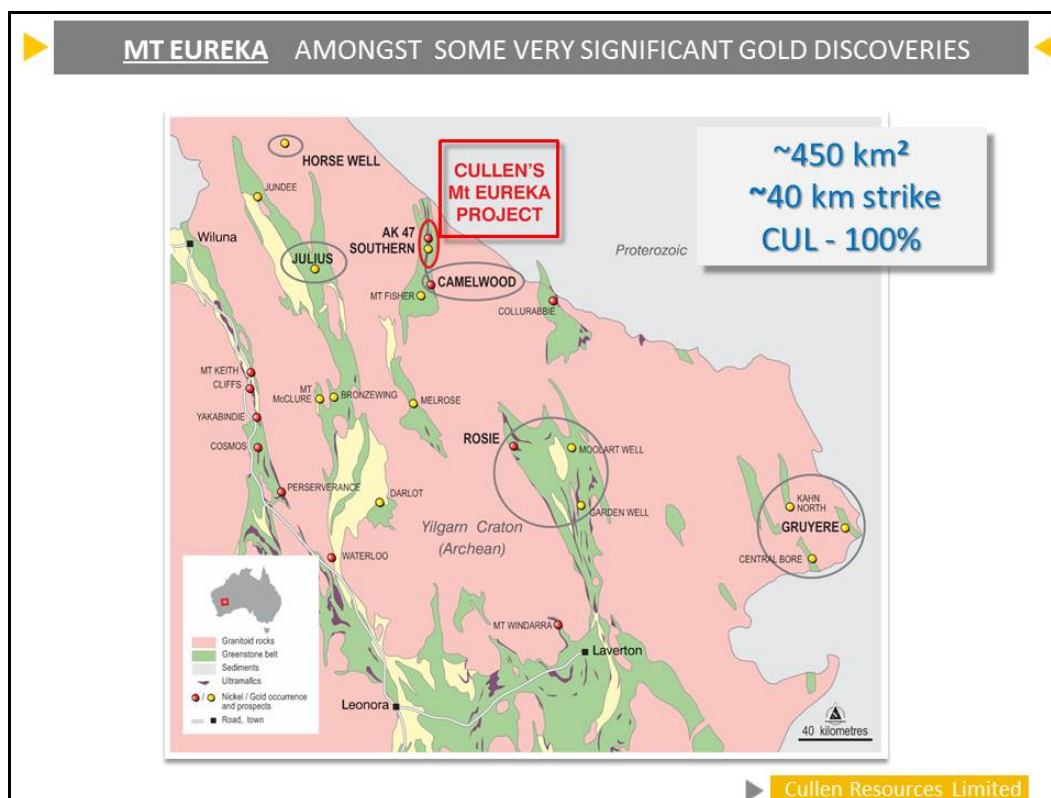
## 1. MT EUREKA GOLD PROJECT, NE YILGARN, W.A. (Cullen 100%)

The **Southern - Galway** gold prospect is an advanced project in the ~450km<sup>2</sup> Mt Eureka Project area that has already yielded ore-grade intersections in Cullen's previous drilling. An open-ended zone of discontinuous shear and contact related mineralisation has been outlined over a strike length of ~1km. At **Southern**, NE-SW and N-S structures have been partially tested. However, NW-SE structures, which are prominent in the interpretation of the region to the south (see following figures) have not been tested by previous drilling.

At **Galway** an RC drilling programme (9 holes for 960m) in June 2016, to follow up an earlier drill intersection of 5m at 12.43 g/t Au to the end of hole (45 - 50m) in air core hole "MIA011", returned intersections, both on the MIA 011 cross section, of:

- 5m @ 7.84 g/t Au (from 95m); and
- 10m @ 4.74 g/t Au (from 50m) - (5m composite samples, down hole lengths).

Gold mineralisation at Galway is related to both supergene zones and sheared contacts of felsic volcanoclastics with mafics/ultramafics. It coincides with a low-magnetic, sub-circular feature interpreted by Cullen's geophysical consultants to be caused by hydrothermal alteration or an underlying felsic intrusive. Several possible intrusive bodies have also been interpreted from air magnetics to occur south of Galway towards Graf's Find and further south-east. These interpreted intrusives are bounded by north to north-east major stratigraphic contacts or faults and /or cut by north-westerly faults. As such, they are compelling gold targets that warrant further detailed drill testing. Additional drill targets occur further south of Taipan as described in Cullen's December 2016 Quarterly Report (CUL: ASX, 31 Jan 2017).





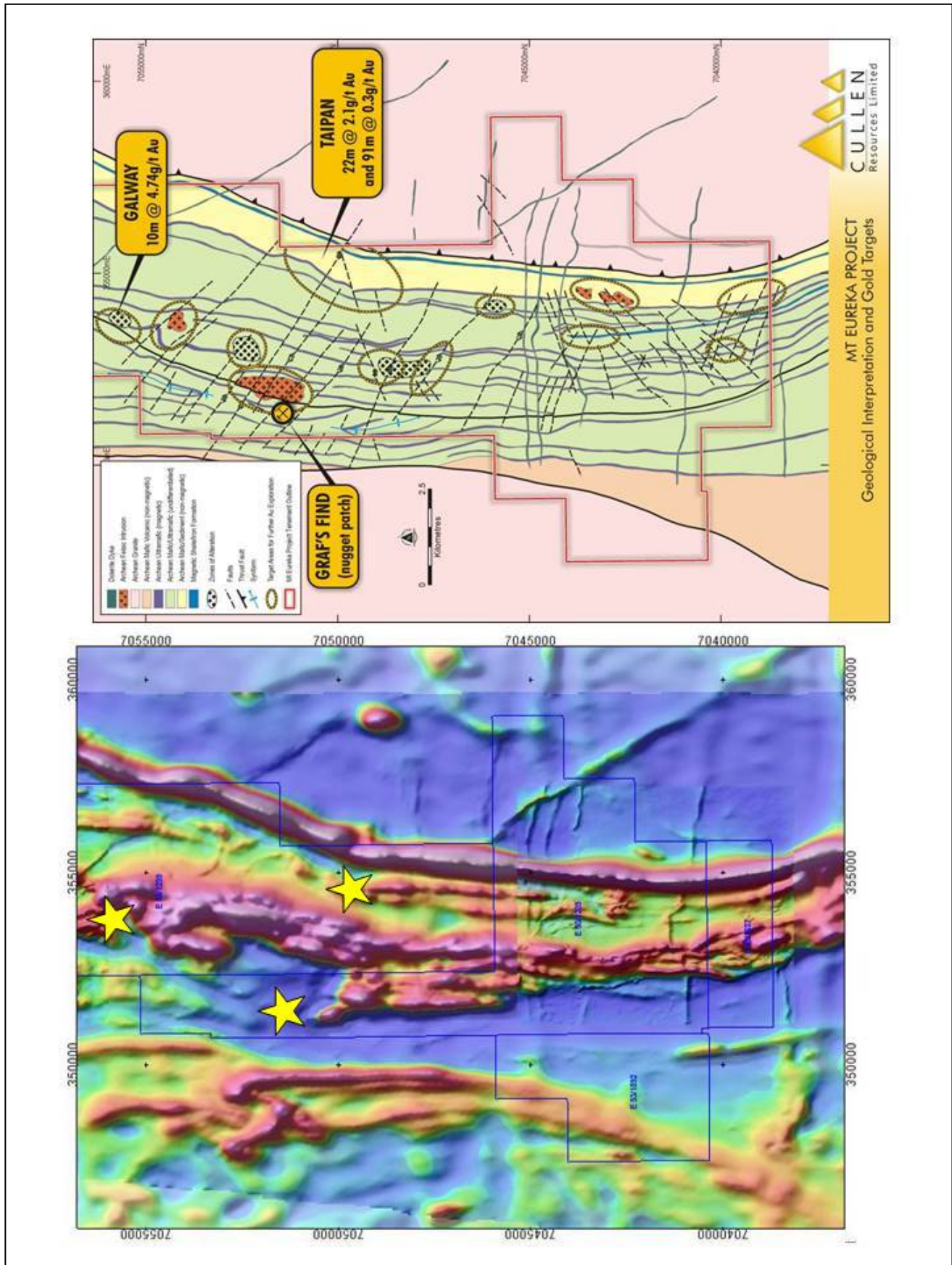
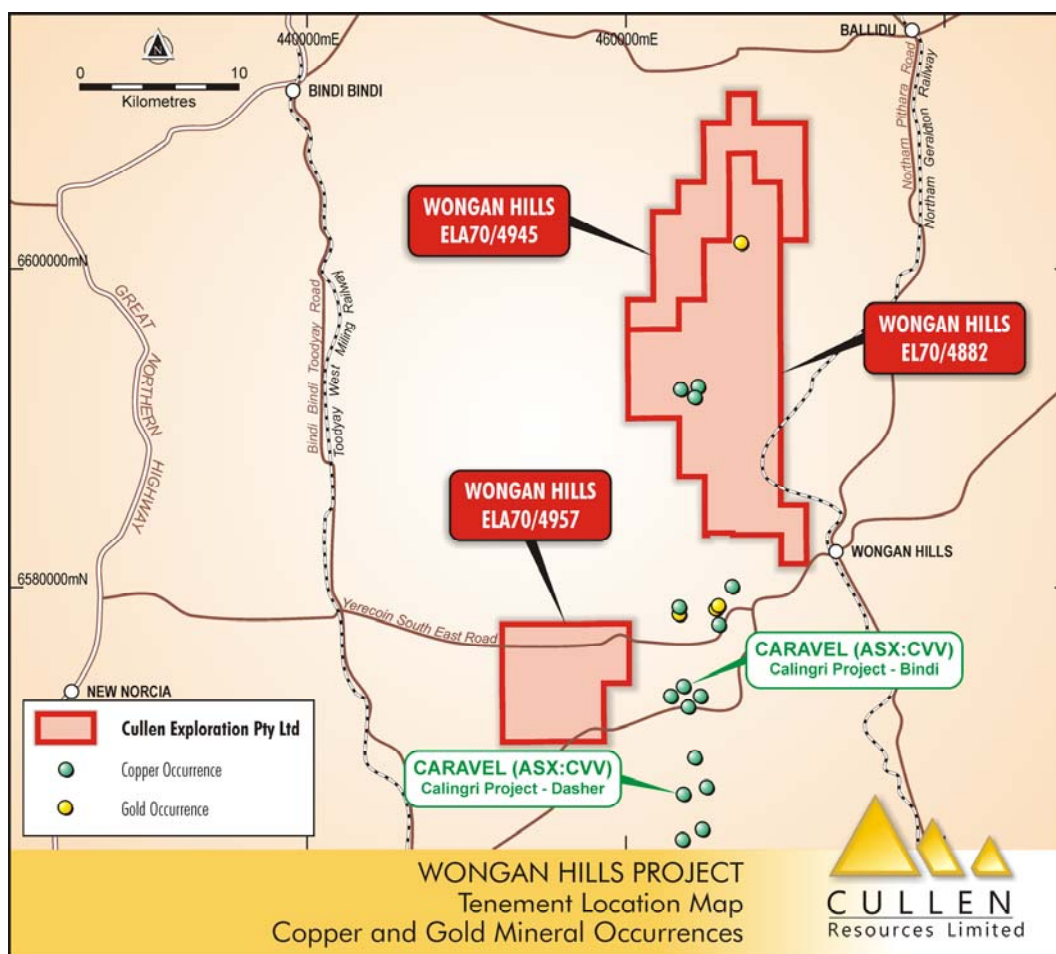


Fig1. Gold prospects on air magnetics image and geological interpretation

## 2. NEW ELAs – WONGAN HILLS PROJECT (90%)

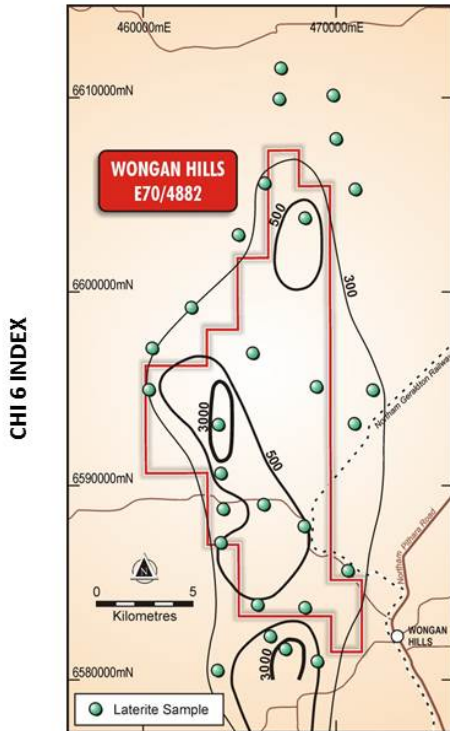
Cullen, together with consultant geologist Roger Thomson (10%) has applied for two additional Exploration Licences, (ELAs 70/4945 and 4957), in the Wongan Hills area. One ELA adjoins Cullen’s already approved E70/4882 to the north and covers geochemical anomalies in laterite (in regional published datasets), and the second new ELA covers a copper anomaly in laterite of similar tenor to the laterite anomaly which marks the nearby “Bindi” copper mineralisation owned by Carvel Minerals (CVV: ASX), see Figure below.

Cullen’s granted EL (70/4882) covers the major part of the Wongan Hills Archean Greenstone belt with known Cu-Au mineralisation where Cullen intends to explore a historical geochemical anomaly in laterite for gold and/or base metal deposits. This geochemical anomaly has a significant multi-element chalcophile index (“CHI6”) of 3361 (data from “Laterite geochemical database for the western Yilgarn Craton, Western Australia”, Cornelius, M., et al. 2007). This type of geochemical index was used to map a dispersion halo at the Scuddles and Gossan Hill deposits at the large Golden Grove copper-zinc-gold mine (Smith, R.E. and Perdrix, 1983). The Wongan Hills anomaly that Cullen is targeting is comparable in tenor and character to that marking the Golden Grove ore deposits and also coincides with a 3.5km-long gold anomaly in soil as reported by previous explorers (Red River Resources Limited report A71944, dated Jan 2006 on WAMEX). There is no record of any previous drilling of this target.



Subsequent to the end of the Quarter, Cullen collected 36 laterite samples within E4882 to confirm and in-fill on the existing geochemical data. Once assays are received and interpreted, Cullen will consider further work, which may include more detailed in-fill laterite sampling, soil sampling and/or ground magnetics surveying.

WONGAN HILLS - SIGNIFICANT LATERITE GEOCHEMICAL ANOMALIES



Cullen Resources Limited

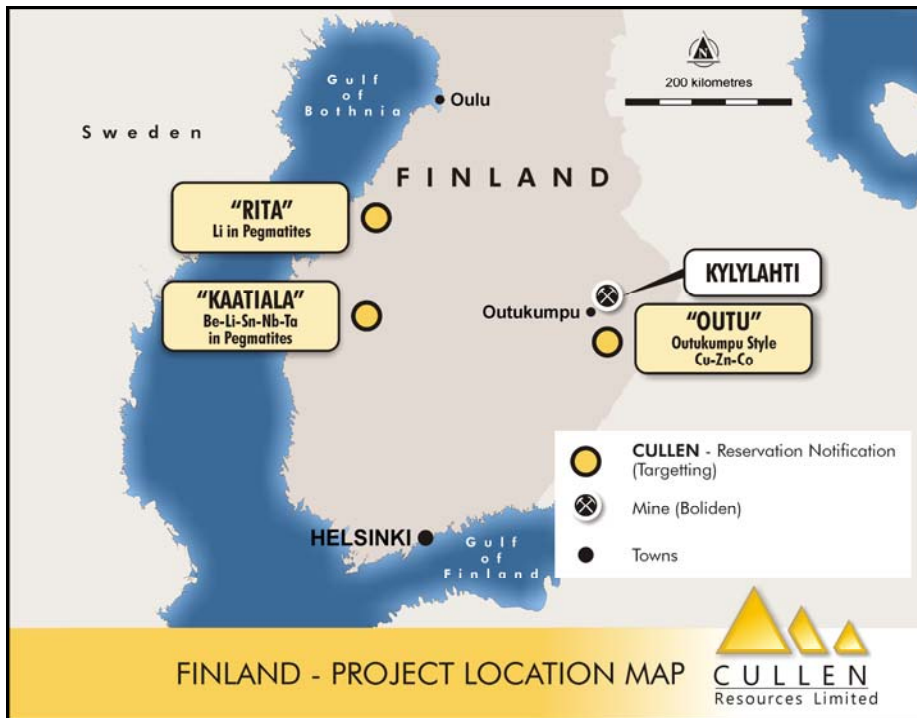
### 3. FINLAND (Cullen 100%)

Finland is a favourable exploration/mining jurisdiction and is very well located in Europe to meet increased future demand for lithium and related elements for new technologies. In Finland, Cullen has adopted a prospect generator/farm-out business model as practised by it in Australia over the past several years. This approach capitalises on the ready availability of excellent public geological databases in Finland and the low tenure costs in the early stages of exploration. Lithium, gold, copper and cobalt are Cullen's prime target commodities. Cullen has had significant previous experience exploring in Finland, and has good contacts with well-regarded geological consulting groups based in Scandinavia to facilitate efficient operations. Cullen has three approved Reservations:

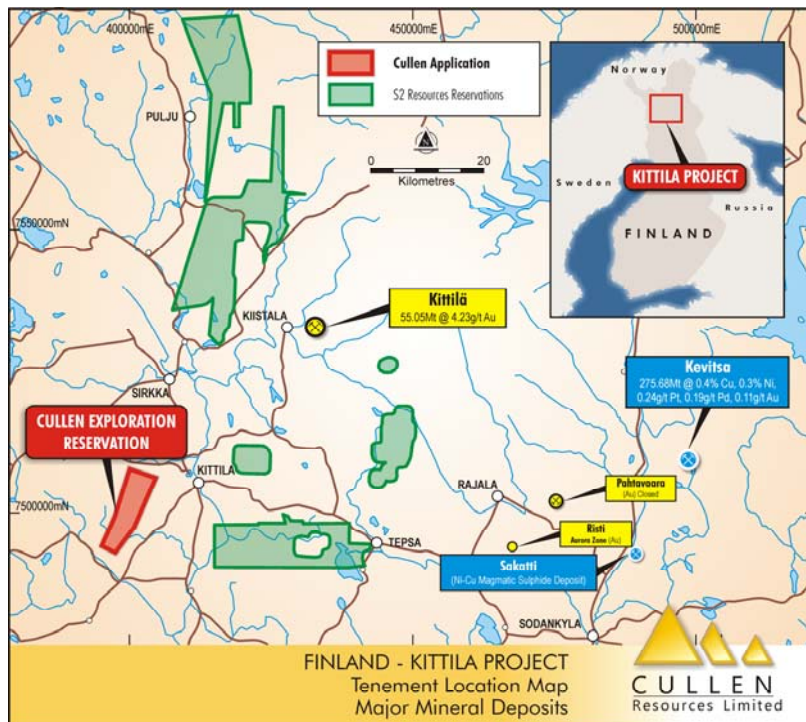
- One for lithium exploration surrounding known spodumene-bearing pegmatites with defined resources in Western Finland, valid until 1 May 2018 - see location of deposits owned by Finnish Company Keliber Oy ([www.keliber.fi](http://www.keliber.fi));
- A second of ~320km<sup>2</sup>, within the copper-cobalt and cobalt-nickel-copper-zinc metallogenic areas ([www.tukes.fi](http://www.tukes.fi)) near Outokumpu, and;



- A third that includes a quarry at Kaatiala from where small quantities of beryl and columbite (a niobium ore) have been produced from pegmatites. Other pegmatites are mapped in this area.



During the March Quarter, Cullen made application for a Reservation (“Vesikko”) in northern Finland - within the Central Lapland greenstone belt. This belt hosts the +7Moz Kittila gold deposit and a recent high-profile discovery at “Risti” by Canadian explorer Aurion Resources (TSX-V: AU). It is currently the focus of exploration by multiple international companies.



Base plan information from [www.s2resources.com.au](http://www.s2resources.com.au)

**SCHEDULE OF TENEMENTS (as at 31 March 2017)**

REGION	TENEMENTS	TENEMENT APPLICATIONS	CULLEN INTEREST	COMMENTS
<b>WESTERN AUSTRALIA</b>				
<b>ASHBURTON / PILBARA</b>				
Mt Stuart JV	E08/1135, E08/1330, E08/1341, E08/1292 ML08/481, ML08/482		30 - 100%	Completion of SPA – 12 April 2017 (sale of all these tenements)
Wyloo North	E47/3342		100%	
Paraburdoo JV	E52/1667		100%	Fortescue can earn up to 80% of iron ore rights; Cullen 100% other mineral rights
North Pilbara		ELA 45/4626, ELA 45/4682		
<b>NE GOLDFIELDS</b>				
Gunbarrel	E53/1299,1300 +/ * E53/1635 , 1892,1893		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%	
<b>MURCHISON, Cue</b>	E20/714		100%	
<b>RAVENSTHORPE</b>	E74/575			
<b>YINNETHARRA</b>		ELA 09/2179		
<b>WONGAN HILLS</b>	E70/4882	ELA 70/4945,4957		
<b>GREENBUSHES</b>	E47/4803	ELA 70/4802		
<b>EASTERN GOLDFIELDS</b>				
Killaloe	E63/1018, E63/1199, P63/1672		20%	Matsa Resources Limited 80%
<b>FORRESTANIA</b>				
Forrestania JV	M77/544		20%	Hannans Reward Ltd 80% Gold rights only
<b>NEW SOUTH WALES</b>				
Minter	EL6572		100%	
<b>FINLAND</b>				
	Rita ,Kaatiala and Outu		100% - Reservation Notifications	
		Risti	100% - Reservation application	
<b>TENEMENTS RELINQUISHED and APPLICATIONS WITHDRAWN DURING THE QUARTER – 100%</b>				
-	-	-	-	-



## CORPORATE

### SHARE CAPITAL INFORMATION

The issued capital of the company at the end of the Quarter is as follows:

- 2,001,560,131 fully paid ordinary shares
- 6m unlisted options expiring 31 May 2017
- 20m unlisted options expiring 30 November 2017

Substantial shareholders of Cullen are:

- Perth Capital, Wythenshawe Pty Ltd and Associates – 22.19%, and
- Baosteel together with Aurizon – 5.38%

Cash at the end of the quarter was **\$70,000**.

On 27 January 2017 Cullen announced it had completed a capital raising of \$200,000 (before expenses) by a placement of securities to sophisticated and professional Section 708 investors.

Shareholders approved the sale of Cullen's 30% interest in the Mt Stuart Iron Ore Joint Venture at a shareholders meeting held on 7 March 2017. Subsequent to the end of the Quarter, Completion for this sale was achieved on 12 April 2017 whereupon the Company received \$1,000,000 cash.

#### References:

Cornelius, M., Robertson, I.D.M., Cornelius, A.J., and Morris, P.A., 2007. Laterite geochemical database for the western Yilgarn Craton, Western Australia: Western Australia Geological Survey, Record 2007/9, 44p.

Smith, R.E., and Perdrix, J.L., 1983. Pisolitic laterite geochemistry at Golden Grove, Western Australia. *Journal of Geochemical Exploration*, 22, 193-216.

**Dr. Chris Ringrose, Managing Director**

28 April 2017

**ATTRIBUTION:** Competent Person Statement

*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.*

Information in this report may also reflect past exploration results, and Cullen’s assessment of exploration completed by past explorers, which has not been updated to comply with the JORC 2012 Code. The Company confirms it is not aware of any new information or data which materially affects the information included in this announcement.

**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, Hannans Reward, and Matsa), 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, and to pursue further testing of targets itself or farm-out opportunities to larger companies. Projects are sought for most commodities mainly in Australia but with selected consideration of overseas opportunities.

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