CULLEN RESOURCES LIMITED

ABN 46 006 045 790

www.cullenresources.com.au **ASX Symbol: CUL** **22 January 2014**

Strong EM conductors identified, Mt Eureka greenstone belt

Highlights

- Cullen has completed a ground EM survey at its Doyles nickel prospect
- 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 clearances for drilling the third conductor in the same programme
- Cullen also intends to re-drill the Silverbark North nickel prospect where two previous RC holes did not reach the target in the same programme

Background

Cullen Resources Limited (Cullen) holds 100% of ~650km^2 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).

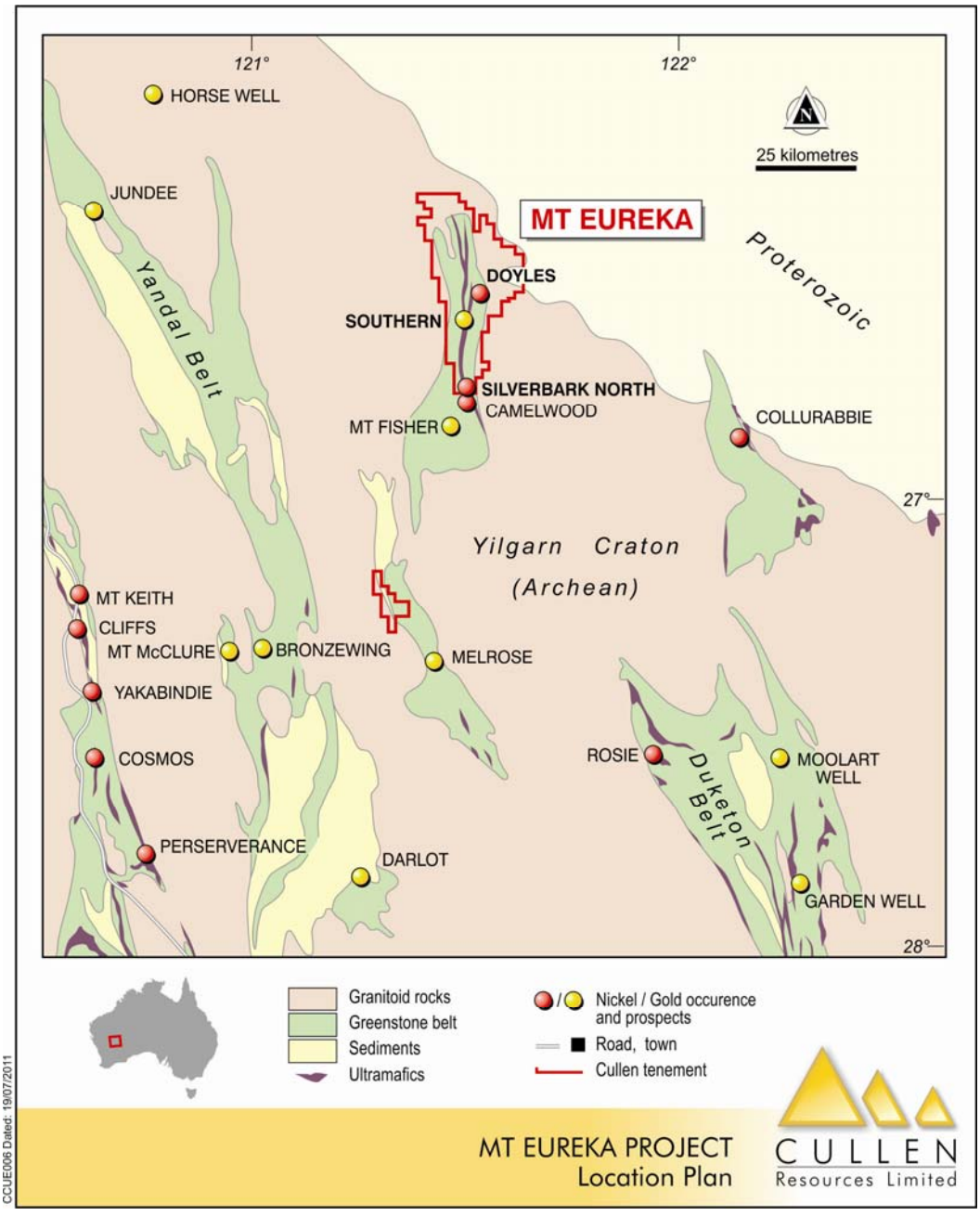
1. GROUND EM COMPLETED AT DOYLES NICKEL PROSPECT

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**.

REGISTERED OFFICE: Unit 4, 7 Hardy Street, South Perth WA 6151.
Telephone: +61 8 9474 5511 Facsimile:+61 8 9474 5588
CONTACT: Dr. Chris Ringrose, Managing Director. **E-mail**: cullen@cullenresources.com.au

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 conductors, and to design drill holes to test them.

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 drilling rig and intends to recommence its field activities in February, subject to any rain affected access.



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

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.

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.

Dr Chris Ringrose, Managing Director **22 January, 2014**

REGISTERED OFFICE: Unit 4, 7 Hardy Street, South Perth WA 6151.
Telephone: +61 8 9474 5511 Facsimile: +61 8 9474 5588
CONTACT: Dr. Chris Ringrose, Managing Director. **E-mail**: cullen@cullenresources.com.au

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), Hannans Reward, Northern Star, Matsa and Thundelarra/Lion One Metals), 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, currently in Namibia, Canada and Scandinavia. A number of Cullen's 100%-owned projects are at the target drill-testing stage.

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.

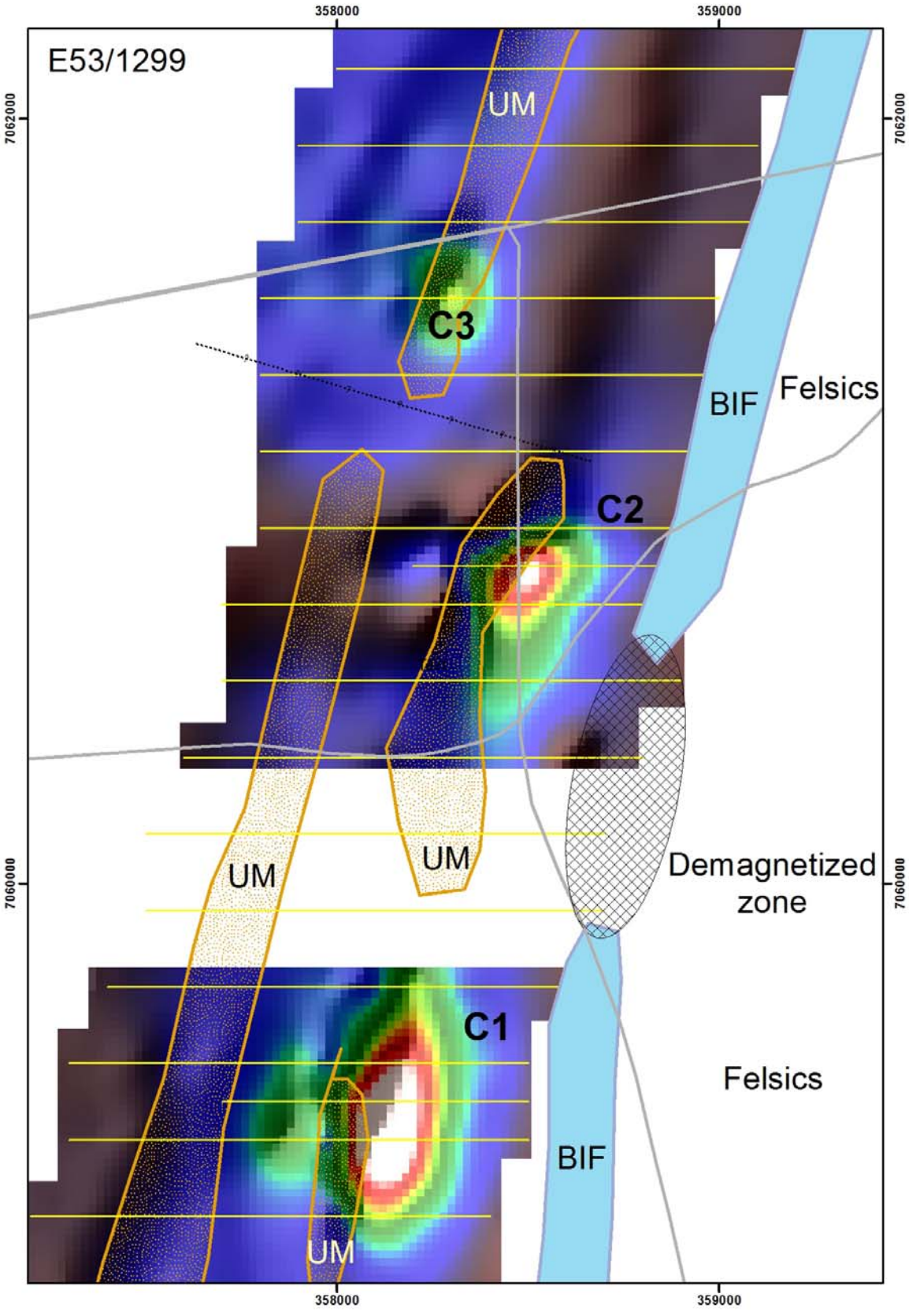


Figure: <u>Doyles nickel prospect</u> - Cullen's interpreted geological setting (from aeromagnetics and limited historical drilling) for the ground EM survey data showing two strong conductors at the interpreted base of ultramafic lenses. Note strata are younging to the west and dipping moderately east (overturned sequence). Ground EM traverse lines are shown (east-west), 200m spaced, 100m infill. Some final ground EM data awaited.

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

Table Data description as required by the 2012 JORC Code

Section 1 Sampling techniques and data		
Criteria	**JORC Code explanation**	**Comments re ground EM programme**
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
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
Drill Sample recovery	Method of recording and assessing core and chip sample recoveries and results assessed	Not applicable
	Measurements taken to maximise sample recovery and	Not applicable

	ensure representative nature of the samples.	
	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
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
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel etc.) photography.	Not applicable
	The total length and percentage of the relevant intersections logged	Not applicable
Sub-sampling techniques and sample preparation	If core, whether cut or sawn and whether quarter, half or all core taken.	Not applicable
	If non-core, whether riffles, tube sampled, rotary split, etc. and whether sampled wet or dry.	Not applicable
	For all sample types, quality and appropriateness of the sample preparation technique.	Not applicable
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Not applicable
	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

	Whether sample sizes are appropriate to the grain size of the material being sampled.	Not applicable
	The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.	Not applicable
	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
Verification of sampling and assaying	The verification of significant intersections by either independent or alternative company personnel.	Not applicable
	The use of twinned holes	Not applicable
	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
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
	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

	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Reserve and Ore Re4serve estimation procedure(s) and classifications applied.	Not applicable
	Whether sample compositing has been applied.	Not applicable
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
	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
Sample security	The measures taken to ensure sample security.	Not applicable
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		
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
	· Easting and northing of the drill hole collar	Not applicable
	· Elevation or RL (Reduced level-elevation above sea level in metres)and the drill hole collar	Not applicable
	· Dip and azimuth of the hole	Not applicable
	· Down hole length and interception depth	Not applicable
	· Hole length	Not applicable
	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
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
	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
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	Not applicable
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results.	Not applicable

	If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.	Not applicable
	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
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
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