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ASX ANNOUNCEMENT

Budget Approved for Mt Stuart Iron Ore Joint Venture's Definitive Feasibility Study

Cullen Resources Limited (Cullen) is pleased to announce that together with its joint venturer, API Management Pty Limited (API), it has approved a budget of \$5.42M (Cullen 30% - approximately \$1.63M) for the Mt Stuart Iron Ore Joint Venture for financial year 2008-2009.

The Mt Stuart Iron Ore Joint Venture owns 79.5Mt (Cullen 30%) of a total resource of 430Mt of Channel Iron Deposits in which API has an interest, and which constitutes part of the West Pilbara Iron Ore Project (WPIOP). A Pre Feasibility Study (PFS) completed by API and its joint venturer Red Hill Iron Limited in May 2008, confirmed the financial and technical viability of a 25Mtpa iron ore operation based on this 430Mt resource, in which the ore from the Mt Stuart Iron Ore Joint Venture is commingled with ore from the Red Hill Iron Joint Venture in a 20:80 mix.

This budget approved by Cullen/API includes approximately \$0.4M for further exploration, and approximately \$4.5M for a Definitive Feasibility Study (DFS). The Mt Stuart Iron Ore Joint Venture budget for the DFS will include work on: Product Marketing and Sales; Mine Process Plant and Infrastructure; Mining; Product Development and Regulatory Approvals.

Dr Chris Ringrose, Cullen's Managing Director commented: "Through the Mt Stuart Iron Ore Joint Venture, Cullen is involved in a very significant and exciting iron ore development project. The PFS, completed by API and Red Hill, envisages the delivery of ore from the WPIOP over a 15 year production period in which the equivalent of approximately 5Mtpa of the ore is the Mt Stuart component. This scenario is the basis for the DFS we are now part funding."

Dr. Chris Ringrose
Managing Director

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ATTRIBUTION

The information in this report that relates to Exploration Results is based on information compiled by Dr Chris Ringrose, Managing Director, Cullen Resources Ltd who is a Member of the Australian Institute of Mining and Metallurgy. Dr. Ringrose is a full time employee of Cullen Resources Ltd. He has sufficient experience which is relevant to the style of mineralization and types of deposits under consideration, and to the activity which has been undertaken, to qualify as a Competent Person as defined by the 2004 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.