



CULLEN RESOURCES LIMITED

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ASX ANNOUNCEMENT

Introduction of Shareholder Share Purchase Scheme

Cullen Resources Limited is pleased to announce the introduction of a Shareholder Share Purchase Scheme ("the Scheme"). This will enable shareholders in the Company, irrespective of the size of their shareholding, to purchase up to \$2,975 worth of shares in Cullen Resources Limited at an attractive price, free of all brokerage, commission and stamp duty.

The Scheme is being introduced to afford existing shareholders the opportunity to acquire additional shares ahead of what promises to be an active period for the Company with the commencement, over the coming weeks, of separate drilling programs at two of Cullen's emerging West Australian projects comprising:

- A 2,300m program of RAB and Aircore drilling at the Company's Gunbarrel prospects. This is designed to test for further extensions of known gold mineralisation over a 500m strike length; and
- A program of up to 1,000m of RC drilling at the Company's Yanks Bore joint venture to test a surface rock chip anomaly of 20m @ 3.5g/t gold and to identify further drilling targets.

In addition the Company has also recently announced details of a proposed JV with Western Mining Limited covering the exploration for nickel over Cullens 100% owned Gunbarrel projects in the north east Yilgarn of W.A. Importantly, the proposed JV excludes gold with Cullen retaining its full entitlement to continue its gold exploration activities in the area.

The right to participate in the initial offer under the Scheme is available exclusively **to persons who are registered as holders of fully paid ordinary shares in Cullen Resources Limited at 5pm on the record date of 28 May 2001** and whose registered address was in Australia or in any other jurisdictions in which it is lawful for the Company to offer shares under the Scheme. The offer is non-renounceable.

As an incentive for shareholders, the purchase price of the new shares to be offered under the Scheme has, on this occasion, been set at 1.7 cents. This represents approximately a **20% discount** to the weighted average market price of the ordinary shares sold during the course of trading on the Australian Stock Exchange for the 5 trading days immediately preceeding this announcement.

Funds raised from the allotment of shares issued under the Scheme will be used to supplement the Company's existing cash resources and to fund further exploration.

Information and key dates

The timetable for the issue of shares pursuant to the Scheme is as follows;

Record date to determine entitlements	5.00 pm on 28 May 2001
Dispatch of letter to shareholders incorporating the Terms and Conditions of the Scheme	29 May 2001
Closing date for applications from shareholders	5.00pm on 19 June 2001

The **maximum investment** per shareholder is **\$2,975** (representing 175,000 new shares at a purchase price of 1.7 cents per share). The **minimum number** that can be applied for is 5,000 new shares at a total cost of **\$85**.

**For further information please contact Wayne Kernaghan or Morrice Cordiner
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