



ASX ANNOUNCEMENT

ASX Symbol: CUL

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21 August 2019

**FARM-OUT OF Mt EUREKA PROJECT, NE GOLDFIELDS, W.A.
TO ROX RESOURCES LIMITED**

Cullen Resources Limited (“Cullen” or “the Company”) is pleased to announce that its wholly owned subsidiary Cullen Exploration Pty Limited has signed a Binding Term Sheet with Rox Resources Limited (ASX: RXL – “Rox”) under which Rox has been granted the right to earn up to a 75% interest in Cullen’s Mt Eureka Project tenements and applications (see Item 1 of the Schedule and Fig.1 below). The key terms are:

- Rox may **earn a 51% interest by spending \$1m** on exploration expenditure within a three year period from satisfaction of certain Conditions Precedent (Stage 1 Earn In).
- Cullen will receive \$40,000 cash upon satisfaction of one of the Conditions Precedent.
- If Rox earns the 51% interest, it can elect to earn **a further 24% interest by expending a further \$1m** on exploration expenditure over a three year period, commencing at the end of the Stage 1 Earn In.
- Rox must spend a minimum of \$333,334 and ensure the Cullen tenements are in good standing on a daily pro rata basis before it may withdraw from the Binding Term Sheet.
- Upon Rox earning 51% or, if it earns the additional 24%, upon Rox earning 75%, the parties will be associated in an unincorporated Joint Venture in relation to the **Joint Venture Tenements**, which will include certain Rox tenements and applications (see the Schedule and Fig.1 below).
- If Rox earns 75%, Cullen will be free-carried, with no liability for any Joint Venture costs, until completion of a **Pre-Feasibility Study**.
- If Rox only earns 51%, or earns 75% and completes a **Pre-Feasibility Study**, thereafter Cullen must contribute to Joint Venture costs or dilute under a standard dilution formula.

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- If a Participant’s interest falls to 10% or less, that Participant’s interest will be converted to a **Net Smelter Return Royalty of 1%** on those Cullen tenements already subject to a royalty, and **2.5%** on the balance of the Joint Venture Tenements.

Cullen’s Managing Director, Dr. Chris Ringrose commented:

“We are very pleased to have undertaken this transaction with Rox – a company that has discovered the Camelwood nickel sulphide mineralisation system on its Mt Fisher Project, which adjoins Cullen’s Mt Eureka project tenements to the south, and where they have also defined gold resources. Given their key geological understanding of the region, strong financial position, and well-established logistics base in the remote north east Goldfields, they are best positioned to advance exploration for gold and nickel deposits on Cullen’s numerous defined prospects.

This transaction is another example of Cullen’s long-standing and successful strategy of project generation and Joint Venture farm-out as appropriate. Cullen can now focus on its Wongan Hills Project and its two new, substantial exploration licence applications (totalling ~350km²) located south east of the Penny West gold deposits, and continue its project generation.”

Schedule Joint Venture Tenements

Item 1 - Cullen Tenements

Number	Status
E53/1209	Live
E53/1299	Live
E53/1637	Live
E53/1893	Live
E53/1957	Live
E53/1958	Live
E53/1959	Live
E53/1961	Live
E53/2052	Pending

Item 2 - Rox Tenements

Number	Status
E53/2002	Live
E53/2062	Pending
E53/2075	Pending

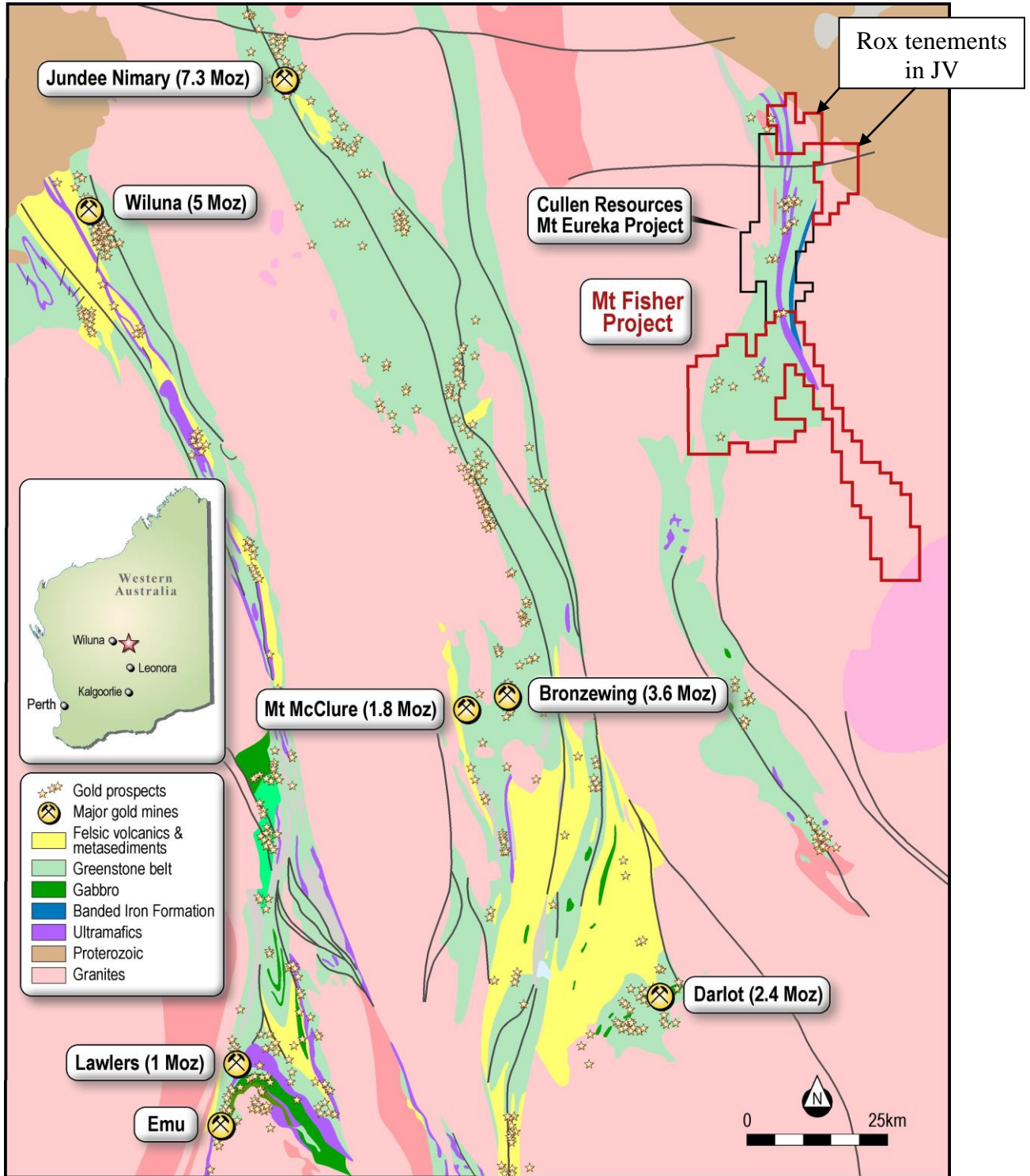


Fig. 1. Location of the Mt Fisher (Rox) and Mt Eureka (Cullen) project tenements

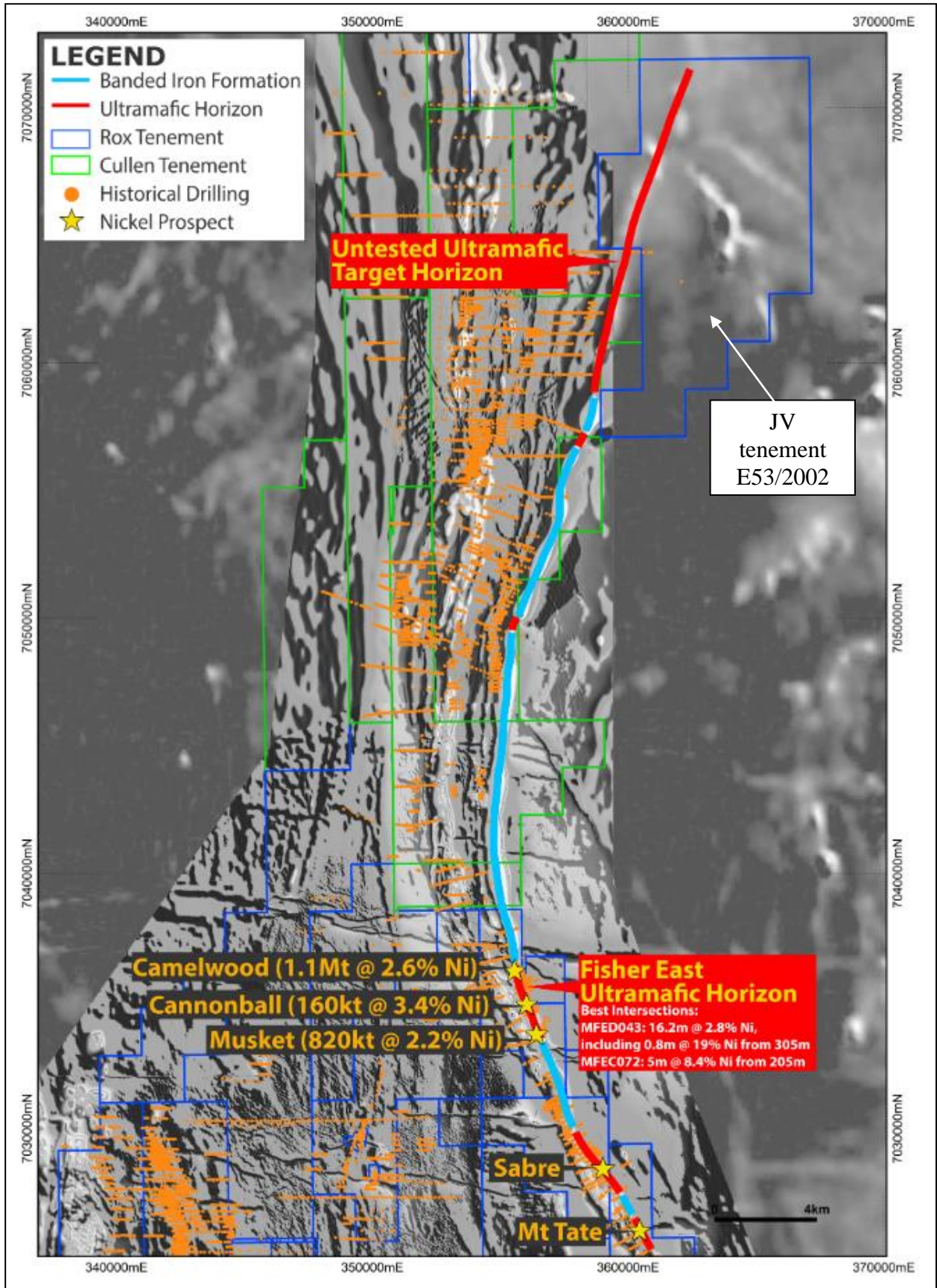


Figure 2 – Aeromagnetic Image Showing Target Horizon

ATTRIBUTION: Competent Person Statement

The information in this report that relates to exploration activities is based on information compiled by Dr. Chris Ringrose, Managing Director, Cullen Resources Limited who is a Member of the Australasian Institute of Mining and Metallurgy. Dr. Ringrose is a full-time employee of Cullen Resources Limited. He has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration, and to the activity which has been undertaken, to qualify as a Competent Person as defined by the 2012 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.

Information in this report may also reflect past exploration results, and Cullen’s assessment of exploration completed by past explorers, which has not been updated to comply with the JORC 2012 Code. The Company confirms it is not aware of any new information or data which materially affects the information included in this announcement.

ABOUT CULLEN: Cullen is a Perth-based minerals explorer with a multi-commodity portfolio including projects managed through JV or farm-in with key partners (Fortescue and Liontown), and a number of projects in its own right. The Company’s strategy is to identify and build targets based on data compilation, field reconnaissance and early-stage exploration, and to pursue further testing of targets itself or farm-out opportunities to larger companies. Projects are sought for most commodities mainly in Australia but with selected consideration of overseas opportunities. Cullen has a **1.5% F.O.B. royalty** up to 15 Mt of iron ore production from the Wyloo project tenements, part of Fortescue’s proposed Western Hub/Eliwana project, and will receive \$900,000 cash if and when a decision is made to commence mining on a commercial basis – E47/1649-1650, ML 47/1488-1490, and ML 08/502. Cullen has a **1% F.O.B. royalty** on any iron ore production from the following tenements – E08/1135, E08/1330, E08/1341, E08/1292, ML08/481, and ML08/482 (former Mt Stuart Iron Ore Joint Venture – Baosteel/Aurizon/Posco/AMCI) and will receive \$1M cash upon any Final Investment Decision. The Catho Well Channel Iron Deposit (CID) has a published in situ Mineral Resources estimate of 161Mt @ 54.40% Fe (ML 08/481) as announced by Cullen to the ASX – 10 March 2015.

FORWARD - LOOKING STATEMENTS

This document may contain certain forward-looking statements which have not been based solely on historical facts but rather on Cullen's expectations about future events and on a number of assumptions which are subject to significant risks, uncertainties and contingencies many of which are outside the control of Cullen and its directors, officers and advisers. Forward-looking statements include, but are not necessarily limited to, statements concerning Cullen’s planned exploration program, strategies and objectives of management, anticipated dates and expected costs or outputs. When used in this document, words such as “could”, “plan”, “estimate” “expect”, “intend”, “may”, “potential”, “should” and similar expressions are forward-looking statements. Due care and attention has been taken in the preparation of this document and although Cullen believes that its expectations reflected in any forward looking statements made in this document are reasonable, no assurance can be given that actual results will be consistent with these forward-looking statements. This document should not be relied upon as providing any recommendation or forecast by Cullen or its directors, officers or advisers. To the fullest extent permitted by law, no liability, however arising, will be accepted by Cullen or its directors, officers or advisers, as a result of any reliance upon any forward looking statement contained in this document.