

# CULLEN RESOURCES LIMITED



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## ASX ANNOUNCEMENT

### Iron Ore Joint Venture - Farm in by Aquila Steel Pty Ltd

An agreement has been reached with Aquila Steel Pty Ltd (a wholly owned subsidiary of Aquila Resources Limited) whereby Aquila can explore, and if warranted, develop, iron ore deposits within five of Cullen's Ashburton tenements as follows : E08/1135 (Red Hill West); E08/1292 and E08/1375 (Mt Stuart); E08/1330 (Catho Well) and E08/1341 (Cardo Bore) -see Figures. Cullen retains the rights to minerals other than iron ore.

The terms of the Agreement are that:

- Aquila can earn a 70% interest in iron ore deposits by expending a total of \$1.0M over five years with a minimum expenditure of \$100,000;
- Once Aquila has earned its 70% equity, Cullen can elect to contribute pro rata or dilute;
- If Cullen's interest dilutes below 10% whilst Joint Venture activities are continuing, Cullen shall be entitled to a 50 cents per tonne royalty.

The Cullen tenements contain paleodrainage channels that have been infilled with sediment derived from erosion of iron formations in the western part of the Hamersley Basin. The exploration target is the occurrence of channel iron deposits (CIDs), accumulations of material anomalously high in iron that have concentrated in the channels and become lithified.

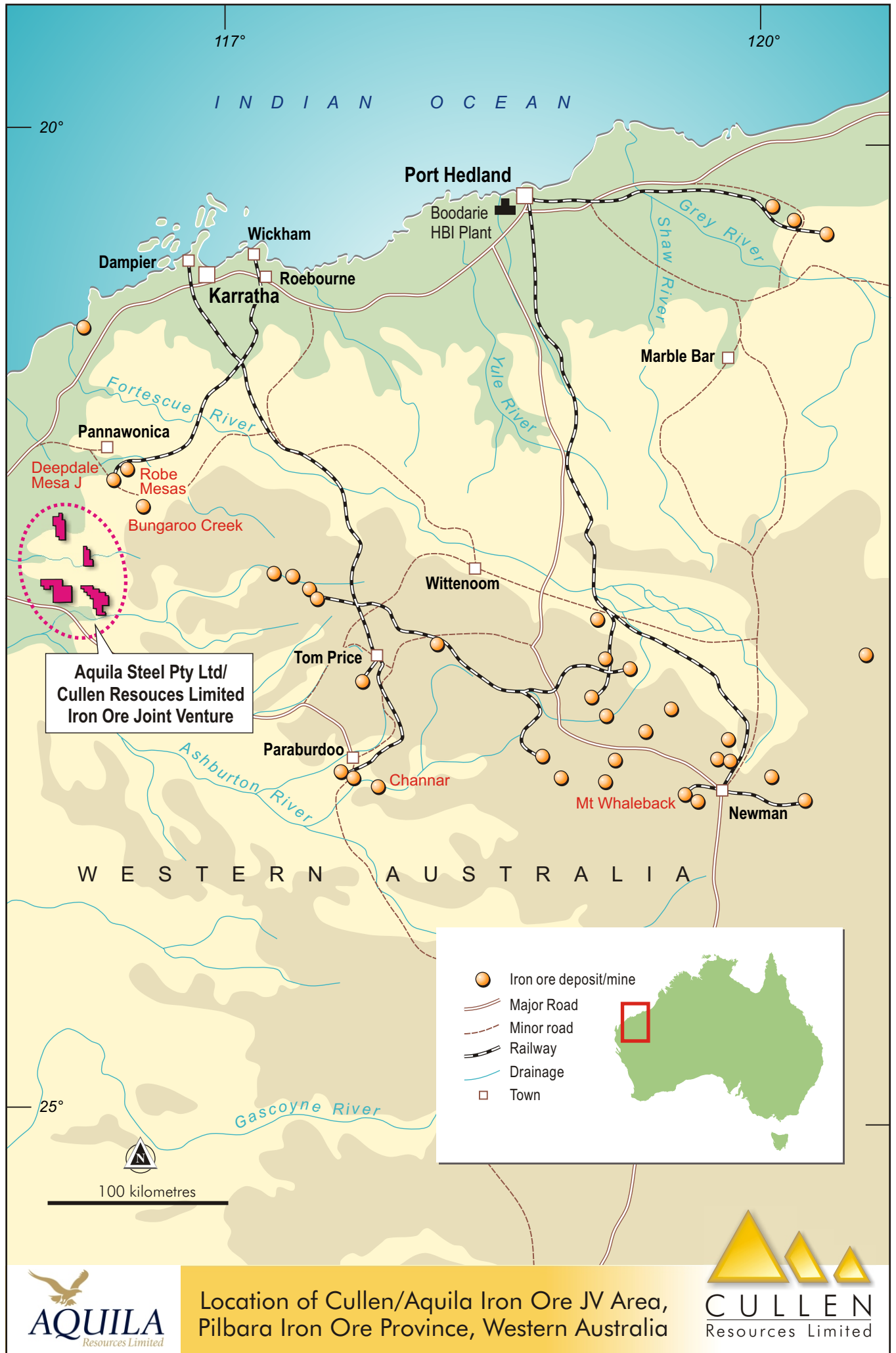
Exploration in the 1960's identified the palaeochannels on the western part of the Hamersley Basin. Drilling and sampling showed the channels to contain CIDs. At that time, however, such occurrences were not considered viable as a source of iron when compared with the higher-grade Brockman type ores. Today Rio Tinto is profitably mining CIDs from Mesa J at Robe River, some 70 km to the north. Production of iron ore from CIDs is anticipated to increase over the next decade to cope with the rising demand.

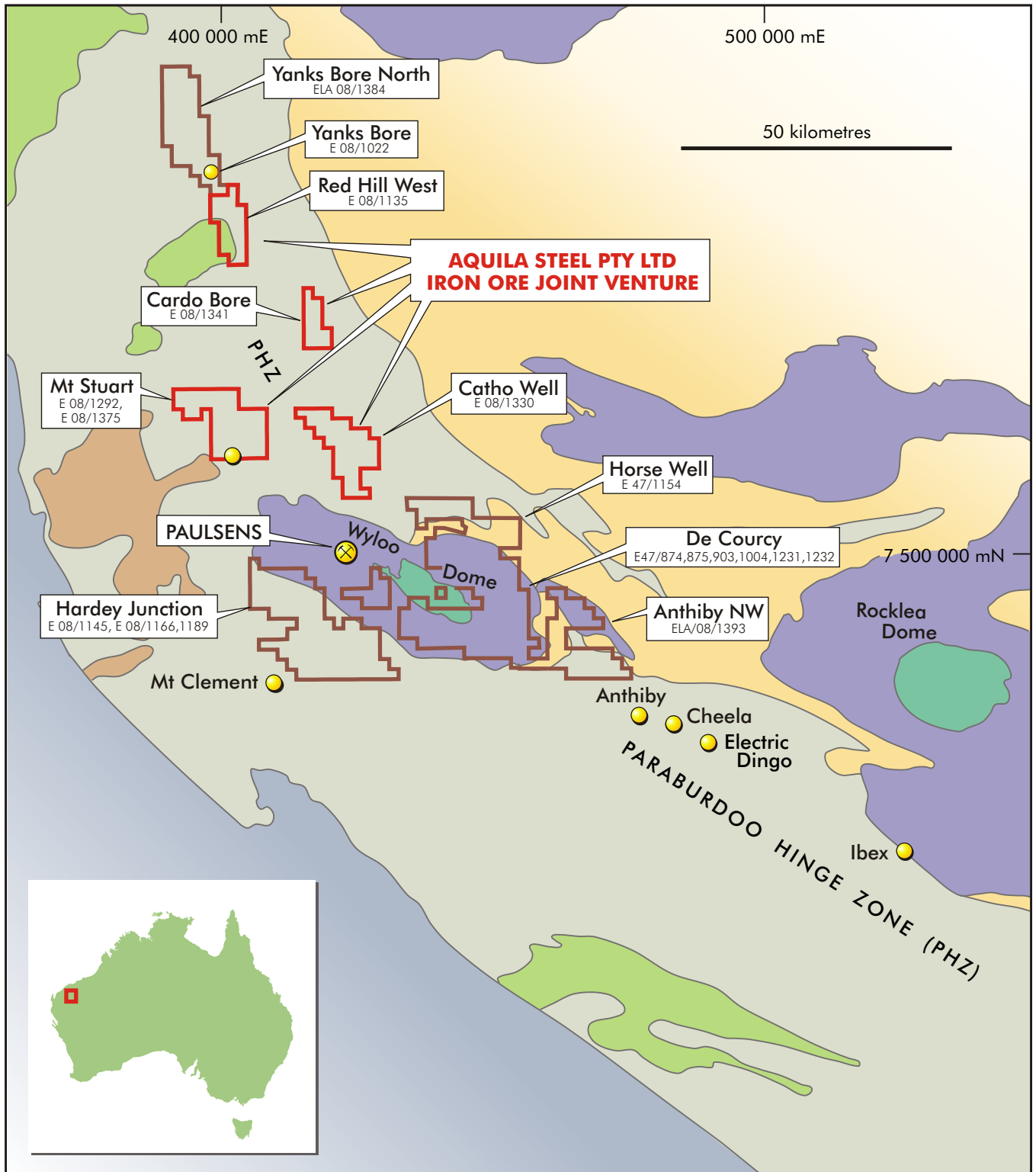
Aquila plans to conduct programmes of detailed mapping and sampling to define the CIDs with follow-up drill testing of targets anticipated for the June 2005 Quarter.

For further information: Dr Chris Ringrose 0894745511 or John Horsburgh 02 94374588

#### **ATTRIBUTION**

*Information in this report which relates to mineralization is based on information compiled by Grahame Hamilton, a full time employee of Cullen Resources Limited who is a Member of the Australian Institute of Geoscientists and has relevant experience as a Competent Person as defined in the Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves in relation to mineralization being reported on.*





- PROTEROZOIC**
- Mount Minnie Group
  - Boolaloo Granodiorite
  - Wyloo Group - Ashburton Basin
- ARCHAEAN**
- Hamersley Basin
  - Fortescue Group
  - Granite/greenstone

- ⊗ Gold mine
- Gold prospect
- Cullen Tenement
- Cullen/Aquila Steel Pty Ltd JV

ASHBURTON PROJECT  
Tenement Location Plan

