

## Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the Company will be held on Tuesday 21 November 2017 commencing at 10.00 a.m. at Regus, Level 4, Australia Square Plaza, 95 Pitt Street, Sydney NSW 2000.

### Ordinary Business

#### 1. Adoption of Accounts and Reports

To receive and consider the Financial Statements of the Consolidated Entity as at 30 June 2017, the Statement of Comprehensive Income for the year ended on that date, together with the reports of Directors and Auditors thereon.

#### 2. Adoption of Remuneration Report

To consider and, if thought fit, to pass with or without amendment, the following resolution as a non-binding resolution:

To adopt the remuneration report forming part of the Directors' Report for the financial year ended 30 June 2017.

(Note: the vote on this resolution is advisory only and does not bind the Directors or the Company.)

### Voting Restriction

As required by Section 250R of the Corporations Act, the Company will disregard any votes cast on Resolution 2 by key management personnel and any closely related party of any key management personnel as those terms are defined in section 9 of the Corporations Act 2001. However, the Company need not disregard a vote if:

- it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by a person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides; or
- it is cast by a person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the chair's stated voting intention as outlined in the explanatory memorandum.

#### 3. Re-election of a Director

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

In accordance with the Constitution of the Company, Mr Wayne Kernaghan retires by rotation and, being eligible, is re-elected as a director of Cullen Resources Limited.

(Note: details on Mr Kernaghan can be found on page 14 of the 2017 Annual Report.)

#### 4. Ratification of share placement on 27 January 2017

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

That, for the purposes of Listing Rule 7.4, the previous issue by the Company of 100,000,000 fully paid ordinary shares in the capital of the Company at a price of 0.2 cents per share, as announced to the Australian Securities Exchange on 27 January 2017 and issued to sophisticated and professional investor, and as described further in the attached Explanatory Memorandum, is hereby ratified and approved.

### Voting Restriction

The Company will disregard any votes cast on Resolution 4 by any investor who was issued shares under the placement and any of their associates. However, the Company need not disregard a vote if:

- it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
  - it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.
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## 5. Issue of Options – Dr Chris Ringrose

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

That in accordance with Chapter 2E of the Corporations Act and Listing Rule 10.11 and for all other purposes, the company be authorised to issue to Dr Chris Ringrose, a Director of the Company, 20,000,000 options to subscribe for fully paid ordinary shares in the Company on the terms set out in the attached Explanatory Memorandum accompanying this Notice of General Meeting and the issue to Dr Chris Ringrose of fully paid ordinary shares in the capital of the Company upon the full or partial exercise of such options, is hereby approved.

### Voting exclusion statement

The Company will disregard any votes cast on this Resolution by:

- Dr Ringrose;
- Any associate of Dr Ringrose; and
- Any key management personnel and closely related party of any key management personnel as those terms are defined in section 9 of the Corporations Act.

However, the Company need not disregard a vote if:

- It is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- It is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

## 6. Approval of additional 10% placement facility

To consider and, if thought fit, to pass with or without amendment, the following resolution as a special resolution:

That, for the purpose of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 for the purpose and on the terms set out in the Explanatory Statement accompanying this Notice of Annual General Meeting.

### Voting Restriction

The Company will disregard any votes cast on Resolution 6 by any person who may participate in the issue of Equity Securities under the Additional 10% Placement Facility and any person who might obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities) if the Resolution is passed, and any person associated with those persons. However, the Company will not disregard any votes cast on Resolution 6 by such person if:

- the person is acting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- the person is the Chairman of the Meeting acting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**Important note:** The proposed allottees of any Equity Securities under the Additional 10% Placement facility are not yet known or identified. In these circumstances ( and in accordance with the note set out in ASX Listing Rule 14.11.1 relating to ASX Listing Rules 7.1 and 7.1A), for a person's vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of any Equity Securities issued under the Additional 10% Placement Facility), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted, and there is no reason to exclude their votes.

## 7. Further Business

To transact any further business that may legally be brought up.

### By Order of the Board

**W. J. Kernaghan**  
Secretary

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**Notes:**

1. **Voting Entitlements**  
Pursuant to Regulation 7.11.37 of the Corporations Regulations 2001, the Directors have determined that the shareholdings of each shareholder for the purpose of ascertaining the voting entitlements for the Annual General Meeting will be as it appears in the Share Register as at 7.00 p.m. EST on 19 November 2017.
  2. A member entitled to attend and vote is entitled to appoint not more than two proxies.
  3. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights.
  4. Appointment of a proxy by a member who is a corporation must be under its common seal or the hand of its attorney or the hand of a person duly authorised by the corporation.
  5. A proxy need not be a member of the Company.
  6. To be effective, the proxy form must be received by the Company at its registered office, Unit 4, 7 Hardy Street, South Perth, WA 6151, or received by facsimile on (08) 9474 5588 not less than forty-eight (48) hours before the time for holding the meeting.
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## Explanatory Memorandum

This Explanatory Memorandum has been prepared for the information of shareholders of Cullen Resources Limited ("Cullen") in connection with the business to be transacted at the Annual General Meeting of shareholders of Cullen to be held at Regus, Level 4, Australia Square Plaza, 95 Pitt Street, Sydney, NSW 2000 on 21 November 2017 at 10.00am, Eastern Standard Daylight Time.

The Directors recommend shareholders read the accompanying Notice of Annual General Meeting ("Notice") and this Explanatory Memorandum in full before making any decision in relation to the resolutions.

### Resolution 4

#### Ratification of share placement on 27 January 2017

On 27 January 2017 the Company announced it had issued an additional 100,000,000 new Shares at an issue price of 0.2 cents per Share to clients of sophisticated and professional investors. None of the allottees were related parties of the Company. The purpose of the issue was to provide general working capital.

The directors are restricted by Listing Rule 7.1 from issuing new securities in the Company, which would dilute existing shareholdings, to a maximum of 15% of the expanded issued capital in any 12 month period. There are exceptions which allow the directors to issue new securities above that limit which include pro rata rights issues and issues with shareholder approval.

ASX Listing Rule 7.4 allows the Company to seek the approval of shareholders of the Company to an issue of securities after the issue has been made without approval under Listing Rule 7.1, provided the issue did not breach Listing Rule 7.1 and the holders of ordinary shares in the Company subsequently approve the issue.

As the issue was not in breach of Listing Rule 7.1 and was not previously approved by the shareholders of the Company, the directors are now seeking shareholders' approval and ratification for the issue of the Shares.

If resolution 4 is passed, the Company will be able to utilise Listing Rule 7.1 for future issues of up to 15% of the expanded issued capital in the next 12 month period without having to convene a shareholders meeting to seek shareholders' approval of any such issues. The directors believe it is desirable to have the flexibility afforded to the Company to issue securities up to the maximum 15% allowable under Listing Rule 7.1 and accordingly recommend that shareholders vote in favour of the resolution.

The Shares issued pursuant to the placement rank equally in all respects with all existing Shares previously issued by the Company.

\$200,000 (before expenses) was raised from the issue and will be used to provide funds for exploration activities and general working capital.

The Directors recommend that the shareholders vote to approve Resolution 4.

### RESOLUTION 5

#### Issue of Options to Dr Chris Ringrose

It is proposed that the Company issue to Dr Chris Ringrose, a Director of the Company, a total of 20,000,000 options to subscribe for fully paid ordinary shares in the capital of the Company at an exercise price equal to 200% of the volume weighted average share price in the 5 day trading days immediately prior to the date of the AGM ("VWAP"). That is, if the VWAP is \$0.002, the exercise price of the options will be \$0.004. The options have an expiry date of 30 November 2020. Further details on the terms of the options are set out below.

Shareholder approval is being sought for the issue of these options and the issue of shares upon exercise of the options in accordance with the requirements of the ASX Listing Rules and Chapter 2E of the Corporations Act 2001. Specifically:

Listing Rule 7.1 restricts a company from issuing equity securities, including options to take up shares, which in any 12 month period would amount to more than 15% of the Company's total shares on issue 12 months before the date of the proposed issue. However, issues of equity securities made with the prior approval of the shareholders in general meeting, including for the purposes of Listing Rule 10.11, are not subject to this restriction and will not be counted as part of the 15% limit. Accordingly, if shareholders of the Company approve the proposed issue of options, neither the options nor the shares issued upon exercise of the options will be counted towards the 15% limit in respect of issues of equity securities in the following 12 month period. This provides the Company with maximum flexibility if the Directors consider it appropriate to raise additional capital.

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Listing Rule 10.11 restricts a company from issuing equity securities, including options to take up shares, to a director of the company (or a proposed director) without the prior approval of holders of ordinary shares by resolution at a general meeting.

Chapter 2E of the Corporations Act 2001 prohibits a public company from giving a "financial benefit" to a "related party" (which includes Directors and associates) of the public company unless either:-

- i. the giving of the financial benefits falls within one of the nominated exceptions to the provisions; or
- ii. prior Shareholder approval is obtained to the giving of the financial benefits.

The granting of options to Dr Chris Ringrose, a Director of the Company constitutes the provision of a financial benefit to a related party of the Company within the meaning of Chapter 2E.

Therefore, Resolution 5 seeks the approval of shareholders to satisfy the requirements for shareholder approval under Listing Rule 10.11 and Chapter 2E of the Corporations Act 2001. As approval is being sought under Listing Rule 10.11, approval will not be required under Listing Rule 7.1.

To assist shareholders the following information and valuation of the options has been provided:

The options have been valued by reference to the Black Scholes options pricing model, based on the following assumptions:

| Call Option Valuation                                     | Input           |
|---|-----------------|
| Share price at 4 October 2017                             | \$0.002         |
| Exercise Price (based on 200% the VWAP on 4 October 2017) | \$0.004         |
| Risk Free Rate  | 1.5%            |
| Volatility (Annualised)                                   | 265%            |
| Time (years) to expiry                                    | 3 years         |
| Value per option  | \$0.00097       |
| Number of options   | 20,000,000      |
| <b>Total value</b>  | <b>\$19,400</b> |

It should be noted that no discount has been applied to the valuation for non negotiability of the options as they are not listed and cannot be transferred except with the Board's prior approval.

Based on the above assumptions it is considered that the total value of the 20,000,000 options is \$19,400.

Details of the proposed issue of options to Dr Chris Ringrose are as follows:

1. If shareholder approval is obtained, the 20,000,000 options will be issued to Dr Chris Ringrose (or his nominee) within one month of the date of this meeting.
2. The options will vest immediately.
3. No consideration will be payable for the issue of the options but the options, if exercised, will entitle the holder to subscribe for fully paid ordinary shares in the capital of the Company at an exercise price equal to 200% of the VWAP. The funds raised on the exercise of the options will be used for working capital.
4. The options will be issued on the following terms:
  - (a) the options issued to Dr Chris Ringrose (or his nominee) may be exercised immediately;
  - (b) the options will expire on the earlier of the date which is one month after the Director to whom the options are issued ceases to be a Director of the Company (or such longer period as determined by the board of Directors) or at 5.00pm on 30 November 2020 ("the Expiry Date");
  - (c) the options shall be exercisable wholly or in part, by notice in writing to the Company, at any time up until the expiry date;
  - (d) the holder of options cannot participate in new issues of capital which may be offered to shareholders during the currency of the options without exercising the option;
  - (e) shares issued on the exercise of options will rank pari passu with the then existing issued ordinary shares of the Company;

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- (f) in a reorganisation of capital of the Company, the exercise price of the options or the number of shares over which the options can be exercised will be reorganised in accordance with the relevant provisions of the ASX Listing Rules in force at the time of the reorganisation;
- (g) subject to paragraph (f), neither the exercise price of the options nor the number of shares over which the options can be exercised will be changed to take account of pro rata issues (other than bonus issues);
- (h) in respect of a bonus issue of shares the option holders are only entitled to participate if the options are exercised before the record date for the bonus issue. In the event of a bonus issue, the number of shares over which an option is exercisable will be increased by the number of securities which the holder of the option would have received if the option had been exercised before the record date for the bonus issue;
- (i) the options can be transferred, subject to board approval;
- (j) the options will not be quoted on the ASX.

The current capital structure of the Company is as follows:

| Capital  | Number        |
|--|---------------|
| Ordinary Shares  | 2,001,560,131 |
| Unlisted Options (1.6 cents exercisable on or before 30/11/2017) | 20,000,000    |

If shareholder approval is obtained for all resolutions contained in the Notice of Meeting and all options are issued as contemplated by the Notice of Meeting, the issued capital of the Company will be as follows:

| Capital  | Number        |
|--|---------------|
| Ordinary Shares  | 2,001,560,131 |
| Unlisted Options (1.6 cents exercisable on or before 30/11/2017)                           | 20,000,000    |
| Unlisted Options (200% of 5 day VWAP prior to meeting exercisable on or before 30/11/2020) | 20,000,000    |
| Total Options  | 40,000,000    |
| Total Ordinary Shares if all Options on issue are exercised                                | 2,041,560,131 |

If the share price is higher than the exercise price at the time the options are exercised, there will be a perceived cost to the Company, as the Company may have been able to issue the shares at a higher price.

Dr Ringrose has an interest in 11,835,342 shares. If Dr Ringrose exercises the options, there will be a dilutionary effect of 0.01% on existing shareholders. Dr Chris Ringrose will hold 0.016% of the issued share capital of the Company should he exercise these options and no other options on issue are exercised.

The highest, lowest and last trading prices of the shares on ASX over the previous 12 months are \$0.004 (on 4 October 2016), \$0.001 (on 29 September 2017) and \$0.002 (on 4 October 2017) respectively.

Dr Chris Ringrose currently receives \$180,000 per year plus statutory superannuation and provision of a motor vehicle from the Company. Dr Chris Ringrose receives no other remuneration from the Company.

These options are intended to provide an incentive to Dr Chris Ringrose, a Director, to work towards improving the performance of the Company and its share price, which will benefit all of the shareholders.

Dr Chris Ringrose, director of the Company, does not make a recommendation to shareholders in relation to the resolution as he has a personal interest in the outcome of the resolution as he is a related party who will receive a financial benefit if the resolution is passed.

The other directors recommend that the shareholders vote to approve Resolution 5, on the basis that the options will provide an incentive to Dr Ringrose to continue to work towards increasing the value of the Company, are consistent with market remuneration in companies of a similar size and nature, and are in the best interests of the Company, taking into account all of the effects and the opportunity cost to the Company including the dilutionary effect referred to above.

## Resolution 6

### Approval of additional 10% placement facility

#### Background

Listing Rule 7.1A enables eligible entities to issue Equity Securities of up to 10% of its issued ordinary share capital through placements over a 12 month period following the entity's annual general meeting (Additional 10% Placement Facility). The Additional 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less, as at the time of the entity's annual general meeting. The Company is an eligible entity as at the time of this Notice of Annual General Meeting and is expected to be an eligible entity as at the time of the Annual General Meeting.

Resolution 6 seeks Shareholder approval to enable the Company to issue Equity Securities under the Additional 10% Placement Facility throughout the 12 months after the Annual General Meeting. The effect of Resolution 6 will be to allow the directors to issue Equity Securities under Listing Rule 7.1A during the period set out below.

Resolution 6 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote at the Annual General Meeting (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The exact number of Equity Securities that the Company may issue under the Additional 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to section 10(b) of this Notice of Annual General Meeting below).

The company is seeking a mandate to issue securities under the Additional 10% Placement Facility to enable the Company to pursue its growth strategy with the flexibility to act quickly as potential business opportunities arise.

#### Regulatory Requirements

In compliance with the information requirements of Listing Rule 7.3A, Shareholders are advised of the following information:

##### a. Minimum Issue Price

Equity securities issued under the Additional 10% Placement Facility must be in the same class as an existing class of quoted Equity Securities of the Company. As at the date of the Notice of Annual General Meeting, the Company has on issue one class of quoted Equity Securities, namely Shares.

The issue price of Equity Securities issued under the Additional 10% Placement Facility must not be lower than 75% of the volume weighted average price for securities in the same class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- i. The date on which the price at which the Securities are to be issued is agreed; or
- ii. If the Securities are not issued within 5 trading days of the date in paragraph (i) the date on which the securities are issued.

##### b. Dilution

As at the date of this Notice of Annual General Meeting, the Company has 2,001,560,131 Shares on issue. If Shareholders approve Resolution 10, the Company will have the capacity to issue approximately 200,156,013 Equity Securities under the Additional 10% Placement Facility in accordance with Listing Rule 7.1A.

The precise number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the following formula:

#### **(A x D) – E**

A is the number of fully paid shares on issue 12 months before the date of issue or agreement:

- A: plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- B: plus the number of partly paid shares that became fully paid in the 12 months;
- C: plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 or 7.4;
- D: less the number of fully paid shares cancelled in the 12 months.

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*Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.*

- D is 10%
- E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of Shareholders under Listing Rule 7.1 or 7.4.

If Resolution 6 is approved by Shareholders and the Company issued Equity Securities under the Additional 10% Placement Facility, existing Shareholders' voting power in the Company will be diluted as shown in the table below to the extent Shareholders do not receive any Shares under such issues. There is a risk that:

- i. the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than the date of the Annual General Meeting; and
- ii. the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date.

The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A2 as at the date of this Notice of Annual General Meeting.

The table below also shows:

- i. two examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rate entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- ii. two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% against the current market price.

| Variable "A" in Listing Rule 7.1A.2                            |               | Dilution                                  |                           |   |
|--|---------------|---|---------------------------|---|
|  |               | \$0.001<br>50% decrease in<br>Issue Price | \$0.002<br>Issue Price    | \$0.003<br>50% increase in<br>Issue Price |
| Current Variable A<br>2,001,560,131 Shares                     | Shares issued | 200,156,013<br>New Shares                 | 200,156,013<br>New Shares | 200,156,013<br>New Shares                 |
|  | Funds raised  | \$200,156                                 | \$400,312                 | \$600,468                                 |
| 50% increase in current<br>Variable A<br>3,002,340,196 Shares  | Shares issued | 300,234,020<br>New Shares                 | 300,234,020<br>New Shares | 300,234,020<br>New Shares                 |
|  | Funds raised  | \$300,234                                 | \$600,468                 | \$900,702                                 |
| 100% increase in current<br>Variable A<br>4,003,120,262 Shares | Shares issued | 400,312,026<br>New Shares                 | 400,312,026<br>New Shares | 400,312,026<br>New Shares                 |
|  | Funds raised  | \$400,312                                 | \$800,624                 | \$1,200,936                               |

The table has been prepared on the following assumptions:

1. The Company issues the maximum number of Equity Securities available under the Additional 10% Placement Facility.
2. No Options are exercised into Shares before the date of the issue of the Equity Securities.
3. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.



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4. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the Additional 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
5. The table shows only the effect of issued of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
6. The issue of Equity Securities under the 10% placement Facility consists only of Shares. If the issue of Equity Securities includes Listed Options, it is assumed that those Listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
7. The issue price is \$0.002, being the closing price of the Shares on ASX on 4 October 2017.

## c. Issue Period

If Shareholders approve Resolution 6, the Company will have a mandate to issue Equity Securities under the Additional 10% Placement Facility under Listing Rule 7.1A from the date of the Annual General Meeting until the earlier of the following to occur:

- i. The date that is 12 months after the date of the Annual General Meeting; and
- ii. The date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature of scale of activities) or 11.2 (disposal of main undertaking).

(the Additional 10% Placement Period).

The Company will only issue and allot Equity Securities under the Additional 10% Placement Facility during the Additional 10% Placement Period.

## d. Purpose of Issues

The Company may seek to issue the Equity Securities for the following purposes:

- i. Non-cash consideration for the acquisition of the new assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
- ii. Cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.

The Company will provide further information at the time of issue of any Equity Securities under the Additional 10% Placement Facility in compliance with its disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A.

## e. Allocation Policy

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the Additional 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- i. the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issues in which existing security holders can participate;
- ii. the effect of the issue of the Equity Securities on the control of the Company;
- iii. the financial situation and solvency of the Company; and
- iv. advice from corporate, financial and broking advisers (if applicable).

## f. Previous issues

The Company has previously obtained Shareholder approval under Listing Rule 7.1A and has not issued any Equity Securities pursuant to Listing Rule 7.1A in the 12 months preceding the date of the Annual General Meeting.

In accordance with listing rule 7.3A.6(a) details of the total number of equity securities issued in the past 12 months preceding the date of the meeting and the percentage those issues represent of the total number of equity securities on issue at the commencement of the 12 month period are as follows:

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|   |             |
|---|-------------|
| Equity securities issued in prior 12 month period   | 100,000,000 |
| Percentage previous issues represent of total number of equity securities on issue at commencement of 12 month period | 5.26%       |

The specific details for each of the issues during the 12 month period are as follows:

Issue 1 during the 12 month period:

|   |   |
|---|---|
| Date of Issue                             | 27 January 2017   |
| Number issued:                            | 100,000,000   |
| Type of Equity;                           | Fully paid ordinary shares which ranked pari passu with existing fully paid shares on issue |
| Summary of Terms:                         | Placement   |
| Names of Persons who received securities: | Sophisticated and professional investors  |
| Price:                                    | 0.2 cents per share   |
| Discount to market:                       | Approximately a 15% discount  |
| Total cash consideration:                 | \$200,000 which has been spent on exploration expenditure and working capital               |
| Intended use of remaining cash            | Not applicable  |

g. Voting exclusion statement

A voting exclusion statement for Resolution 6 is included in the Notice of Annual General Meeting preceding this Explanatory Statement.

At the date of the Notice of Annual General Meeting, the Company has not approached any particular existing security holder or an identifiable class of existing security holders to participate in the issue of the Equity Securities. Accordingly, the proposed allottees of any Equity Securities under the Additional 10% Placement Facility are not as yet known or identified.

In these circumstances (and in accordance with the note set out in ASX Listing Rule 14.11.1 relating to ASX Listing Rules 7.1 and 7.1A), for a person's vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of any Equity securities issued under the Additional 10% Placement Facility), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted, and there is no reason to exclude their votes.

No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice of Annual General Meeting.

## Board Recommendation

The Board believes that the Additional 10% Placement Facility is beneficial for the Company as it will give the Company the flexibility to issue further securities representing up to 10% of the company's share capital during the next 12 months. Accordingly, the Board unanimously recommend that Shareholders approve Resolution 6.

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## APPOINTMENT OF PROXY

I/We .....

of .....

being a member/members of Cullen Resources Limited hereby appoint

|   |    |                      |   |
|---|----|----------------------|---|
| <input type="checkbox"/> The Chairman of<br>The meeting<br>(mark with an 'X') | OR | <input type="text"/> | Write the name of the person you are appointing if<br>this person is someone other than the Chairman of<br>the Meeting. |
|---|----|----------------------|---|

or failing the person named attending the meeting, or if no person is named, the Chairman of the meeting as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of the Company to be held on 21 November 2017 at 10.00 a.m. and at any adjournment of that meeting.

**IMPORTANT:** If you appoint a proxy, we encourage you to direct your proxy how to vote on each item of business.

**Important for Resolution 2 (Adoption of Remuneration Report)** - If the Chairman of the Meeting is your proxy or is appointed as your proxy by default and you do not mark any of the boxes in step 2 below on Resolution 2 you will be deemed to have directed the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions as set out below and in the Notice of Meeting even though Item 2 is connected directly or indirectly with the remuneration of a member of key management personnel. Please note you can direct the Chairman of the Meeting to vote for, against or abstain from voting on Resolution 2 by marking the appropriate box in step 2 below. **The Chairman of the Meeting intends to vote in favour of each item of business.**

### Voting directions to your proxy – please mark "X" to indicate your directions

| Resolution  | For                      | Against                  | Abstain                  |
|---|--------------------------|--------------------------|--------------------------|
| 2. Adoption of Remuneration Report.                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Re- election of Mr W Kernaghan                       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Ratification of previous placement - 27 January 2017 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Issue of options – Dr C Ringrose                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Approval of additional 10% placement facility.       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Signed this ..... day of ..... 2017.

|                             |                      |                            |
|-----------------------------|----------------------|----------------------------|
| Individual Securityholder 1 | Securityholder 2     | Securityholder 3           |
| <input type="text"/>        | <input type="text"/> | <input type="text"/>       |
| Individual/Sole Director    | Director             | Director/Company Secretary |

This form must be signed by the securityholder. If a joint holding, either security holder may sign. If signed by the securityholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the securityholder's constitution and the Corporations Act 2001 (Cwlth).

## INSTRUCTIONS FOR COMPLETION OF PROXY FORM

### Appointing a proxy

A shareholder who is entitled to attend and vote can appoint a proxy to attend and vote at the Annual General Meeting on their behalf. A proxy need not be a shareholder of the Company.

A shareholder entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If proportions or numbers are not specified, each proxy may exercise half the available votes.

You may complete and return the Appointment of Proxy included with this Notice. If you require a second proxy form, please contact the Company Secretary or you may copy the Proxy Form.

If you do not provide proxy instructions electronically, proxy forms may be lodged by mail, by hand or by facsimile in accordance with the instructions on the Proxy form.

For an appointment of a proxy to be effective, the Proxy form must be received at its registered office, Unit 4, 7 Hardy Street, South Perth WA 6151, or received by facsimile on +61 8 9474 5588 by not later than 10.00am (AEDST) on Sunday, 19 November 2017.

### Corporate Shareholders

Corporate shareholders wishing to appoint a representative to attend the meeting on their behalf must provide that person with a property executed letter confirming that they are authorised to act as the company's representative. The authorisation may be effective either for this meeting only or for all meetings of the Company.

### Eligibility to vote at the meeting

For the purpose of regulation 7.11.37 of the *Corporations Regulations* 2001, the Company has determined, for the purposes of voting entitlements at the meeting, that Cullen shares are taken to be held by those shareholders registered at 7:00pm (AEDST) on Sunday, 19 November 2017. Accordingly, only those persons will be entitled to attend and vote at the meeting.

### How undirected proxies held by the Chairman of the meeting will be voted

If you appoint the Chair of the Meeting as your proxy and you do not specify in the proxy form the manner in which you wish the Chair to vote on the resolutions to be considered at the meeting, **you will be deemed to have directed the Chair to vote in accordance with the voting intentions of the Chair to vote in favour of all resolutions.**

If you appoint the Chair of the Meeting as your proxy and wish to direct the Chair how to vote on some or all of the resolutions to be considered at the Meeting, you must complete the directed proxy part of the proxy form (Step 2 on the proxy form).

In either case, if you appoint the Chair of the Meeting as your proxy, **you acknowledge and agree that the Chair may vote in favour of Resolution 2 for the adoption of the remuneration report even though it is connected with the remuneration of a member of key management personnel.**

The Directors encourage all shareholders who submit proxies to direct their proxy how to vote on each resolution.

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