



CULLEN RESOURCES LIMITED

A.C.N. 006 045 790
A.B.N. 46 006 045 790

QUARTERLY REPORT FOR PERIOD ENDING

31 MARCH 2004

HIGHLIGHTS

- **Farm out of Nickel Rights of Irwin Bore Project to the Independence Group NL.**
- **First pass reconnaissance drilling of two “Intrusion Related Gold” targets in NSW has returned several significant gold intersections :**
 - Gibsonvale, Walsh Prospect, better intersections include DWRC006 - 20m @ 1.48g/t Au; DWRC004 - 8m @ 2.4 g/t Au including 1m @ 13.25 g/t Au, and DWRC005 - 10m @ 1.27 g/t Au. Follow up drilling programmes are planned.**
 - Ardlethan, Harry Smith Prospect, best intersection of 17m @ 1.45 g/t Au. Follow up drilling programmes are planned.**
- **Additional massive nickeliferous sulphides intersected at “AK47” prospect, Gunbarrel Nickel Project, WA. – best intersection of 0.2m @ 1.79% Ni.**

EXPLORATION ACTIVITIES – WESTERN AUSTRALIA

Northeastern Goldfields

GUNBARREL NICKEL JOINT VENTURE– (Eureka Group : E53/568, E53/535, E53/818, E53/837, Cullen 100%, WMC may earn a 75% interest in nickel and base metal rights by spending \$1M, Cullen’s 25% will be free carried to Decision to Mine).

During the Quarter, the Gunbarrel Nickel Joint Venture, reported the base metal assay results from the five hole diamond drilling program (GBD3-7) that was completed at the A1 EM anomaly (AK47 nickel sulphide prospect) in the Mt Eureka area in December 2003. Results were also received for GBD8 drilled at Anomaly A2, 1.5km south of AK47. The programme included holes drilled 80m north and 100m south of Hole GBD 2, the discovery hole for nickel sulphides as reported in November 2003.

The results of this programme, as reported to the ASX on 9/3/04, included additional intersections of magmatic nickel sulphides at the AK47 prospect, similar in grade and width to those intersected in discovery hole GBD2 (best 0.2m @ 1.79% Ni). Although the drilling has now tested the position of this prospective contact near A1, the identification of a basal komatiite primary mineralized position remains the focus of future exploration at AK47.

A helicopter EM (Hoistem) trial survey has been planned to cover the Mt Eureka area, a portion of the Joint Venture Project. This survey has been delayed by rain in the region, and is scheduled to commence in the current Quarter. The objective of this survey is to detect the existing ground EM anomalies at A1 (AK47) and A2, and to identify any extensions of this prospective trend to the south where the existing ground TEM data suffers significantly from surface (masking) IP effects. The Hoistem program will be expanded if this program is successful.

GUNBARREL GOLD PROJECT – (Eureka Group, E53/568, E53/535, E53/818, E53/837, MLAs 53/868-870, Cullen 100%; Irwin Bore Group, E53/403, ELAs 53/925 and 981, Cullen 90%, ELA 53/1040 and 1096, Cullen 100%)

The Gunbarrel Gold Project covers ~50 strike km of the Mount Eureka Greenstone Belt. Cullen has discovered significant gold mineralization at the Southern Prospect which has been the main focus of drilling over the last twelve months.

Results of RC drilling at the Southern gold prospect.

A short programme of three RC holes was completed at the Central Zone of the Southern Prospect in the Gunbarrel Project and reported to the ASX on 9/3/04. Although the results of this programme returned only low grade gold mineralization, with a best intersection of 2m @ 1.45 g/t Au (from 68m), **the deeper (+200m), unoxidised portions of the Central Zone mineralization down plunge to the north east remain untested at present.**

The conclusions from the work to date is that the Central Zone/Southern Prospect mineralization is a localized enhancement of quartz veining and alteration (dilatational jog) on a strike extensive, mineralized shear zone which is known to extend for approximately 2km. The Central Zone mineralization tested to date includes some high grade intervals (up to 52 g/t over 1m) but these are sporadic within the more common zones of anomalous gold (0.1 to 1 g/t Au). These gold anomalous zones are multiple and strike extensive through the Central

Zone (up to 400m) but are not of economic interest in their own right. The known mineralization at the Central Zone occurs in mafic rocks which have not yet been tested at depths below oxidation (>120m) and the mineralization may plunge to the ENE below overlying ultramafics.

Cullen's emphasis in exploring the Gunbarrel Project Area for gold henceforth will be to identify structurally favourable positions of shear systems such as that controlling the Central Zone, and target: granitoid bodies internal to the greenstone belt; the granite/greenstone contacts of the belt; and the northern half of the project area which is mainly under lake cover; all of which remain largely untested.

A programme of aircore/RAB drilling to test soil anomalies east and south of the Taipan prospect is planned for the coming Quarter.

IRWIN BORE JOINT VENTURE - (E53/403, ELAs 53/925 and 981, Cullen 90%) and Mt TATE and NEW TAFFY WELL (ELA'S 53/1040 and 1096)

As alluded to in the Company's previous Quarterly, Cullen's 90% interest in the nickel rights for the Irwin Bore Project, in the northeastern Goldfields of Western Australia has been farmed out. The Revesco Group Ltd owns the remaining 10% interest which is free carried to completion of a pre feasibility study in the project.

Cullen has reached an agreement with the **Independence Group NL** to form a Joint Venture for the nickel and base metal rights only and Cullen (90%) and Revesco (10%) retain the gold rights for the project area. An agreement has also been reached allowing Independence to farm into Cullen's wholly owned New Taffy Well and Mt Tate Exploration Licence Applications in the same area. These tenement areas mainly adjoin the Cullen-WMC Resources Ltd Gunbarrel Nickel Joint Venture project to the south and include ultramafic horizons along strike from WMC's discovery of nickel sulphides at the AK47 prospect, as reported in November 2003 (Figure).

Under the terms of the Agreement on Irwin Bore, Independence can earn a 65% interest in the nickel and base metal rights (E53/403, MLA's 53/494,495,878 and 713, and ELA's 53/981 and 925) for an expenditure of \$1.5 million over four years, of which \$180,000 is a first year, minimum commitment. Once Independence has earned its 65% interest, Cullen can choose to maintain its equity, dilute, or convert its 25% equity to a 15% free carried interest to Decision to Mine. At a Decision to Mine Cullen has the option to convert its interest to a 1% Net Smelter Return.

Under the terms of the Agreement on the nearby tenement applications which Cullen wholly owns, (ELA's 53/1040 and 1096) Independence can earn 70% for an expenditure of \$1.0 million over four years from the grant of ELA 53/1096, of which \$50,000 is a first year commitment. Once Independence has earned its 70% interest, Cullen can choose to maintain its equity, dilute, or convert its 30% equity to a 20% free carried interest to Decision to Mine. At a Decision to Mine Cullen has the option to convert its interest to a Net Smelter Return.

The Independence Group NL is a nickel producer at the Long Mine near Kambalda and has as its corporate objective the creation of shareholder wealth from discovery of significant gold and nickel ore deposits. The Company has a strong cash position.

The Irwin Bore tenements south of the AK47 discovery contain prospective komatiites which have only had limited previous exploration for accumulations of nickel sulphides. The

tenements contain 16 strike km of at least three komatiite horizons, some of which show cumulate textures. They are broadly along strike from the AK47 nickel sulphide prospect, and as such possess very high nickel sulphide potential.

The Independence Group plans to initiate exploration in the June Quarter with soil sampling, ground EM surveying and geological mapping.

WONGANOO GOLD/NICKEL PROJECT – (E 53/1046, ELA’s 53/1030, 1069, and 1083 Cullen 100%, Cullen can earn 80% in E53/988)

The Company has now prioritised a number of targets with nickel and gold prospectivity from an interpretation of previous (limited) exploration results and an interpretation of Landsat and aeromagnetics data. The recent approval of E53/988 will allow efficient exploration of targets adjoining E53/1046.

A programme of first pass air core/RAB drilling will be initiated in the current Quarter to obtain regolith, bedrock and geochemical information across these targets.

Prolonged wet weather during the past few months may have limited access in some areas and drill rig availability has also been limited by a backlog of work due to the widespread nature of rains in Western Australia’s goldfields in general.

Eastern Goldfields

KILLALOE NICKEL PROJECT - (E63/722*, E63/765*, Ps 63/1131-1133, 1172-1174, Cullen 100%, * 7.5% NPI to Xplore Pty Ltd applies to these tenements)

Cullen commissioned Newexco, specialists in nickel sulphide exploration, to review the substantial nickel exploration database.

Newexco’s report has highlighted:

- a number of untested gossans in favourable stratigraphic positions at the base of individual flows in the NE portion of the Eastern Ultramafics Complex. Assays from 16 gossan samples collected as part of Newexco’s review are anomalous and include Ni values up to 4,068ppm, Cu up to 3,673ppm, Zn up to 4% and up to 61ppb Pt+Pd.
- the occurrence of trace nickel sulphides (3m @ 0.49% Ni, KLC 21) together with the identification of structurally repeated, untested cumulate horizons indicates substantial further nickel sulphide potential within the Western Ultramafics Complex.

Newexco has recommended TEM surveying over some 20km of strike of the Eastern Ultramafics Complex and 10km of strike of the Western Ultramafics Complex in the hanging wall positions of the stratigraphy not tested to date.

The data package has been reviewed by a potential Joint Venture partner to advance nickel sulphide exploration at Killaloe and discussions are on-going.

KILLALOE GOLD PROJECT - (E63/722*, E63/765*, Ps 63/1131-1133, 1172-1174, Cullen 100%, * 7.5% NPI to Xplore Pty Ltd applies to these tenements)

The Company is finalising the terms of a Letter of Intent concerning formation of an exploration Joint Venture for gold with a major mining company over this project area.

It is hoped to announce the details of the arrangement to the ASX in the near future.

Ashburton Gold Province

WYLOO JOINT VENTURE – De Courcy (E47/874, 875, 1004), De Courcy North/Horse Well (E47/903, ELA 47/1154) Hardey Junction (E08/1145, ELAs 08/1166, 1189, 1327), Catho Well (E08/1330) and Mount Stuart (ELA 08/1292)

A number of companies are reviewing the database and the results of the Barrick programme with a view to forming a Joint Venture.

YANKS BORE PROJECT – Yanks Bore E08/1022, Cullen 51% and Udu Resources Ltd 49%, contributing pro rata; Red Hill West, E08/1135 and Cardo Bore E08/1341, Cullen 100%)

The Company and Udu Resources Ltd are seeking a joint venture partner for this project.

SLATE BORE – (M08/79, Cullen 100%, E08/1021, Cullen 100%)

The Slate Bore Project is located 100 kms WNW of Paraburdoo. It covers a satellite image anomaly which is interpreted to be related to hydrothermal alteration of Ashburton Formation rocks. A small lead prospect is present near the centre of the anomaly and previous work by Cullen and others has demonstrated anomalous base metals, gold and arsenic over 6 km of strike. Anomalous gold occurs in rock chip samples taken from narrow silicified sandstone units with sulphide pseudomorphs.

Numerous rock chip and stream sediment geochemical anomalies, mostly on the extension of the area previously explored and on a parallel zone to the north were followed up. These new target areas show similar geological characteristics to the main prospect area. Potential exists for gold and base metal mineralization undercover to the east and west along the strike where soil and RAB drilling would be effective.

The Company is also seeking a joint venture for these tenements.

EXPLORATION ACTIVITIES – NEW SOUTH WALES

CENTRAL LACHLAN INTRUSIVE-RELATED GOLD PROJECT (ELA 2150-2153, 2156, 2174, 2175, Cullen 100%; option to purchase – EL's 5891 and 6020)

Option to purchase tenements at Yalgogrin, NSW

The Company has signed an option agreement with geologist Mr Denis Walsh, registered holder of ELs 5891 and 6020 centred on the old Yalgogrin Goldfield in the Central Lachlan Fold Belt of New South Wales. Cullen has the right to purchase the tenements from Mr Walsh

for \$150,000 in cash and a royalty of \$10 per ounce of gold produced. The tenements cover an area of 3.0 x 7.2km and are surrounded by Cullen's EL 6206 Gibsonvale (Figure).

Trenching by Mr Walsh in 2002 followed up a gold-in-soil anomaly 1km southwest of the old Yalgogrin township and intersected significant zones of gold mineralization hosted by altered granite (eg 42m @ 2.74 g/t Au, Trench 3). Limited follow up drilling by Mr Walsh (5 shallow aircore holes along Trench 3) intersected multiple zones of thin quartz veinlets and oxidized sulphides with a best intercept of 25m @ 1.74 g/t Au from 0m (YAC 3). In 2003, a joint venture between Mr Walsh and Equigold NL delineated a broad zone of anomalous gold (+10 ppb Au) in soils centred on the historic Yalgogrin Goldfield (approximately 10,000oz recorded gold production). Six areas with elevated gold-in-soil (>80ppb Au) were tested by wide spaced aircore traverses (39 holes), one of which is located 300m southeast of the Walsh Prospect. Of the 39 aircore holes by Equigold, 14 returned +0.5 g/t Au intercepts, including 2 holes with 12m @ 1.0g/t Au.

A programme of detailed soil sampling and preliminary RC and aircore drilling was completed by Cullen in April at the Walsh Prospect to confirm the mineralization, establish mineralised trends and outline targets for more detailed exploration.

Five RC holes (296m) were drilled along the line of Trench 3, and two lines of air core drilling (10 holes, 466m) were drilled along N-S traverses to the east and west of Trench 3 (Figure).

The results of this work confirmed the presence of interesting levels of gold mineralization in granite at the Walsh Prospect (see Table below). Mineralization appears to be related to minor quartz veinlets and hydrothermal alteration in grey, porphyritic, biotitic granite although the strike and dip of the quartz veinlets and/or altered structures is not yet clear. **Best intersections include DWRC006; 20m @ 1.48g/t Au; DWRC004, 8m @ 2.4 g/t Au including 1m @ 13.25 g/t Au and DWRC005, 10m @ 1.27 g/t Au.**

Further work on trace and major element geochemistry and petrology will be required to characterise the gold mineralization.

A detailed soil sampling survey (25 x 25m spacing) has also been completed over an area of ~400 x 300m centred on the Walsh trenches. It is hoped that these soil data will provide information on the orientation and strike extent of the gold mineralization and delineate additional drill targets. Cullen has also commenced an extensive soil sampling programme over the Yalgogrin granite and its contacts, encompassing the Scoop Holes, Burstled Boulder and Walsh Prospects.

Programmes of further drilling will be planned once these data have been received and compiled.

Table of Results - Walsh's Prospect

Hole ID	Easting GDA'94	Northing GDA'94	Azimuth	From m	Interval (m)	Grade (g/t Au)
DWRC001	483570	6254197	21	1	5	1.50
DWRC002	483558	6254167	21	0	15	1.02
DWRC003	483548	6254140	21	6	2	1.31
and				12	13	0.76
and				29	1	1.16
DWRC004	483522	6254206	360	1	8	2.40
including				7	1	13.25
DWRC005	483562	6254184	360	0	10	1.27
DWRC006	483552	6254154	360	5	20	1.48
incl				6	1	5.76
incl				12	1	7.92
incl				21	1	5.17
DWAC003	483523	6254164	360	22	2	1.55
DWAC004	483521	6254103	360	18	3	0.92
and				24	4	0.63
DWAC005	483602	6254326	360	40	5	0.57
DWAC007	483601	6254218	360	33	1	2.69
DWAC008	483601	6254163	360	9	8	0.78
and				27	2	3.50
incl				27	1	6.36
DWAC009	483601	6254122	360	0	6	1.44
and				31	4 EoH	1.09
incl				34	1 EoH	2.20
DWAC010	483602	6254062	360	36	1 EoH	0.48

All assays by fire assay with AAS finish. EoH means end of drill hole. All holes -60° dip.

Soil sampling and drilling programme results from other projects

- ELA 2153 “Ardlethan” – Includes the **Golden Spray** and **Harry Smith** historic gold mines within the metamorphic aureole of a granite intrusion (16-20,000 ounces of production during the 1890s and late 1930s). Mineralization at these prospects consists of steeply dipping, structure-hosted gold-bearing quartz stockworks and lodes within sandstones and siltstones along a 400m trend. Previous percussion drill intercepts indicate reasonable widths of mineralization and include 18m @ 0.75 g/t Au, 8m @ 2.46 & 6m @ 2.18 g/t Au, 6m @ 1.35 g/t Au, 13m @ 0.75 g/t Au & 4m @ 1.93 g/t Au, 31m @ 1.82 g/t Au, and 23m @ 1.97 g/t Au.

Two RC holes of 64m each were completed by Cullen in April, at the northern tip of the old pit/shaft entry to the Harry Smith lodes. The drilling intersected a lode in RC hole, HSRC001, of **17m @ 1.45 g/t Au from 44m** comprising quartz veining in siltstones. Hole HSRC002 drilled 10m behind did not intersect the lode in the interpreted down dip

position. This implies that the lode is steeper than interpreted or that the mineralized quartz vein lodes have structural controls which are not yet evident.

A programme of further and more systematic RC drilling is now being planned.

- ELA 2175 “**Minter**” – Compilation of previous tin and tungsten exploration, undertaken between 1978-1984, indicates a corridor of low grade scheelite mineralization hosted both by altered granite and quartz-veined hornfels (thermally metamorphosed sediments) extending over approximately 15km, northwards from the outcrop of the Kikoirra Granite. Only sporadic gold analyses were done in past exploration, but several anomalous rock chips values are reported including up to 23.8 g/t Au in gossanous quartz veins together with highly anomalous As, Sb and Bi.

A programme of soil sampling was completed centred old workings called “Booth’s” and “Child’s”. Some 650 samples were collected on a 200x50m grid. The results confirmed the occurrence of a trend of mineralization marked by old workings but soil responses associated with the trend are of a low level and do not represent an attractive drill target at this stage. Field follow-up work is planned for May.

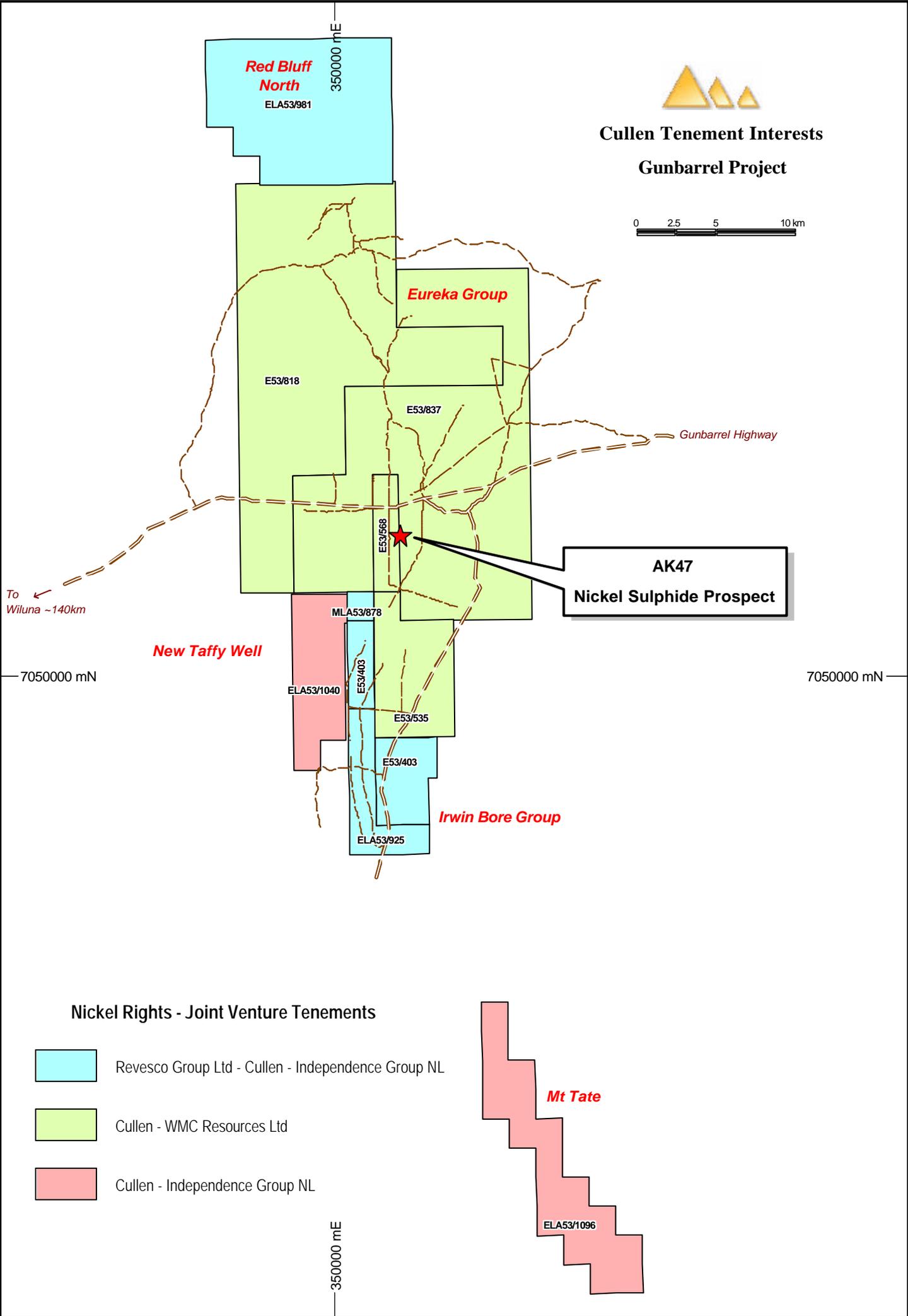
- ELA 2152 “**Mount Solitary**” – The ELA is immediately south of a trend of gold prospects (Mt Solitary, Mt Solar, Powerline Hill) currently held by Mt Conqueror Minerals NL and Central West Gold NL (published resource 0.26Mt @ 4 g/t Au). These recognised prospects have been intensely explored by major companies during the period 1975-1994 with drill intersections of 57m @ 1.62 g/t Au and 34m @ 3.90 g/t Au reported. Gold mineralization occurs in steep dipping multiple quartz-pyrite-bismuth veins hosted by structurally complex and altered siltstones and sandstones of Devonian age. Airborne magnetics indicate an intrusive body beneath the mineralization from which hydrothermal fluids may have been derived. Cullen’s adjacent ELA encompasses a similar magnetic anomaly, also interpreted as an intrusive body. In comparison with the Mt Solitary prospect, this area is poorly explored. However, previous RAB drilling of magnetic highs on the SE flank of the main magnetic anomaly intersected granite with minor disseminated pyrite and significantly anomalous gold (0.1ppm Au), bismuth (10ppm Bi) and tin (10ppm Sn). A programme of planned soil sampling to test across the magnetic anomaly has been rescheduled to the current Quarter.

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.



Cullen Tenement Interests Gunbarrel Project



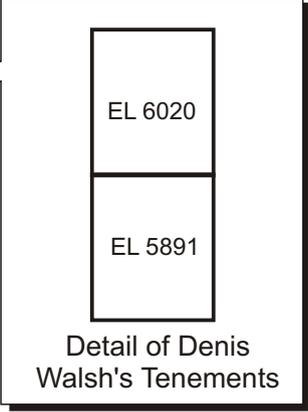
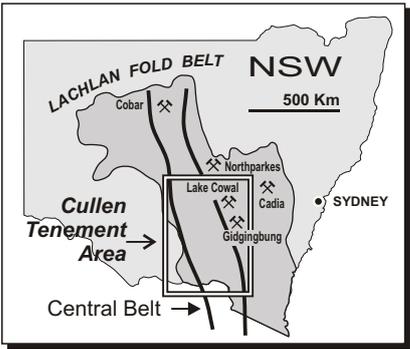
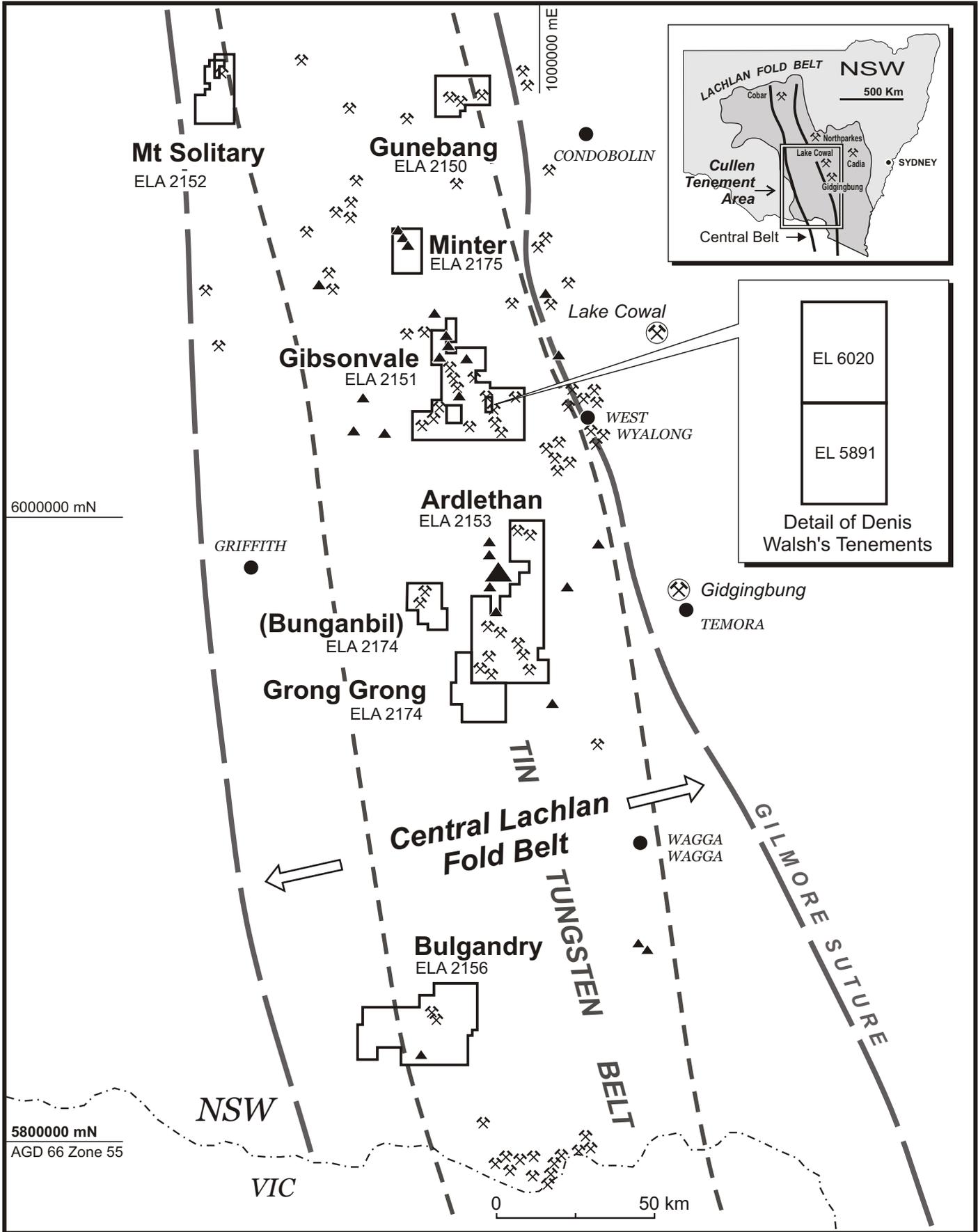
AK47
Nickel Sulphide Prospect

Nickel Rights - Joint Venture Tenements

-  Revesco Group Ltd - Cullen - Independence Group NL
-  Cullen - WMC Resources Ltd
-  Cullen - Independence Group NL

Mt Tate

ELA53/1096



6000000 mN

5800000 mN
AGD 66 Zone 55

Central Lachlan NSW Intrusion-related Gold Project

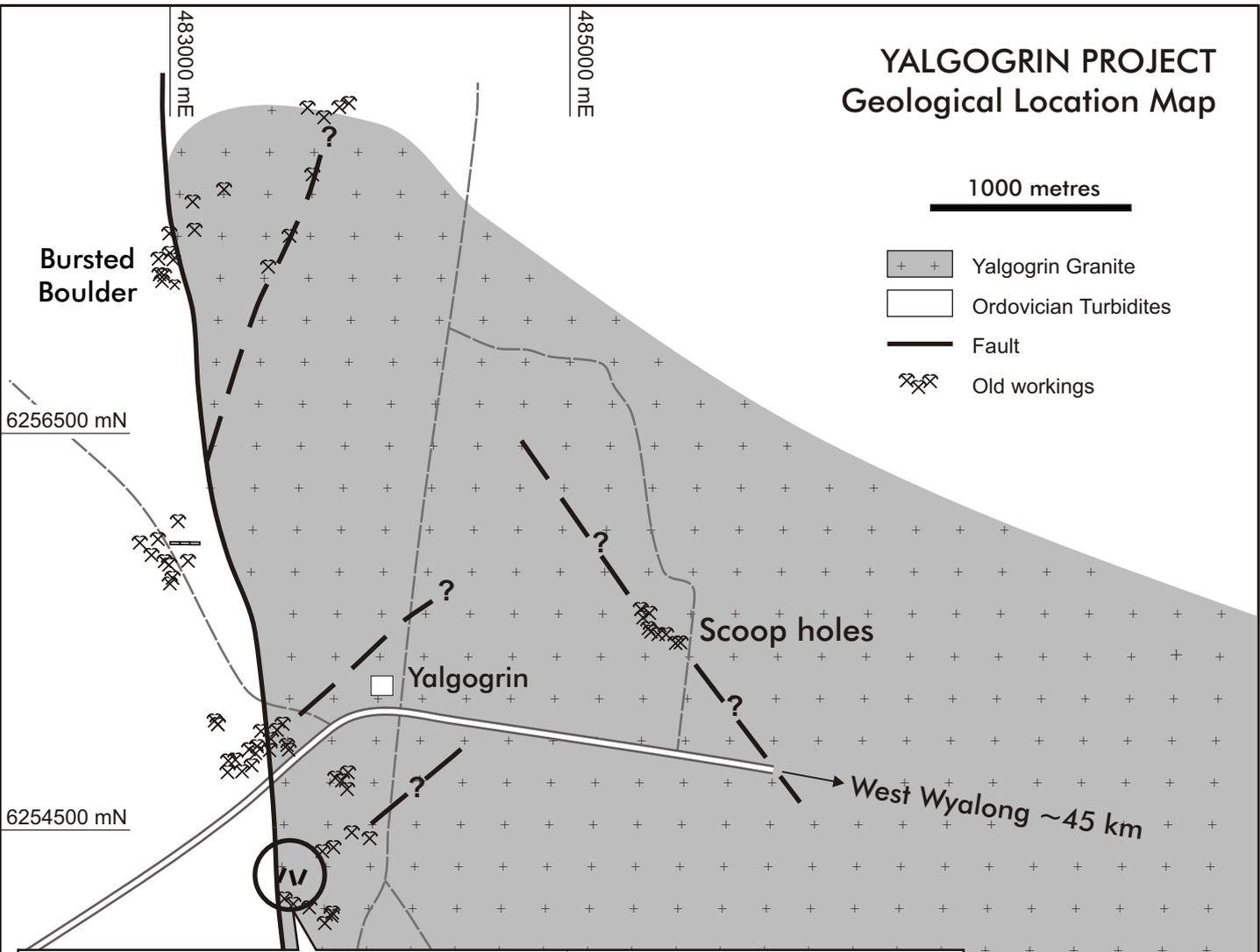
- ⊗ Gold prospect / deposit
- ▲ Tin and/or tungsten prospect / deposit
- Cullen Tenement Application



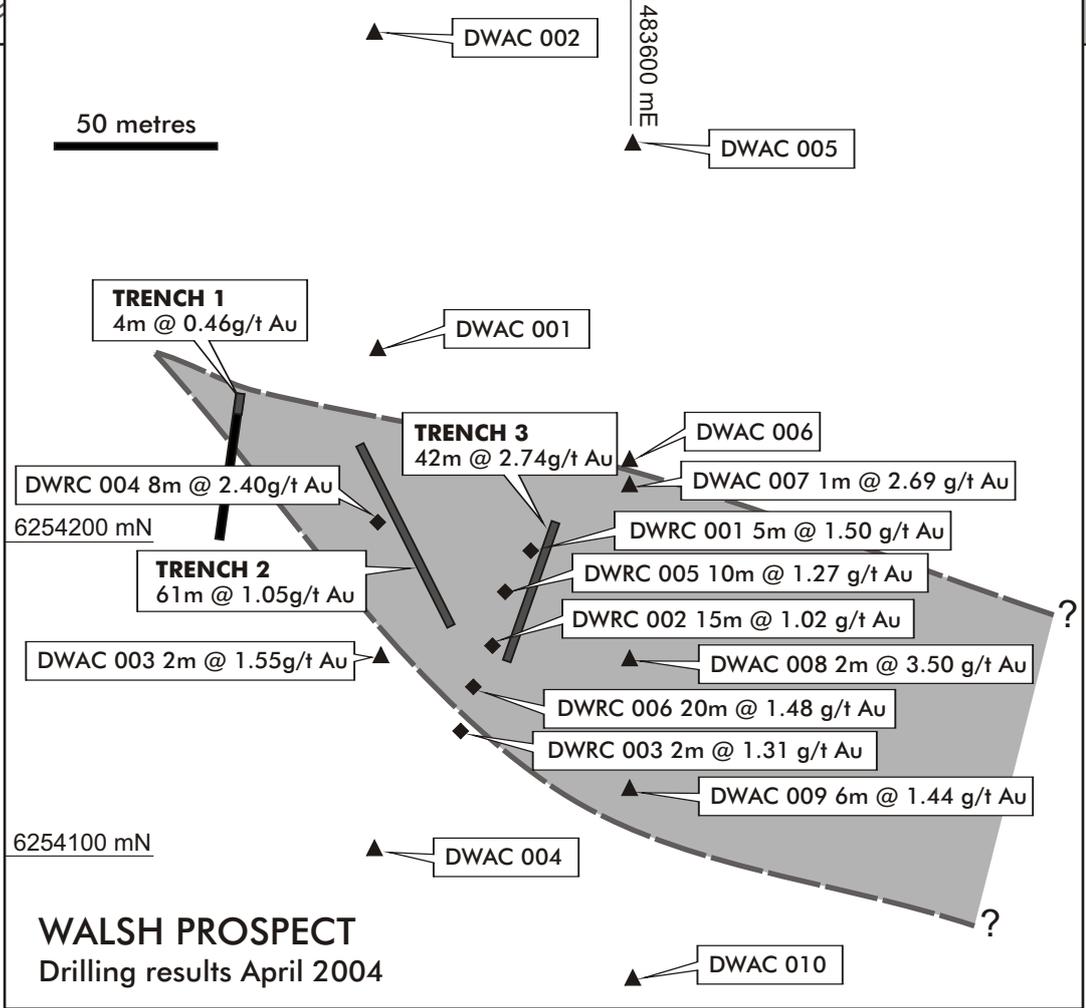
YALGOGRIN PROJECT Geological Location Map

1000 metres

-  Yalgogrin Granite
-  Ordovician Turbidites
-  Fault
-  Old workings



50 metres



-  Aircore drill hole
-  RC drill hole
-  Mineralized zone in granite

WALSH PROSPECT
Drilling results April 2004

