



ABN 46 006 045 790

ASX ANNOUNCEMENT

18 May 2015

PLACEMENT AND SHARE PURCHASE PLAN

HIGHLIGHTS

- Placement to raise \$285,000 - 75M shares at \$0.0038
- Share Purchase Plan to be undertaken on same terms to raise up to a further \$570,000

The Directors of Cullen Resources Limited (**ASX: CUL**) (**Company**) are pleased to announce a capital raising of up to **\$855,000** comprising:

- A placement ("Placement") of **75 million** fully paid ordinary shares at \$0.0038 per share to raise **\$285,000**; and,
- A share purchase plan ("SPP") at \$0.0038 per share to raise up to **\$570,000** via the issue of up to approximately **150 million** fully paid ordinary shares.

PLACEMENT

The Placement is being made to sophisticated and professional investors, and clients of Bell Potter under the Company's existing 15% placement capacity with settlement of the Placement expected around 22 May 2015.

SHARE PURCHASE PLAN (SPP)

The Company is also pleased to offer its eligible shareholders the opportunity to participate in a Share Purchase Plan (**SPP**) designed to provide all shareholders, registered as holders of fully paid ordinary shares in the Company on the Record Date detailed below (and who have registered addresses in Australia and New Zealand), the opportunity to purchase up to A\$15,000 worth of shares in the Company on attractive terms.

TERMS OF THE SPP AND KEY DATES

The purchase price of the new shares to be offered under the SPP will be **\$0.0038** each, free from all brokerage and other charges, representing a **19.5% discount** to the VWAP price of the Company's Shares on the ASX on the last five trading days to 15 May 2015 and a 23.9% discount to the last traded price prior to this announcement.

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The proposed timetable for the offer of shares under the SPP is as follows:

Record date to determine entitlements (7.00pm AEST)	15 May 2015
Announcement of SPP	18 May 2015
SPP opens	22 May 2015
Closing date for application for shares (5.00pm AEST)	12 June 2015
Date of allotment and dispatch of holding statements to shareholders	Within 10 business days of the closing of the SPP

This timetable is indicative only and may be varied by Cullen making an announcement to the ASX.

FUNDS TO BE RAISED FROM SPP

A maximum of 150 million shares is being offered under the SPP. Priority will be given to those shareholders whose application forms and payments are received first by the Company. Under the SPP, the Company also has sole and absolute discretion to accept applications in excess of 150 million shares, depending on market conditions and the level of investor interest. The Company has sole and absolute discretion as to the amount raised through the SPP including the right to scale back applications.

USE OF FUNDS TO BE RAISED FROM PLACEMENT AND SPP

Funds raised will be used to advance exploration at the Company's Mt Eureka Project, targeting massive nickel sulphide and gold prospects; to maintain its participating interest in the Mt Stuart Iron Ore Joint Venture (Cullen 30% and contributing); and for working capital. Naturally, the level of funding received will dictate the scope of exploration activities achievable.

Commenting on the Company's Placement, SPP and the offer to shareholders, Chairman Dr. Denis Clarke said:

"At the Mt Eureka project in W.A., the Company has planned an air core and follow-up RC drilling programme to test several prospective structures and lithological contacts for gold and, in the same drill programme, several ultramafic horizons for indications of nickel sulphide mineralisation. The Company has also recently completed a ground EM survey over a more advanced nickel sulphide prospect at Mt Eureka, and plans to drill test two new bedrock conductors identified in the vicinity of known nickel sulphides from historical drilling by a WMC Limited - Cullen Joint Venture in 2003.

These programmes at Mt Eureka offer prime opportunities for the discovery of massive nickel sulphides in an emerging nickel province, which includes recent discoveries nearby by Rox Resources Limited at its Fisher East Project. The gold targets are also highly prospective. Funds raised will be used to test these targets as soon as practical after all statutory approvals are in place - anticipated to be by end of June.

The Company also remains a Participant in the Mt Stuart Iron Ore Joint Venture (MSIOJV). Cullen's 30% participating interest in the MSIOJV is an important asset which we believe may realise substantial value for the Company in the medium to long term, with the potential development of the MSIOJV as part of the planned substantial, 40Mtpa, West Pilbara Iron Ore Project - Stage 1. Most recently (Cullen's announcement to the ASX of 28 April 2015), the Manager of the MSIOJV reported that work is continuing to advance a Mining Reserve Estimate (to JORC 2012 reporting standards) and accompanying Feasibility Study for the MSIOJV as part of the broader West Pilbara Iron Ore Project.*

In addition, under certain circumstances, Cullen's 30% participating interest can be converted to a royalty in the MSIOJV (of 50c per dry metric tonne produced from the Joint Venture tenements). The recently-announced 64% increase in the MSIOJV's Catho Well Channel Iron Deposit to 161Mt @ 54.40% Fe (Cullen's announcement to the ASX of 10 March 2015) offers very substantial, potential cash flow to Cullen should Cullen's participating interest be converted to the royalty and the project proceeds to development.

The Company's exploration activities and assets are described in the recent Quarterly Report to the ASX (28-4-2015) and a full Company profile is available on our website: www.cullenresources.com.au."

OFFER DOCUMENT

The SPP Offer Document and Application Form will be forwarded to shareholders by **22 May 2015**.

FURTHER INFORMATION

Please contact Dr. Chris Ringrose, Managing Director on + 61 8 9474 5511.

*The **Mt Stuart Iron Ore Joint Venture** is between Cullen Exploration Pty Ltd - 30% and contributing, and API Management Pty Ltd (**API**) - 70%. The shareholders of API are the parties to the unincorporated joint venture known as the Australian Premium Iron Joint Venture (**APIJV**). The participants in the APIJV are: Aquila Steel Pty Ltd 50% (the ultimate owners of which are **Baosteel Resources Australia Pty Ltd** (85%) and **Aurizon Operations Limited** (15%)); and **AMCI (IO) Pty Ltd** 50% (the ultimate owners of which are **AMCI Investments Pty Ltd** (51%) and **Posco WA Pty Ltd** (49%)). Baosteel and Posco are subsidiaries of major steel producers in China and Korea respectively.

ATTRIBUTION: Competent Person Statement

The information in this report that relates to Exploration Results 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.