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ASX ANNOUNCEMENT

15 November 2011

PROGRESS REPORT: CATHO WELL CHANNEL IRON DEPOSIT

MT STUART IRON ORE JOINT VENTURE (MSIOJV) – ELs 08/1135, 1292, 1330, 1341, MLAs 08/481 and 482: Cullen 30%; Australian Premium Iron Joint Venture (APIJV) 70%, iron ore rights.

- The Catho Well Channel Iron Deposit (Cullen 30%) is one of four starter pits for the proposed West Pilbara Iron Ore Project – Stage 1 (WPIOP);
- Cullen has submitted a Mining Lease Application for the proposed mining area at Catho Well;
- Cullen continues to assess its strategic and financial options concerning its Reserve of ~21Mt of Catho Well ore.

Cullen Resources Limited (**Cullen**) has previously reported that ore derived from the Catho Well Channel Iron Deposit, part of the Mt Stuart Iron Ore Joint Venture (**MSIOJV**), is anticipated to contribute to the main, blended product stream throughout the proposed 15 year mine life of the broader West Pilbara Iron Ore Project – Stage 1 (**WPIOP**). Cullen's potential production in this scenario, from its ownership of ~21Mt of the Maiden Reserve for Catho Well, equates to ~1.4 Mt of iron ore per annum for a period of 15 years from the initiation of project mining operations.

A recent review of the latest proposed mining schedule for the **WPIOP**, indicates that Catho Well is one of four starter pits for the project. This underlines the critical importance of Catho Well's contribution, given its lower alumina levels, to the proposed blended product stream chemistry.

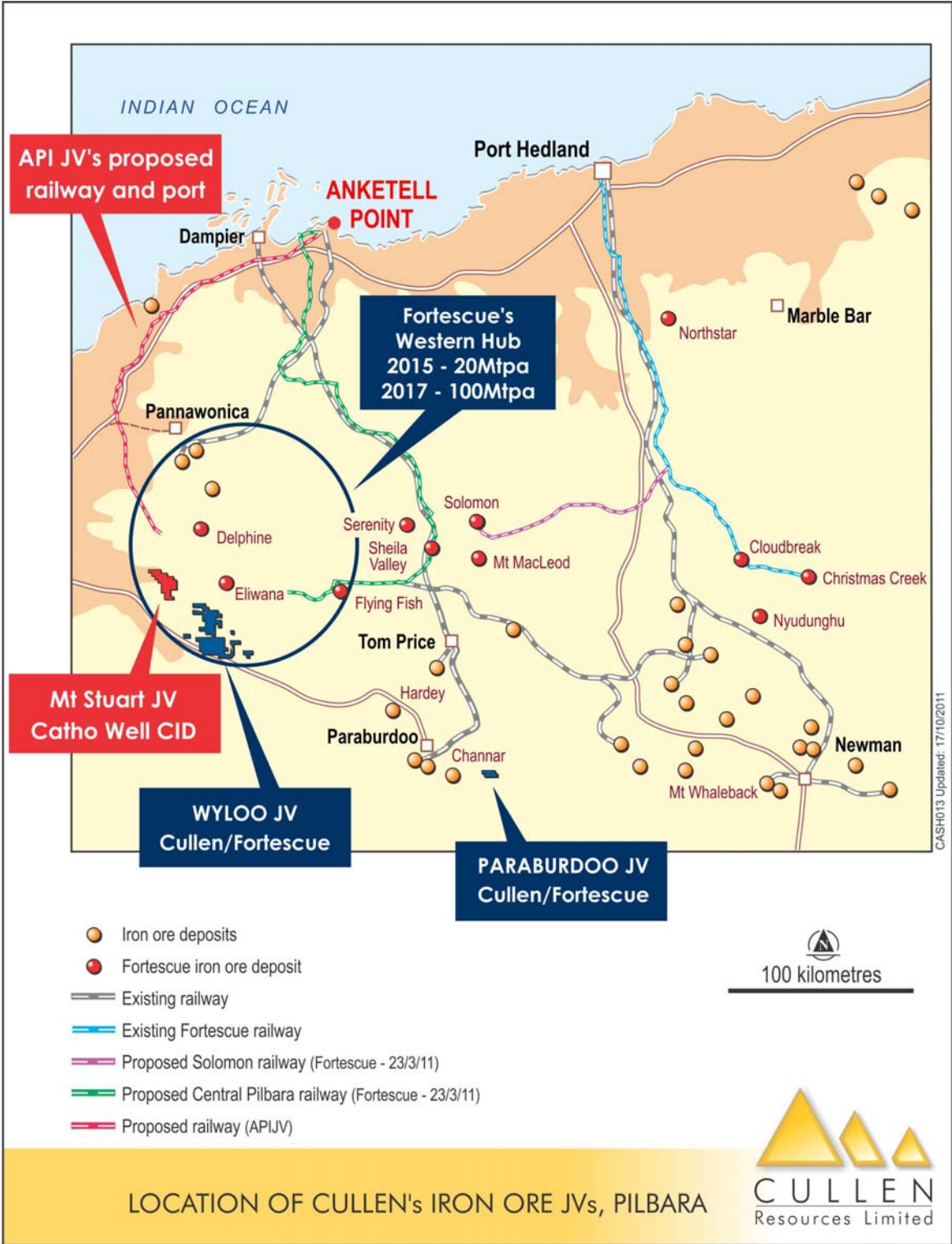
In order to facilitate progress on Cullen's participation in the broader project, which aims to export 30 million tonnes of ore a year from 2014, Cullen has recently lodged Mining Lease Applications for the proposed mining area at Catho Well, and at Cardo Bore (see Figure).

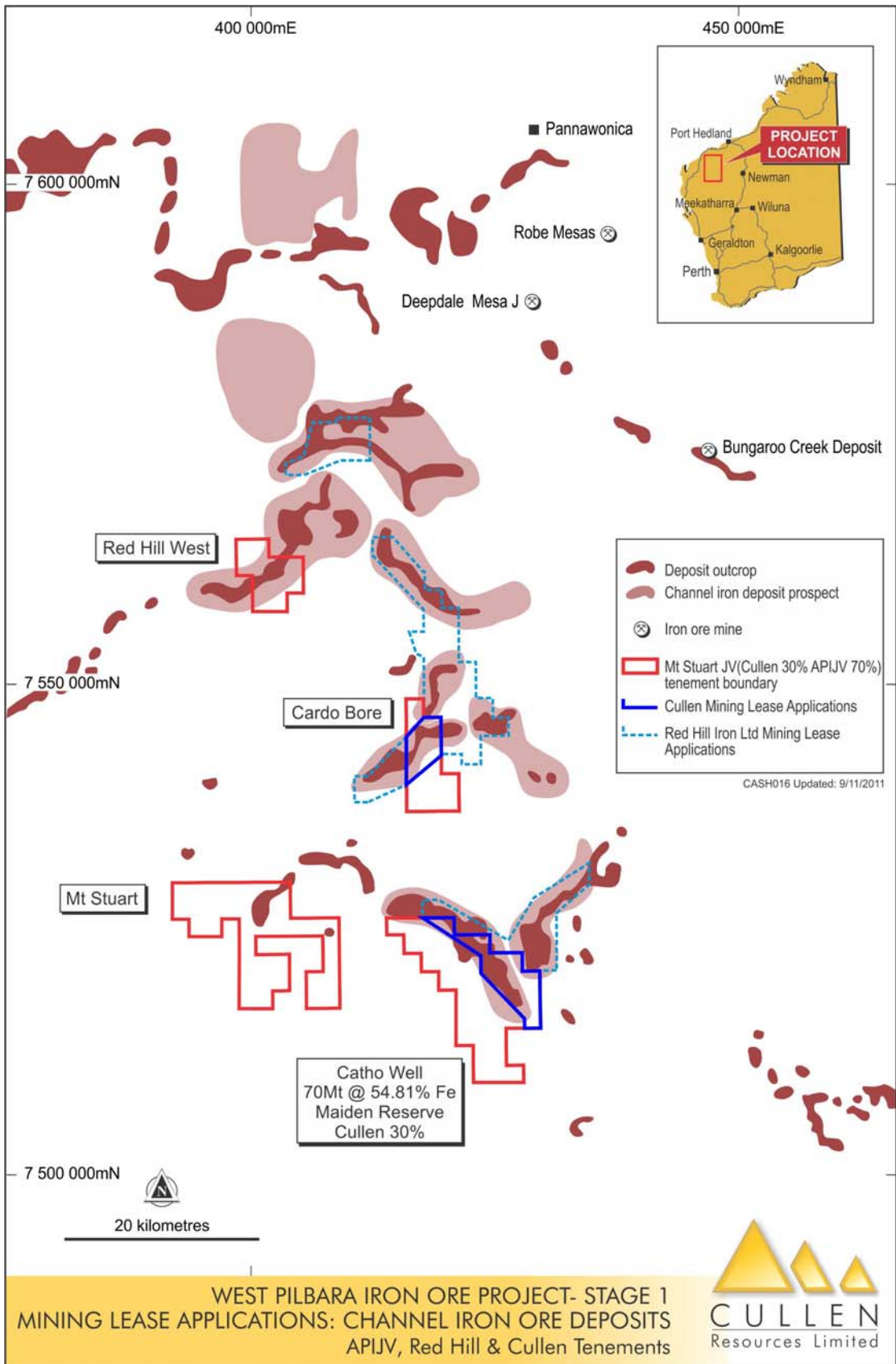
Cullen anticipates that an updated Feasibility Study (**FS**) for the **WPIOP** will be delivered by the APIJV to its owners in the current Quarter, and that the Mining Feasibility Study (**MFS**) for Catho Well deposit, a subset of the project **FS**, will be delivered to Cullen in the current Quarter. The **MFS** will include a scenario which assumes the ownership of Cullen's run of mine ore will be transferred, after loading to trains, at the "mine gate". Based on the **MFS**, the **MSIOJV** Participants will require the JV Manager to submit a Development Proposal to the **MSIOJV** Participants and that this, in turn, will lead to consideration of a Decision to Mine by the **MSIOJV** Participants.

While awaiting these further announcements from **APIJV** in relation to the **WPIOP**, Cullen and advisers have continued to assess the various strategic and financial options in moving forward on its participation in the **WPIOP**.

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Notes:

Mineral Resource estimate for the Catho Well Channel Iron Deposit: (Cullen 30%)

Joint Venture	JORC Classification	Mt	Fe %	P %	SiO ₂ %	Al ₂ O ₃ %	S %	Mn %	MgO %	LOI %
Mt Stuart JV	Measured	2.00	55.1	0.041	6.61	3.64	0.020	0.058	0.208	9.99
	Indicated	73.00	55.1	0.037	6.91	3.16	0.016	0.079	0.178	10.26
	Inferred	23.00	54.6	0.037	7.53	3.10	0.015	0.102	0.209	10.40
	TOTAL	98.00	55.0	0.037	7.05	3.15	0.016	0.084	0.186	10.29

The Catho Well Mineral Resource estimate is reported at a 53% Fe cut-off. The resource estimate has been compiled in accordance with the guidelines defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2004 Edition).

In December 2010, Cullen reported the maiden JORC Ore Reserve Estimate for the Catho Well Channel Iron Deposit based on the Resource Estimate (Table 1).

Table 1 – Mt Stuart Iron Ore Joint Venture (MSIOJV) Ore Reserve Estimate (Cullen 30%)

Product	Category	Tonnes Mt	Fe %	Al ₂ O ₃ %	SiO ₂ %	P %	LOI %
Product 1	Proved	1	55.28	3.33	6.57	0.043	10.03
	Probable	69	54.80	3.23	7.23	0.037	10.31
	Total	70	54.81	3.23	7.22	0.037	10.30
TOTAL	Proved	1	55.28	3.33	6.57	0.043	10.03
	Probable	69	54.80	3.23	7.23	0.037	10.31
	Total	70	54.81	3.23	7.22	0.037	10.30

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 Australian 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 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.

The information in this announcement, insofar as it relates to iron ore exploration activities for the Mt Stuart JV, is based on information compiled by Mr. Stuart Tuckey who is a member of the Australian Institute of Mining and Metallurgy, and who has more than five years experience in the field of activity being reported on. Mr. Tuckey is a full-time employee of API Management Pty Ltd. Mr. Tuckey has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Tuckey consents to the inclusion in the report of the above matters, based on their information in the form and context in which it appears.

The information in this announcement that relates to Mineral Resources has been supervised by Mr. Stuart Tuckey who is a member of the Australasian Institute of Mining and Metallurgy. Mr. Tuckey is full-time employee of Australian Premium Iron. Mr. Tuckey has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Tuckey consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The information in this release that relates to Ore Reserves is based on information compiled by Mr. Steve Craig, Managing Director of ORElogy (Mining Consultants). Mr. Craig is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Craig consents to the inclusion of the matters based on his information in the form and context in which it appears in this release.