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ANNUAL REPORT 2022



CORPORATE DIRECTORY

ABN: 46 006 045 790

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**COVER | PADDOCK DRILLING, WONGAN HILLS
ON THE ROAD TO NORTH TUCKABIANNA**



Chairman's Report

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► DEAR FELLOW SHAREHOLDER

The Company's present substantial position presents great opportunity for exploration success on a number of fronts from greenfields to exploration "hot zones". Activities this year have included early-stage exploration, target generation and several drilling campaigns, both by Cullen and its JV partners. This has targeted gold, Ni-Cu-PGE, and base metals, focused in Western Australia but with activities in Finland funded and managed by a JV partner. Persistent groundwork and data integration in all project areas is on-going and the Company is primed for an in-flow of results from these endeavours.

The Wongan Hills Project is positioned within the newly recognised Ni-Cu-PGE Belt proximal to the Yilgarn Craton margin. This exploration "hot zone", fired by Chalice Mining's discovery of the Julimar Ni-Cu-PGE deposit, remains a key focus. Cullen's scout and target drilling in covered areas has led to the identification of new bedrock targets, both for base metals and mafic intrusion related Ni-Cu-PGE. Untested, coincident magnetic-structural anomalies are ready for new surface sampling programs to delineate drill targets.

Cullen also has a presence in another emerging Ni-Cu-PGE exploration "hot spot", in the SW of the State at Yornup, an area where Chalice and the Independence Group are active. Geochemical sampling is planned to follow-up key historical anomalies related to ultramafic bodies.

Gold exploration at Barlee is at an early stage but initial air core drilling has outlined greenstone targets areas for follow-up. Geophysical data review and initial soil sampling at Bromus are planned. It is situated on-strike from Galileo's recent discovery of palladium mineralisation hosted by an ultramafic sill.

Cullen's farm-out strategy is also bearing fruit in terms of target generation and drilling on other projects, funded by partners. This enables exploration exposure on multiple fronts, thereby enhancing the discovery profile. For example, during the year, JV partner Rox Resources Ltd reported high-grade results from the Mt Eureka JV (Rox earning up to 75%, Cullen Resources Limited 25%) include 13m @ 6.8g/t Au from 45m, at the Galway Prospect and 3m @ 4.0g/t Au from 35m at the Southern Prospect. Also, Lachlan Star Ltd is exploring at Killaloe, near Norseman (Cullen 20% FCI). Cullen's farm out of its Katajavaara and Aakenus tenure, in the emerging Central Lapland Greenstone Belt of Northern Finland, to Capella Minerals Limited (TSXV:CMIL), is also progressing well. Capella has defined six Priority Targets including the Killero Cu-Au prospect with previous company Bottom - of -Till assays up to 0.6% Cu with 145ppb Au.

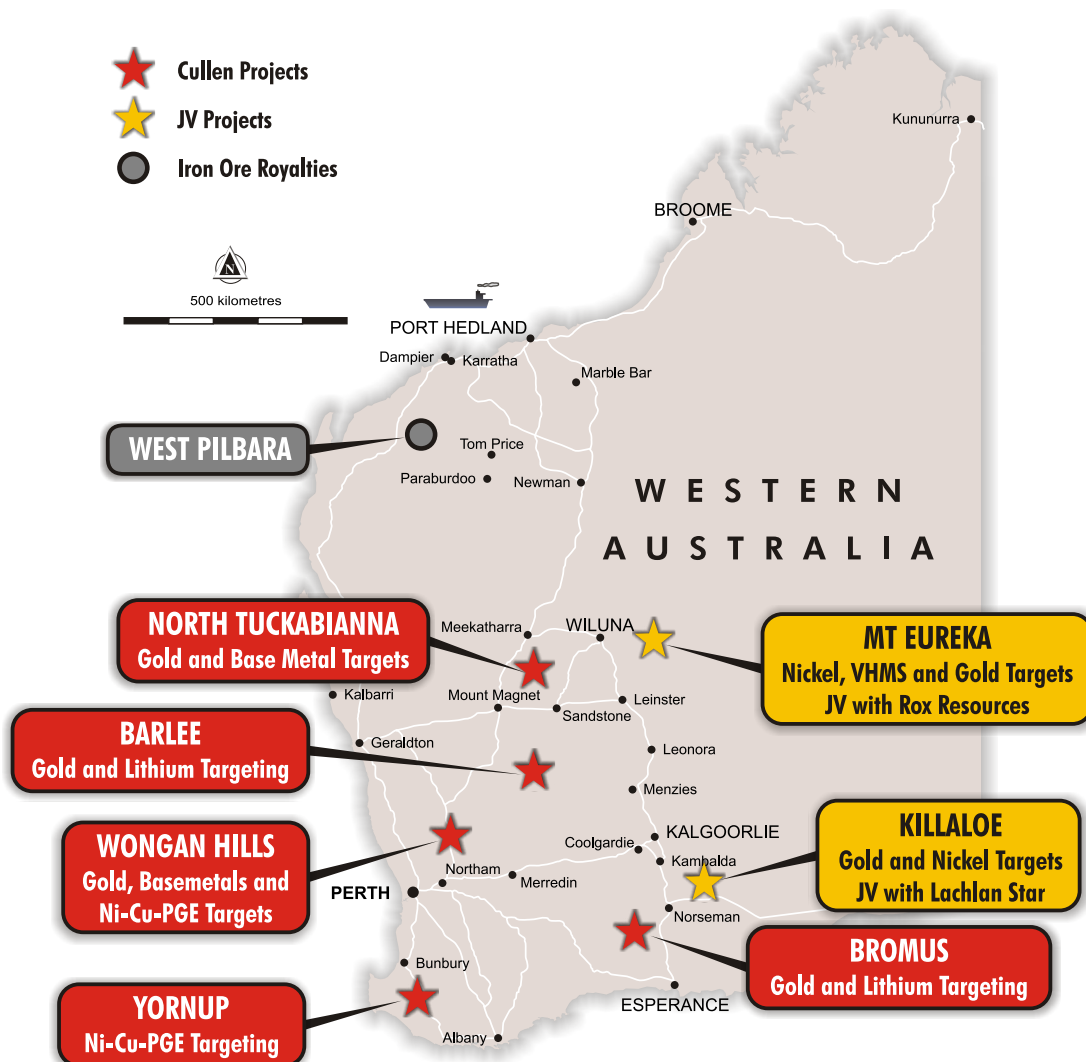
Cullen is monitoring possible developments in the West Pilbara iron ore region that may impact on its two royalties related to undeveloped resources. They are a potentially valuable spin-off from the original joint ventures with FMG and Baosteel/Posco/AMCI/MinRes. One is with FMG at Wyloo, part of the Eliwana Project and a second is near the Red Hill iron ore JV now, managed by Mineral Resources.

In summary, Cullen shareholders can look forward to an exciting year of drill target testing both in Cullen's own right and with funding partners. In closing, I would like to acknowledge the work of CEO Dr Chris Ringrose and my fellow director, consultants and contractors for their valuable contributions throughout the year.

John Horsburgh, Chairman

Company Assets and Key Projects

WESTERN AUSTRALIA | Project Location Map



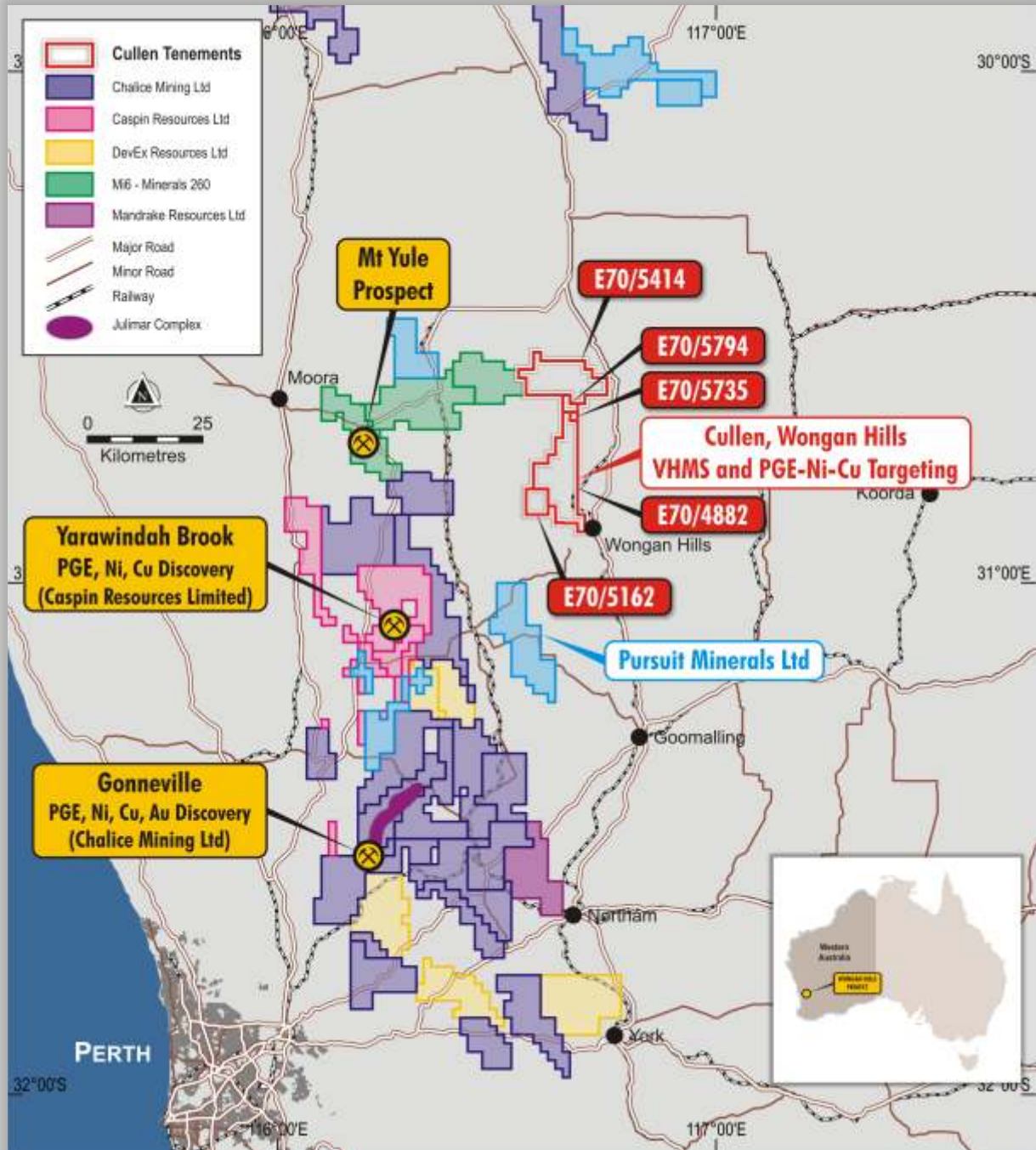
FINLAND | Project Location Map



Exploration Review

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WONGAN HILLS PROJECT | Tenement Map



Exploration Review

WONGAN HILLS WA | GOLD AND BASE METALS

Cullen, together with Tregor Pty Ltd (10%), holds a number of exploration licences in the Wongan Hills area where it maintains a focus with air core and RC drilling, detailed air magnetics surveying (by Drone), and ground EM surveying completed during the year. The Company is targeting both base metals (Cu-Zn-Au) in Volcanic-Hosted Massive Sulphide (VHMS-type) deposits and Ni-Cu-PGE mineralisation.

Historical exploration for VHMS within the Wongan Hills Greenstone Belt (WHGB) has been extensive, and has provided a number of leads for further exploration especially in the underexplored, northern part of the belt. Cullen has completed exploration drilling of prospective laterite geochemical anomalies (similar to that at Golden Grove), at the Wongan Prospect; and of VTEM and ground EM anomalies, at the Rupert Prospect.

So far, RC drilling at Wongan, focused on the laterite geochemical anomalies, indicates the occurrence of epigenetic Cu-Au-Zn mineralisation with anomalous Sn and W values in high-angle, narrow, alteration-mineralisation zones along a prominent N-S fault. Mineralising fluids are probably related to an underlying, felsic intrusive, one of a suite of intrusives, an example of which crops out just south west of the Wongan prospect. RC drilling at Rupert has intersected a number of thin sections of disseminated pyrite-pyrrhotite (~2-5%) in mafic-ultramafic volcanics at several positions and interpreted to be the modelled conductor plates from ground EM surveying and Rupert South prospects.

Assays from drilling at Rupert have returned up to 40m @ 2754ppm Cr, 1509ppm Ni and 101ppm Co from 60m downhole however highest Pt (11ppb) and Pd (30ppb) values are restricted to the regolith, with anomalous base metal levels up to: 415ppm As; 950ppm Zn; 468 Pb; 350 ppm Cu; 0.1 ppm Au and 1.04 ppm Ag (5m composite samples). Nickel sulphides were observed in percussion drill chips in Cullen's drill hole RC6 at the Rupert Prospect following examination of samples in thin and polished section. Sulphides identified include: pentlandite (iron-nickel sulphide), pyrite, pyrrhotite, bravoite (iron-nickel sulphide) and violarite (oxidized form of pentlandite-pyrrhotite); with niccolite – a nickel arsenide. The host to these sulphides is tentatively identified as an “amphibolitised, former serpentinised komatiite” in a 30m thick (downhole) section of RC6 which averages 1150 ppm Ni from 5m composite samples. Re-assays of 5m composites from RC6 returned significant anomalies of palladium (Pd) to 101ppb, and platinum (Pt) to 26ppb in the regolith overlying the nickel-bearing ultramafics and similar Pd and Pt levels were also reported for RC14 and RC16.

Further exploration for Ni-Cu-PGE mineralisation will be focussed on the ultramafic-bearing stratigraphy to the south and east of Rupert using auger sampling, ground EM and/or gravity and/or IP surveying.

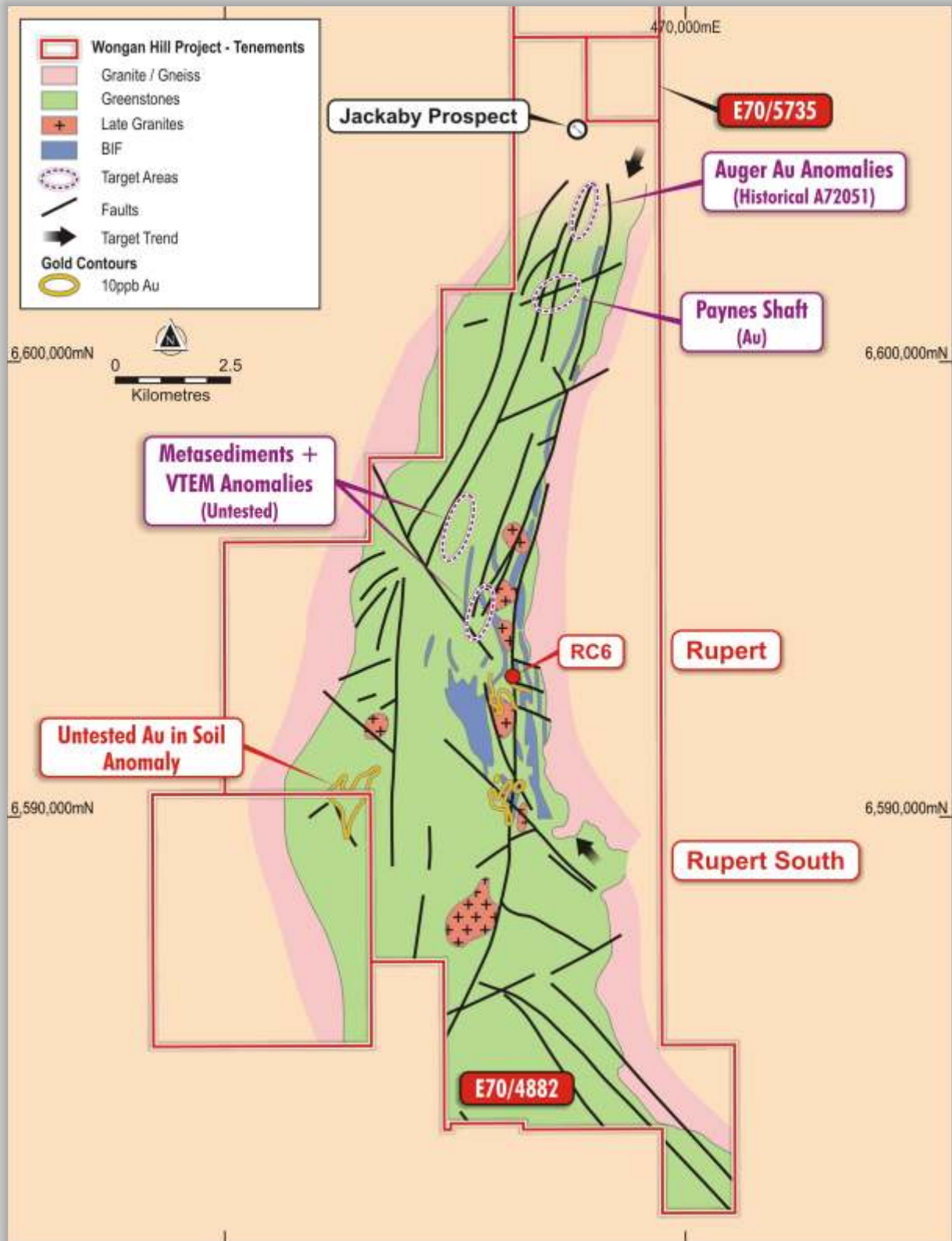
Further VHMS prospectivity is indicated by Cullen's air core traverses which include anomalous zinc levels in the weathered profile and may overlie untested, prospective mafic volcanic-felsic/metasedimentary boundaries. Untested, strike extensive, sections of felsic metasediments also occur beyond the Rupert and Wongan Prospects and may represent target VHMS horizons. The next phase of exploration around Wongan will focus on fault and/or felsic intrusive related Cu-Au.



Exploration Review

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WONGAN HILLS PROJECT | Summary of Targeting



REFERENCES

WAMEX Report A47022 | Belford, S.M., 1996: Wongan Hills Project, Annual Report 1995, Sipa Exploration NL

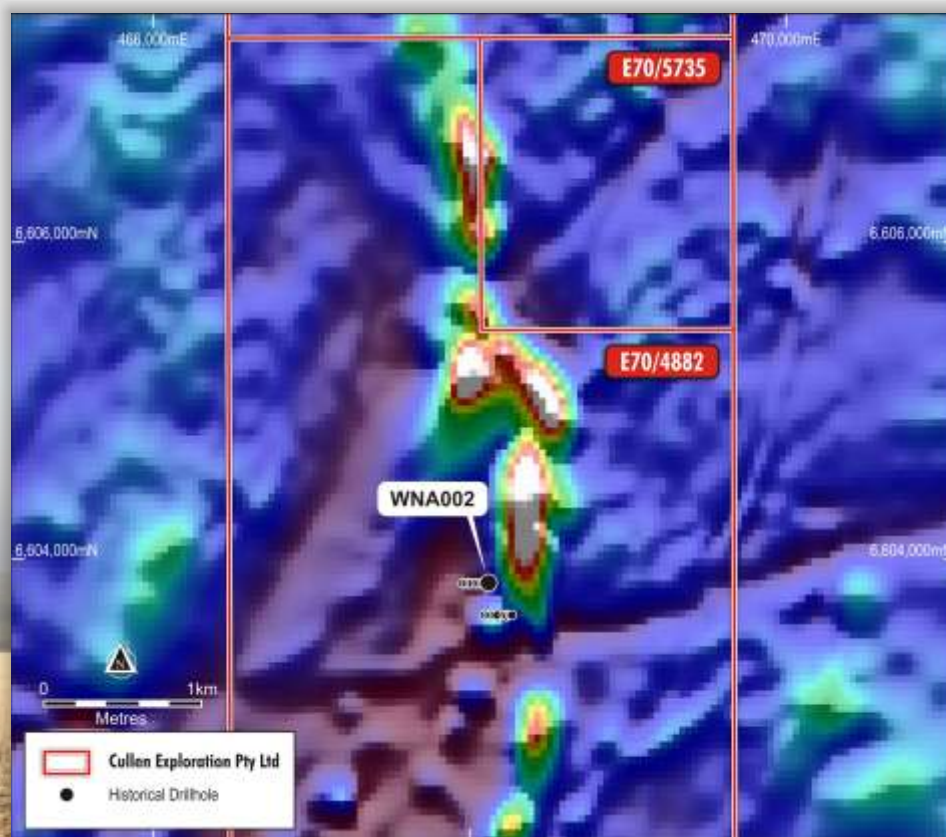
WAMEX Report A720541 | Drabsch, B., 2006: Annual Report, Dalwallinu Project, C22/2006, 31/12/2005 - 20/12/2006, Independence Group NL.

Exploration Review

WONGAN HILLS WA | Targeting Ni - Cu - PGE, Jackaby Prospect

Historical exploration in the northern part of E4882 was for gold, centered on the Paynes Shaft. However, historical data indicates Ni-Cu-PGE potential: ultramafics are reported around the Paynes Shaft; and a N-S oriented magnetic anomaly (~1km of strike) has been interpreted as an ultramafic body with nickel sulphide potential (WAMEX A66562). This untested target lies in a wheat paddock, with no outcrops and air magnetics images suggest a ~3km corridor of mafic/ultramafic rocks trending N to NW, from Paynes Shaft into E70/5414. Landowner discussions are underway for access to drill at Jackaby.

WONGAN HILLS PROJECT | Magnetics Image



Note : JACKABY Prospect : 50 ppb Pt, with 1250 ppm Cu and 100 ppm Ni, in 4m composite from 28-32m (Hole WNA002, assays by Aqua Regia, ICP-OES, WAMEX A77767)

Exploration Review

BARLEE PROJECT | GOLD AND LITHIUM

Barlee is a “greenfield” project which extends from 10 - 55 km SSE of the Penny Gold (previously “Penny West”) deposit and the Youanmi greenstone belt, towards the NW tip of the Marda - Diemals greenstone belt. It covers significant strike of underexplored shear zones and numerous elongate and/or folded aeromagnetic anomalies (highs), which are interpreted to be intercalated greenstone within the granite terrane.

One program of reconnaissance Air Core drilling (54 holes for 2102m) has been completed during the year with traverses of some aeromagnetic anomalies accessible via existing fence line tracks (ASX: CUL; 10-12-2021). This drilling intersected potentially large bodies of greenstone (including mafics-ultramafics) within a substantial, previously-untested granite terrane.

Programs of soil sampling on a 400 x 100m grid have also been completed and reported singular anomalies including a gold and tellurium anomaly (7 ppb Au (background <1ppb) with 0.12 ppm Te (background <0.01 ppm), and a second anomaly of 19ppb Au directly overlying a magnetic anomaly. These Au anomalies have been the subject of further filed sampling, with assays pending. Historical gold values of >5ppb (WAMEX A97620, 51189) occur near Cullen's 7ppb soil gold value (ASX: CUL;28-1-2022).

First pass prospecting for lithium in pegmatites has commenced with assay results which support further exploration across the strike extensive greenstone-granite contacts (ASX:CUL; 24-8-22).

BARLEE PROJECT | Prospecting across pegmatites outcrops

REFERENCES

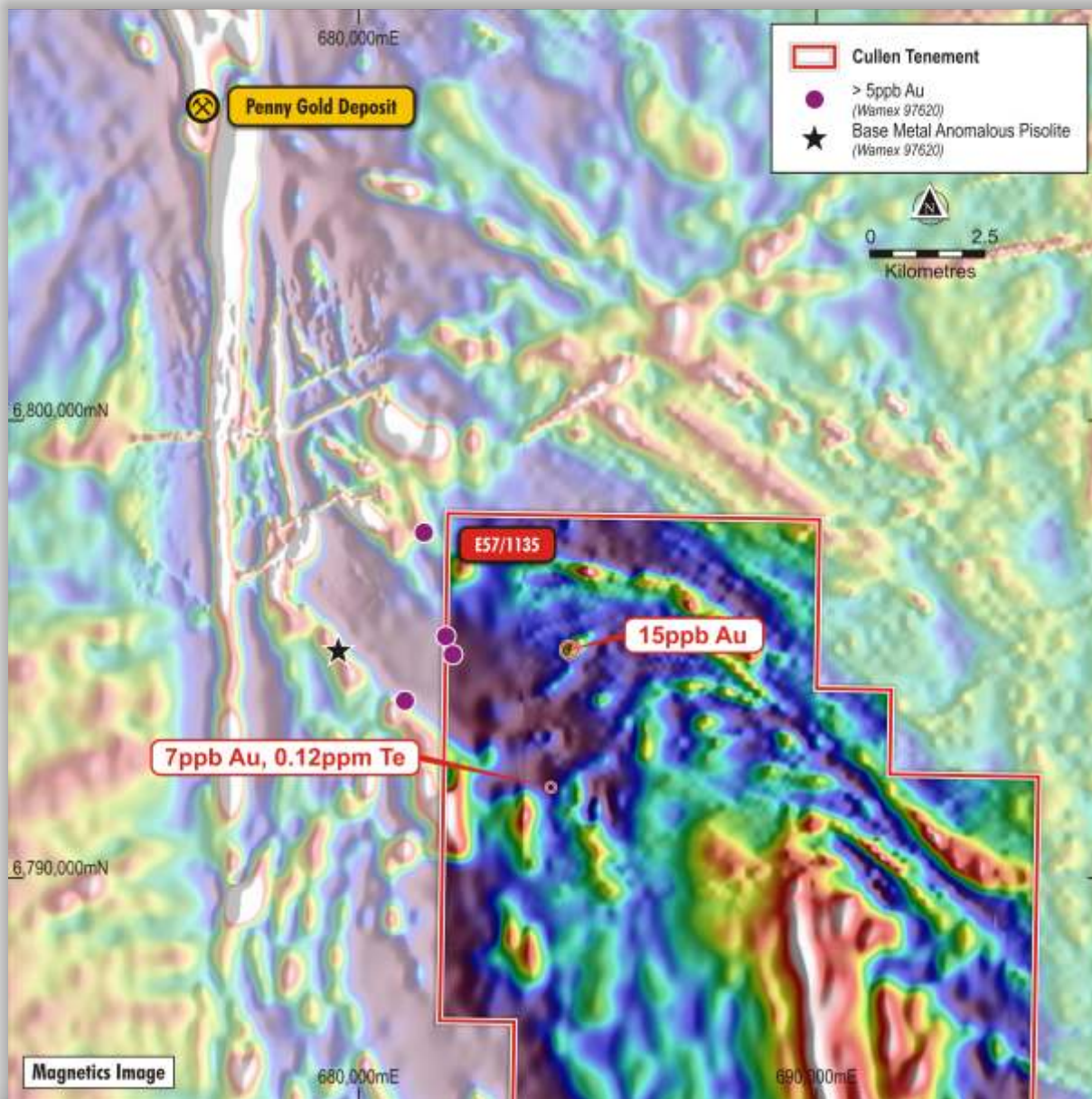
WAMEX Report A97620 | Felderhof, S.; 2013: Lake Barlee West, Final Surrender Report, Orrex Resources Ltd.

WAMEX A 51189 | Warne,S..B.; 1997, Barlee Project, Roebuck Resources.



Exploration Review

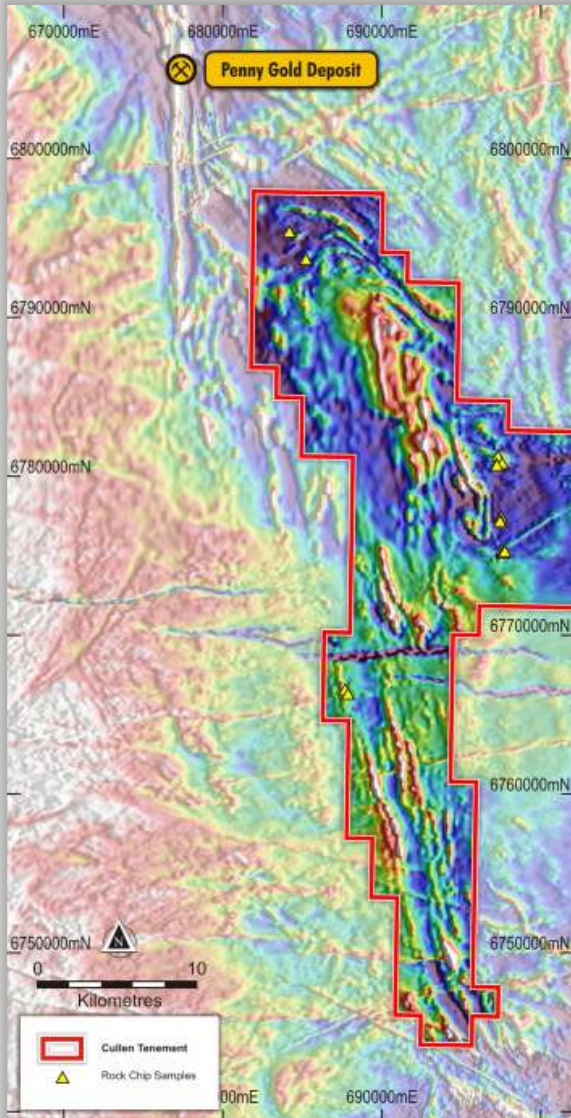
BARLEE PROJECT | Magnetics Map and Gold in Soils Anomalies



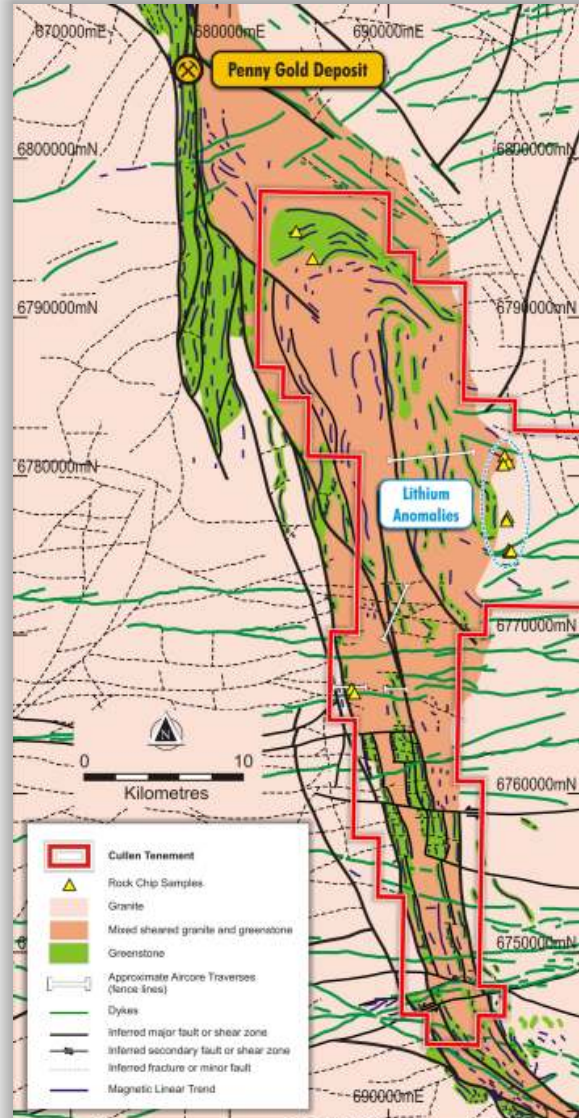
Exploration Review

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BARLEE PROJECT | Magnetics Image



BARLEE PROJECT | Bedrock Interpretation



Location of pegmatites rock chip samples with group of elevated lithium and associated elements highlighted in Barlee Project outline (ASX : CUL, 24/08/2022)



Exploration Review

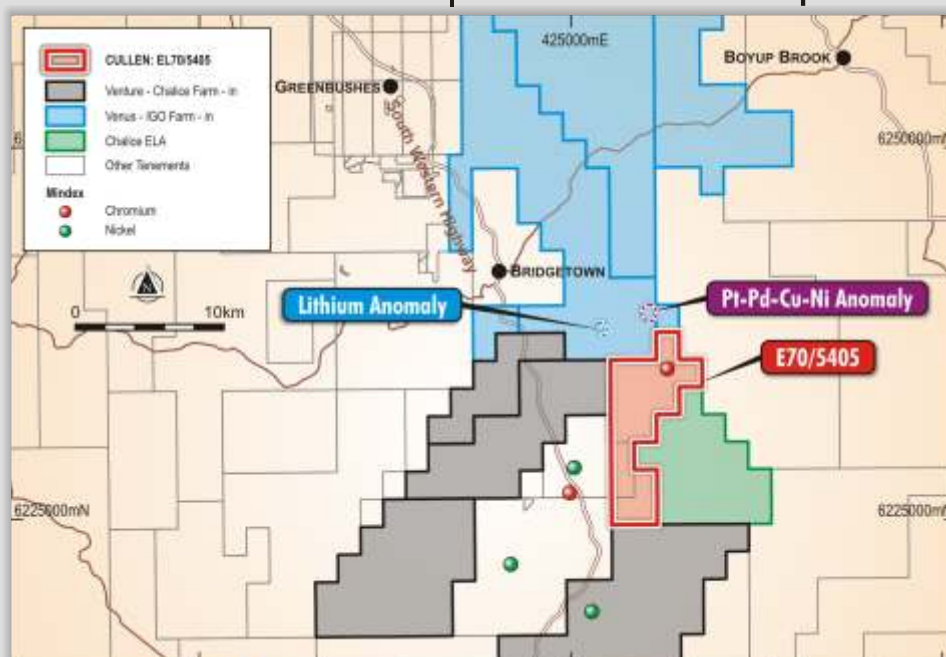
YORNUP | TARGETING Ni-Cu-PGE SULPHIDE MINERALISATION

E70/5405 lies towards the southern limit of the “West Yilgarn Ni-Cu-PGE Province” first outlined by Chalice Mining Limited (ASX:CHN; 4 May 2021) and adjoins Venture Mineral's tenure, the subject of a Farm-In by Chalice Mining Ltd. E70/5405 also adjoins the Bridgetown East Ni-Cu-PGE Project owned by Venus Metals Corporation Ltd (“VMC”), and the subject of a recently-announced exploration farm-in by a subsidiary of IGO Limited (ASX:VMC; 27-6-2022).

E70/5405 includes the Yornup Northeast chromium prospect from where an intersection of 2m at 7.4% Cr has been reported by West Coast Holdings (WAMEX A18173), and is part of a NE-SW trend of nickel and chromium occurrences including Palgarup (Ni) and Yornup South (Ni - Cr) (Fig.7). The mafic - ultramafic complex at Yornup consists of olivine gabbro-norite, harzburgite, lherzolite, and dunites that have been extensively serpentinised (Hassan, 1998). Historical sampling (WAMEX, A98223, A79877) of lateritic lag along roads and tracks across E5405, returned anomalous chromium (Cr), nickel (Ni), and copper (Cu) values.

Anomalous platinum (Pt) and palladium (Pd) levels were also reported in BLEG stream sediment samples with up to: 0.8 ppb Au, 2.9 ppb Pd and 2.2 Pt ppb near mapped ultramafics, which include : serpentinites, talc schist, pyroxenites and peridotites in a basement of paragneiss (Cameron, 1990, WAMEX A29958, see Fig.9). Cullen notes the recent announcement by Venus Metals Corporation Limited (ASX:VMC; 27-6-2022) highlights a Pt-Pd-Cu-Ni geochemical anomaly which lies along strike just to the north of E70/5405. Given the attention of major exploration companies in the vicinity of E70/5405, and the geological and geochemical leads from historical data, Cullen plans to commence additional geochemical soil sampling within E70/5405 targeting the ultramafic bodies as a priority and as access permits.

YORNUP PROJECT | Tenement Location Map



Geological map extracted from WAMEX A29958 with some BLEG sampling assays by Hunter Res. Cr anomalies (%) from West Coast Holdings (WCH) RAB drilling (T-5 e.g.).

REFERENCES

- WAMEX A98223** | Bridgetown E70/2855, Final Report, June 2013, Amerod Holdings Pty Ltd
WAMEX A79877 | Bridgetown Combined Annual Report C37/2009, Bridgetown Manjimup, September 07- September 08, Amerod Holdings Pty Ltd
WAMEX A18173 | HADWICK, R. C., 1986, Yornup prospect, Annual Exploration Report, 1986: West Coast Holdings Limited: Western Australia Geological Survey,
WAMEX A29958 | Cameron, G.H, 1990, Exploration Potential of the Bridgetown/Yornup Donnelly River Area
HASSAN, L. Y., 1998 | Mineral occurrences and exploration potential of southwest Western Australia: Western Australia Geological Survey, Report 65, 38p

Exploration Review

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NORTH TUCKABIANNA PROJECT | GOLD AND BASE METALS

During the year, Cullen completed air core drilling programs to test various targets interpreted from air magnetics data. Targets include:

- an interpreted N-S trending fault zone immediately north of the Hollandaire Cu-Au Resource (ASX: CYM) - intersecting felsic schists +/- quartz veining;
- the NE-SW Eelya Felsic complex / greenstone contact where cut by N-S faults – intersecting mafic-ultramafics +/- quartz veining
- Mafic-ultramafics +/- quartz veining were also intersected drilling part of a NNE trending structure interpreted from air magnetics data and aerial photography to mark the margin of a previously-unrecognised paleochannel Previous air core drilling may not have tested prospective bedrock.

The assay date for these 30 Air Core holes (TNAC91-120 for 1547m) completed in January 2022 reported regolith gold anomalies including : 3m @ 0.13 g/t Au and 4m @ 0.07 g/t Au along sheared, lithological contacts at two targets along a NE-SW corridor. Follow-up air core and deeper RC drilling was then planned to test redefined stratigraphic-structural targets, where previous drilling has been either too shallow or failed to test bedrock below air core /RAB first refusal depth.

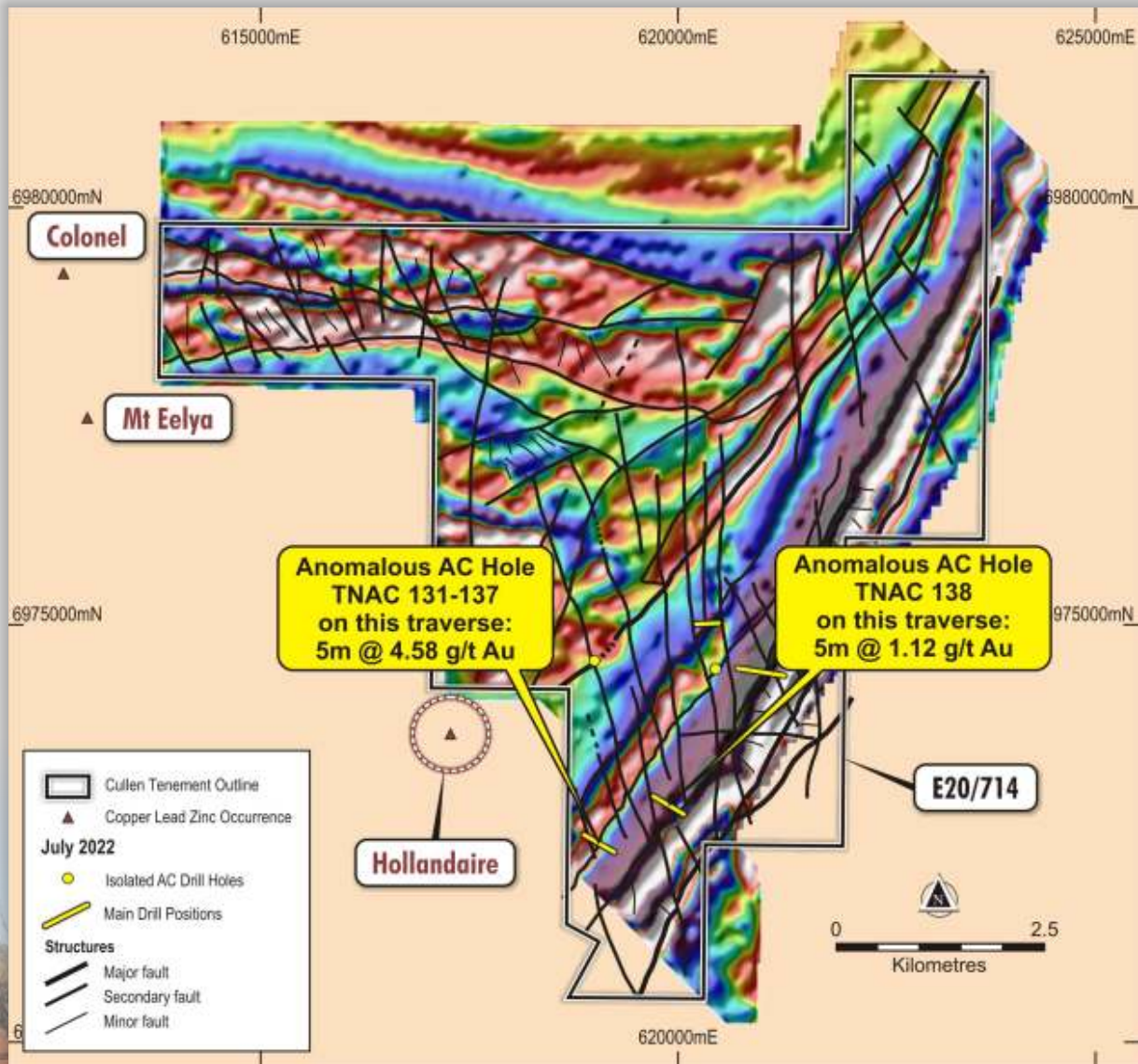
This program was completed in in July 2022 (24 holes for 1630m) and tested parts of five gold targets with traverses of hammer air core drilling mostly into fresh bedrock Geological data compilation, interpretation and all assays for this recent drilling has been encouraging including an intersection of 5m @ 4.58g/t Au and follow-up RC drilling is planned (ASX:CUL; 22-8-2022).

TABLE | Gold target trends tested with air core drilling – RC planned

ID	Target Trends on Tuckabianna Line	Nature of Prospectivity	Target/Anomaly (Priority 1-3)
1	South West - 1 (~2km of strike)	Historical RAB/Air Core anomalies	1 - High Mg Basalt/Ultramafic contact
2	South West - 2 (~2km of strike)	Historical RAB/Air Core anomalies	1 - Possible traversing shear (?Riedel) in mafic/ultramafics and q.veined / BIF contact
3	Central (~2km of strike)	Magnetics data interpretation and VTEM anomalies	1 - De-magnetised High Mg Basalt unit (?sulphidic alteration zone/intrusive)
4	North East (~4km of strike)	Magnetic - Structural anomaly	2 - Includes major flexure along stratigraphy
5	North of Hollandaire	Broad Ag anomaly	3 - NE trending Interpreted fault zone and east-west stratigraphy

Exploration Review

NORTH TUCKABIANNA PROJECT | Interpreted key, structural lineaments overlain on magnetics image with July 2022 assay results highlighted along major NE-SW, prospective structures



REFERENCES

- WAMEX A32404 | Fogarty, J.M., 1991, Robin Outcamp, E20/62, Annual report 1990, Nord Resources.
 WAMEX A92083 | Chellew, J, and Cornelius, M., 2011, Annual Technical Report, E20/714, Cue Project, Cullen Exploration.
 WAMEX A59512: Dunbar, P., 1999, Combined Surrender Report, Tuckabianna Project, Westgold Resources NL.
 WAMEX A59513: Bleakley, P., 1999, Combined Surrender Report, Eelya Hill Project, Westgold Resources NL.
 WAMEX A119766: Blundell, K., 2019, Final Report, Cue Project, Musgrave Limited.

MT EUREKA JV PROJECT | GOLD, NICKEL AND VHMS

Centered ~130km East of Wiluna, NE Goldfields

Cullen Resources 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. Rox is progressing exploration for orogenic gold mineralisation and VHMS style mineralisation and has advised that it has met the JV Term Sheet minimum expenditure requirement. The following is summarised from Rox's reports to the ASX.

The Mt Eureka gold prospects are situated along a 15km long zone of sheared and anomalous greenstone rocks. Four deposits (Taipan, Eureka North-West, Southern-Galway and Graf's Find) are the main gold occurrences and the focus of drilling and exploration.

During the year, Rox has reported drilling at the Southern - Galway prospect includes: 13m @ 6.81g/t Au from 45m, including 9m @ 8.89g/t Au from 47m; and 4m @ 2.59g/t Au from 67m at Galway, and : 3m @ 3.96g/t Au from 35m, including 2m @ 5.52g/t Au from 35m at Southern.

Three RC holes completed at Taipan intersected low-grade gold mineralisation, within up to 150m of highly-sheared, carbonate-altered, basalt with abundant quartz veining and minor pyrite. Follow-up RC drilling is planned along strike to the south to test for a primary source structure hosting higher-grade mineralisation.

At Eureka Northwest, gold mineralisation occurs in quartz-veined, sheared mafics near the granite-greenstone contact. Drilling results from Rox include: 3m @ 1.57g/t Au from 24m; and 1m @ 2.17g/t Au from 32m indicating an extension of the mineralised structure to the south.

Follow-up drilling (RC) is planned along strike and down dip of this newly-identified mineralisation, and regional target generation is on-going over 850km² of highly prospective greenstone terrane. Project-wide, high resolution (50m spaced) aeromagnetic surveying has also been completed and will assist with further geological interpretation and target generation.

KILLAOE PROJECT E63/1018 | GOLD AND NICKEL

(CULLEN 20%) with Lachlan Star Ltd, Centered ~20km East of Norseman

In July 2021, Lachlan Star has reported (ASX:LSA 6-7-2021) that results from its first round of reconnaissance sampling are encouraging, and in conjunction with historic exploration warrant follow-up. In Lachlan Star's Quarterly Report for June 2022, it was reported that: “drilling within E63/1018 targeted the extensions to the Barrel prospect and parallel targets, with 5 drill holes for 600m., oriented to the east and dipping -60 degrees, to cross-cut the geological sequence.

All holes have been sampled on an initial 3m composite basis and analysed for gold, PGE and multi-element. Anomalous samples have been re-split to 1 metre intervals for further assay to confirm the potential for narrow high-grade gold mineralisation.”

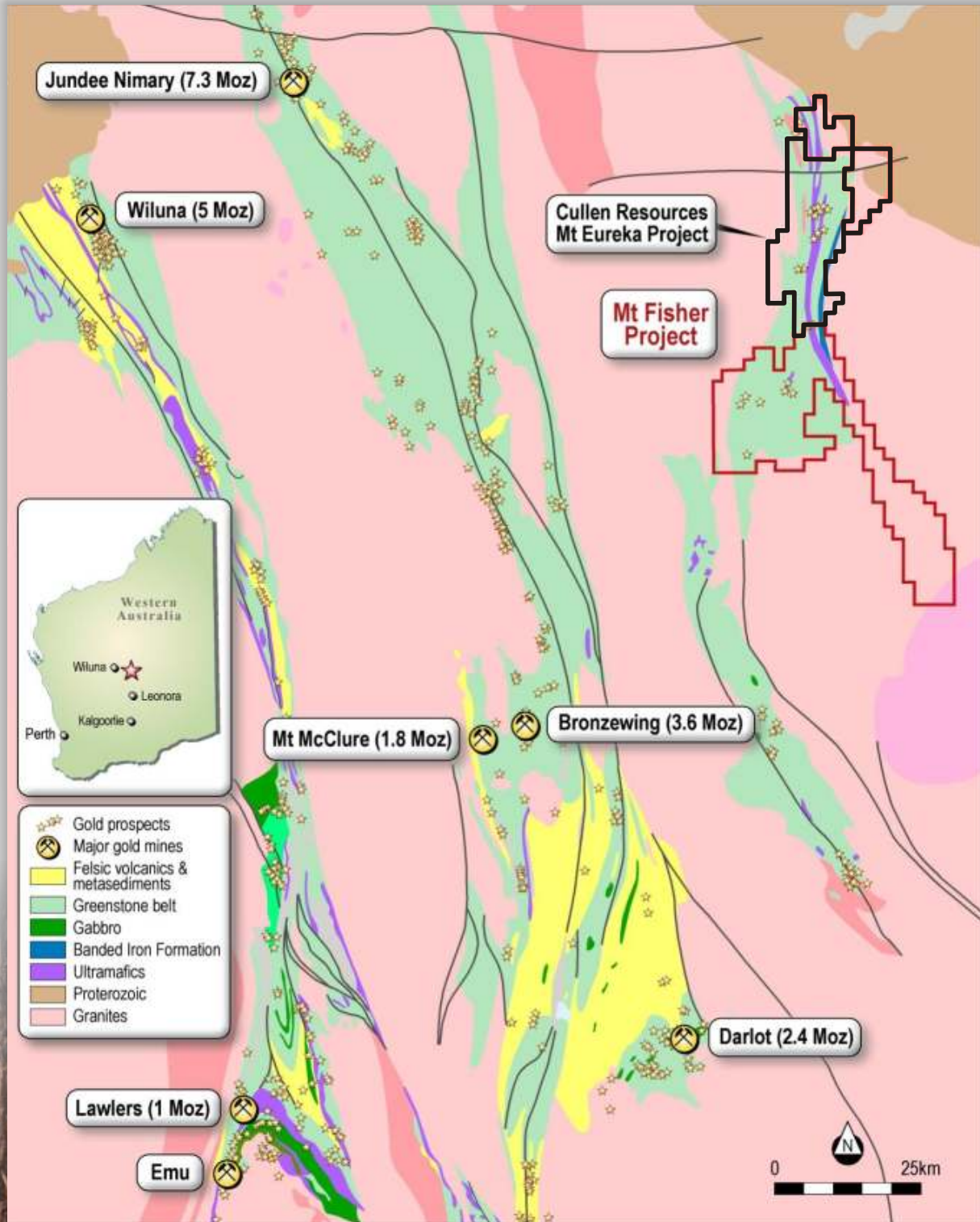
BROMUS SOUTH | GOLD

(CULLEN 100%), Centered ~20km SW of Norseman

Air core drilling is planned to test a low-level, gold-in-auger anomaly (to 8.4ppb), ~ 4.6km long and up to 600m wide (mainly sandplain regolith), parallel with a granite-greenstone contact. A programme of work (POW) has been granted to allow exploration drilling to commence as soon as practical following access checking and heritage surveying - a Heritage Agreement has been signed.

Exploration Review

MT EUREKA JV PROJECT | Tenement Location Map



WEST PILBARA WA | IRON ORE ROYALTIES

Cullen has two iron ore royalties in the West Pilbara region: one with Fortescue Metals Group Ltd at Wyloo, part of the Eliwana Project (Western Hub); and a second over the the Catho Well* Channel Iron Deposit (CID). Progress towards development of infrastructure for “stranded” iron ore deposits in the West Pilbara is an important development requirement for any potential royalty cash flow stream to Cullen.

In this regard, Cullen notes Mineral Resources has proposed an “Ashburton Hub” for development of its iron ore resources in the West Pilbara; and in July 2021, announced an agreement with Red Hill Iron Limited (ASX: RHI; Red Hill Iron) to acquire RHI's 40% participating interest in the Red Hill Iron Ore Joint Venture (RHIOJV), and sale of Red Hill's interest was finalised in September 2021 (ASX:MIN, 3-9-2021).

Subsequently on 29 August 2022, Mineral Resources announced (ASX:MIN; 29-8-2022) that it had made an unconditional Final Investment Decision to develop the RHIOJV iron ore assets as part of their Ashburton Hub Development.

Planned development of the RHIOJV iron ore by Mineral Resources with JV Partners, Baowu, AMCI and POSCO, and proposed haulage and port infrastructure is an encouraging indication that the Catho Well iron ore resources may be an attractive additional development opportunity. Any production from Catho Well or Cardo Bore West (M08/482) would generate significant cash flow from its royalty, and Cullen will receive \$1M cash upon any Final Investment Decision to develop any ore on former Mt Stuart Iron Ore JV tenure**

Cullen also 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 Western Hub/Eliwana project, and will receive \$900,000 cash if and when a decision is made to commence mining on a commercial basis – from former tenure including E47/1649, 1650, ML 47/1488-1490, and ML 08/502.

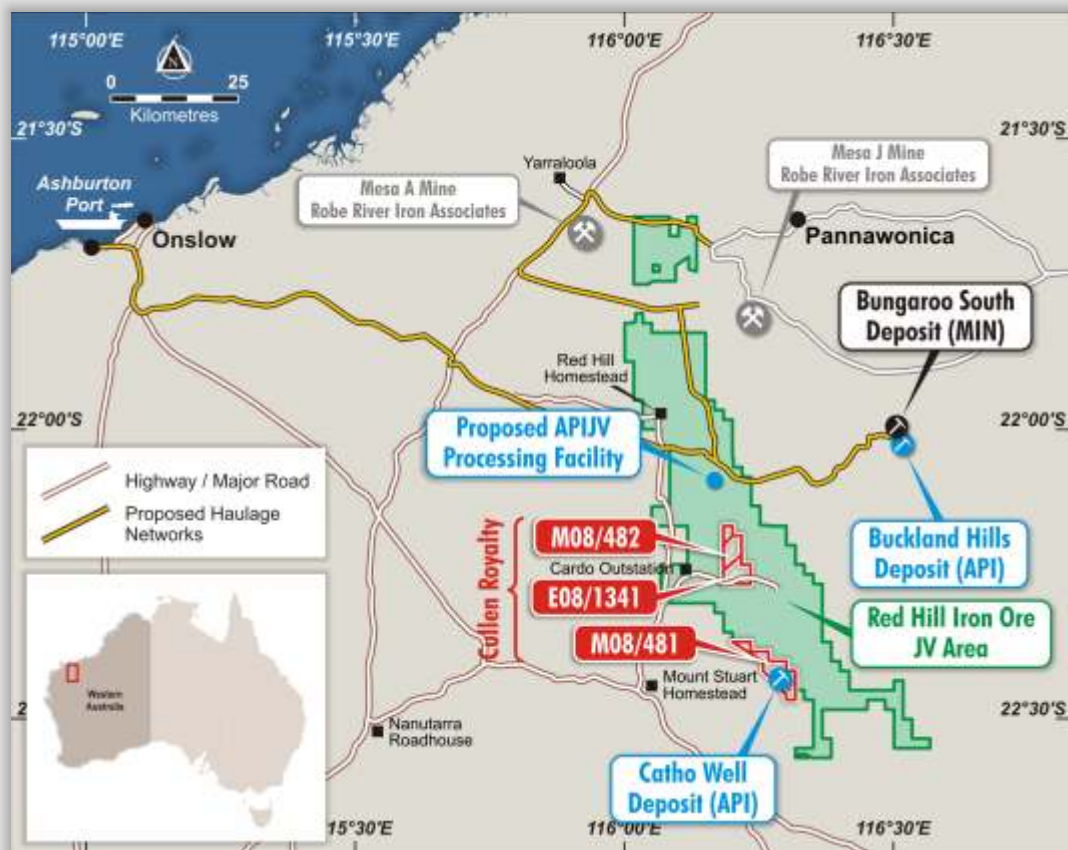
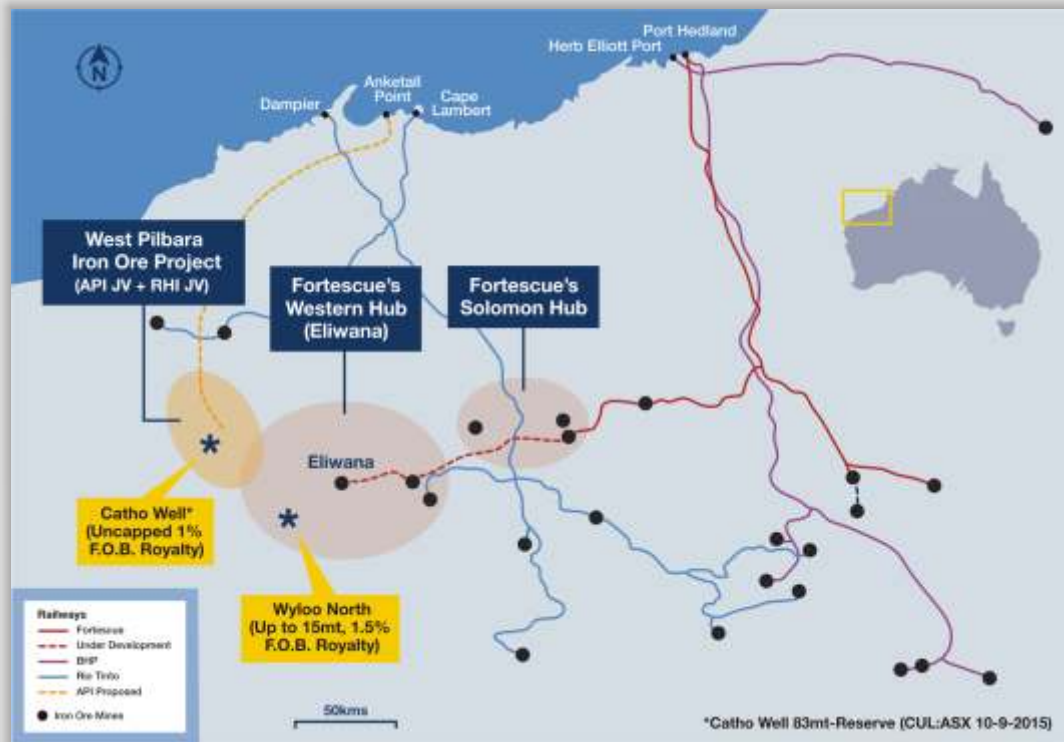
*The Catho Well Channel Iron Deposit (CID) is located at the southern boundary of the Red Hill Iron JV project area (within M08/481) and was included in the proposed development of the WPIOP resources, prior to the takeover of Aquila Resources Limited by Baosteel Ltd in 2015. Catho Well has a published in situ Mineral Resources estimate of 161Mt @ 54.40% Fe (ASX: CUL 10-3-2015), and a Reserve of 83Mt @ 55.1% Fe (ASX: CUL 16-9-2015) - ML08/481.

**Mt Stuart Iron Ore Joint Venture (Cullen – APIJV: E08/1135, E08/1330, E08/1341, E08/1292, ML08/481, and ML08/482).



Exploration Review

WEST PILBARA | Location of Cullen's Iron Ore Royalties, West Pilbara WA



FINLAND

During the year, Cullen signed a binding Letter of Intent (“LOI”) with Capella Minerals Limited (TSXV:CMIL;FRA:N7D2) (“Capella”) whereby Capella may earn an initial 70% interest in Cullen's wholly-owned subsidiary, Cullen Finland Oy (“Cullen Oy”) via an incorporated JV. Cullen Oy holds Exploration Permit Licence Application (“Katajavaara”) and an adjoining Reservation (“Aakenus”), about 200 square kilometres in total, in the highly-prospective, Central Lapland Greenstone Belt (CLGB) of northern Finland.

Capella must spend a minimum of US\$250,000 within two years and may elect to spend a further US\$750,000 within a total 4.5 year period to earn an 80% interest in Cullen Oy. Cullen has received an initial A\$50,000 and up to US\$225,000 in staged cash payments over 3 years, and will be free carried until a Pre-Feasibility Study is completed on either of these two projects.

The Katajavaara and Aakenus gold (-copper) projects lie immediately adjacent to the productive Sirkka Thrust Zone within the emerging CLGB gold province which hosts the Kittila gold mine (Agnico Eagle) and they surround Outokumpu Oy's former gold-copper mining operation at Sattopora and the S2Resources/Kinross Joint Venture at Home, in addition to lying along strike from major recent exploration discoveries at Ikkari (Rupert Resources Ltd) and Aamurusko (Risti-Launi; Aurion Resources).

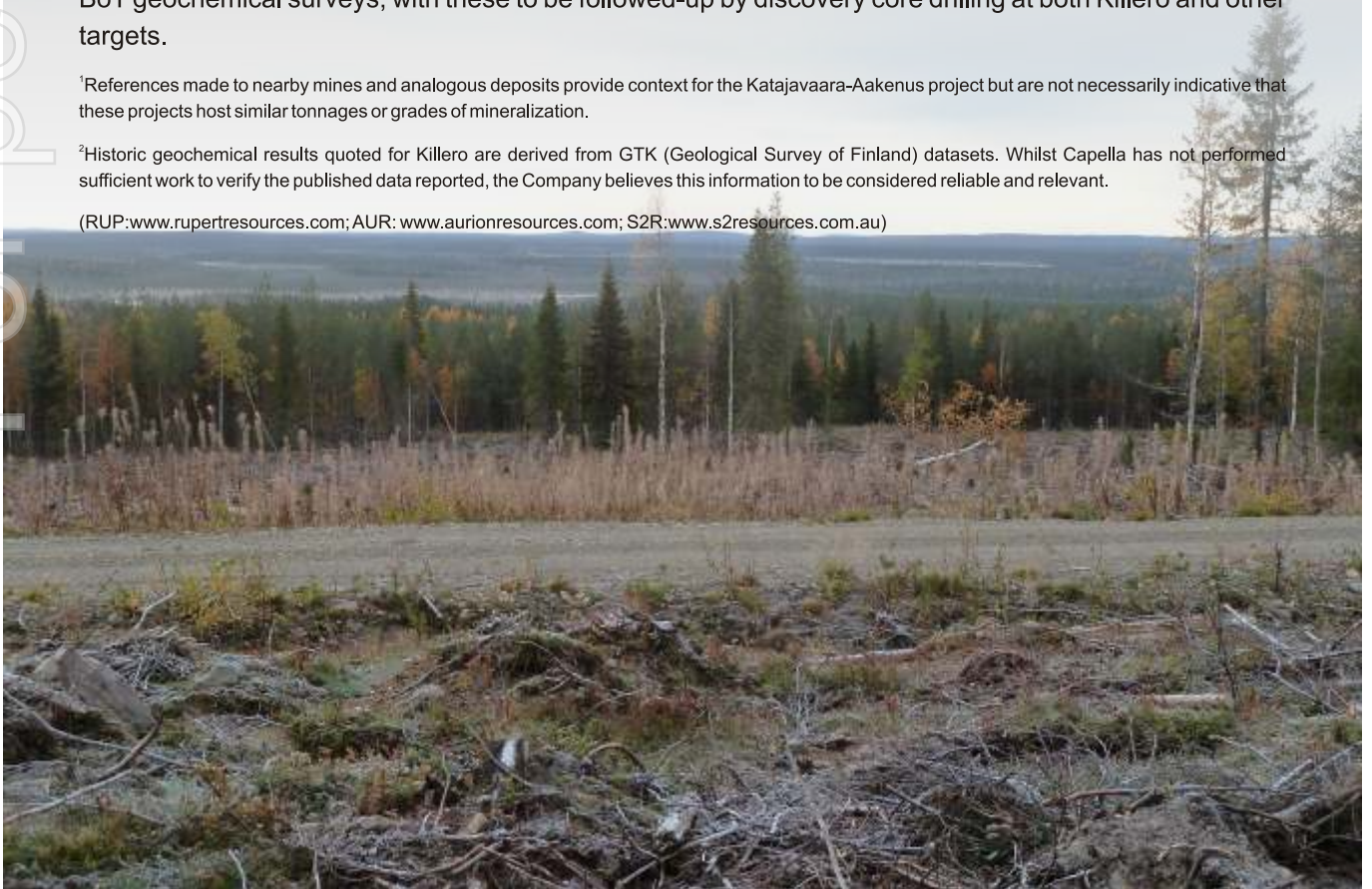
During the year Capella completed a 4,000-line km high-resolution drone magnetic survey over the Katajavaara-Aakenus project. Interpretation of the data focused on evaluation of potential extensions to Outokumpu Oy's former Saattopora gold-copper mining operation and the significant historical gold-copper Bottom of Till (“BoT”) assays - up to 0.6% Cu with 145ppb Au (Killero).

Capella proposes further work to include: Defining priority areas within the Aakenus reservation for conversion to exploration licenses. The Aakenus reservation area provides the JV partners with priority staking privileges until December, 2022; and, design (and obtain permits for) follow-up winter 2022/2023 BoT geochemical surveys, with these to be followed-up by discovery core drilling at both Killero and other targets.

¹References made to nearby mines and analogous deposits provide context for the Katajavaara-Aakenus project but are not necessarily indicative that these projects host similar tonnages or grades of mineralization.

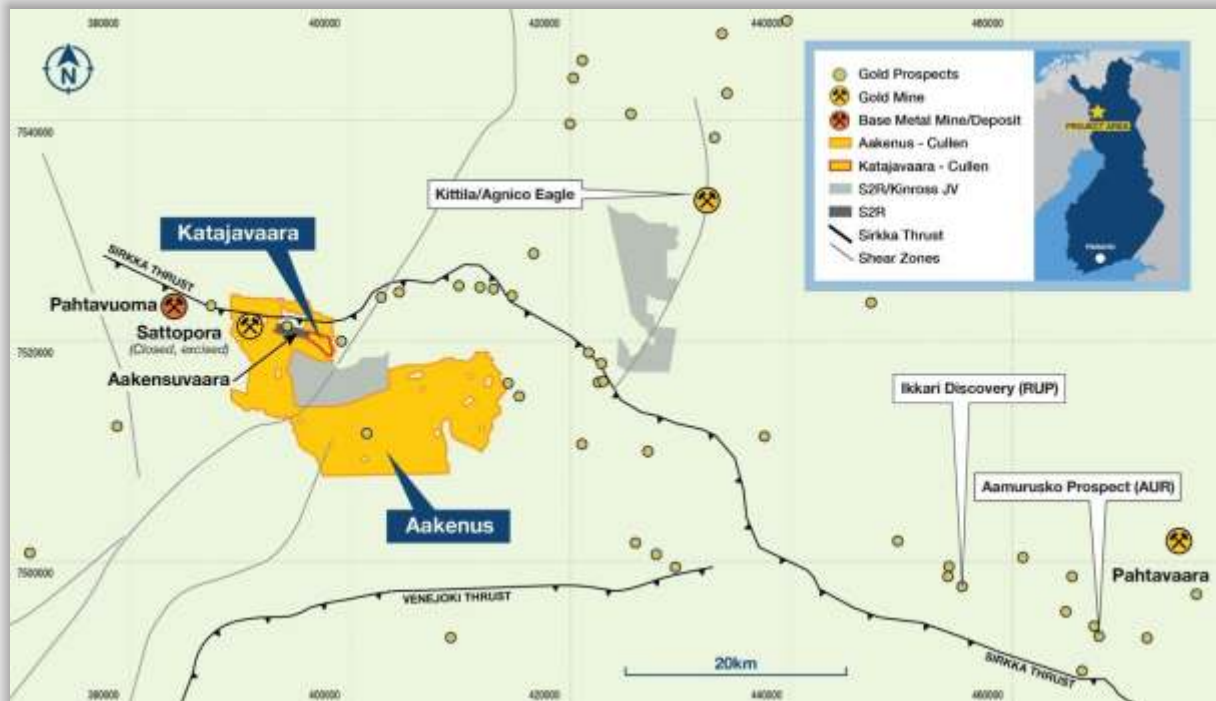
²Historic geochemical results quoted for Killero are derived from GTK (Geological Survey of Finland) datasets. Whilst Capella has not performed sufficient work to verify the published data reported, the Company believes this information to be considered reliable and relevant.

(RUP: www.rupertresources.com; AUR: www.aurionresources.com; S2R: www.s2resources.com.au)



Exploration Review

FINLAND | Location of Capella/Cullen's Finnish Projects within the CLGB



ABOUT CAPELLA MINERALS LIMITED

Capella is engaged in the acquisition, exploration, and development of quality mineral resource properties in favourable jurisdictions with a focus on high-grade copper(-zinc-cobalt) and gold deposits. With respect to base and battery metals projects, the Company's current focus is on: i) advancing its recently-acquired Hessjøgruva project in central Norway, and ii) the discovery of further high-grade VMS-type deposits in district-scale land positions around the past-producing Løkken (Løkken Verk District) and Kjøli (northern Røros District) copper mines. The recently acquired Perho reservation over the Eräjärvi pegmatite field although provides the Company with exposure to lithium, cesium, and tantalum.

The Company's precious metals focus is on the discovery of high-grade gold deposits on the Katajavaara-Aakenus JV in Finland, its 100%-owned Southern Gold Line Project in Sweden, and its active Canadian Joint Ventures with Prospector Metals Corp (TSXV: PPP) at Savant (Ontario) and Yamana Gold Inc. at Domain (Manitoba). The Company also retains a residual interest (subject to an option to purchase agreement with Austral Gold Ltd) in the Sierra Blanca gold-silver divestiture in Santa Cruz, Argentina.



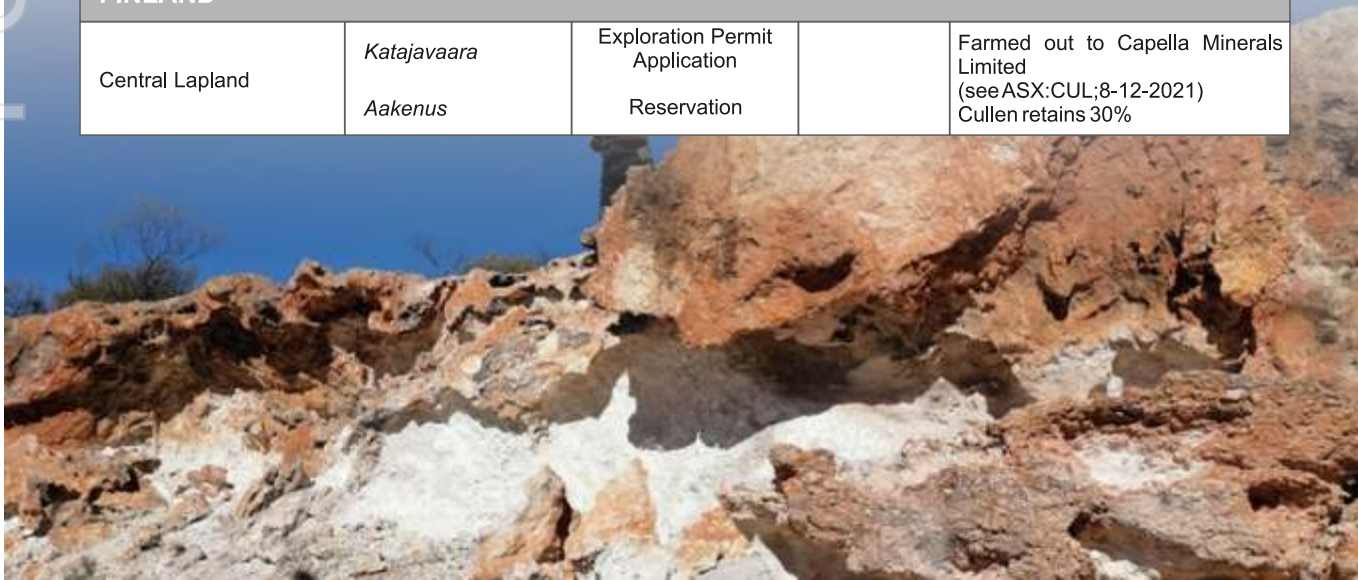
Exploration Review

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SCHEDULE OF TENEMENTS (as at 30 June 2022)

REGION/PROJECT	TENEMENTS	TENEMENT APPLICATIONS	CULLEN INTEREST	COMMENTS
WESTERN AUSTRALIA				
PILBARA				
Paraburdoo JV	E52/1667		100%	Fortescue can earn up to 80% of iron ore rights; Cullen 100% other mineral rights
NE GOLDFIELDS - Mt Eureka JV				
Gunbarrel	E52/1299, +/ E53/1893, E53/1957, E53/1958, E53/1959, E53/1961, E53/2052	ELA53/2063 ELA53/2101	100%	Rox Resources earning 75%. 2.5% NPI Royalty to Pegasus on Cullen's interest (parts of E1299); *1.5% NSR Royalty to Aurora (other parts of E1299, E1893, E1957, E1958, E1959 and E1961)
Irwin Well	E53/1637		100%	Rox Resources earning 75%
Irwin Bore	E53/1209		100%	Rox Resources earning 75%
MURCHISON				
MURCHISON Cue	E20/714		100%	
MURCHISON Barlee	E77/2606, E57/1135, E77/2782, E77/2688		100%	
WHEATBELT AND SW				
WONGAN HILLS-MUCKINBUDIN	E70/4882, E70/5899, E70/5414, E70/5893, E70/5735, E70/5894, E70/5162, E70/5895, E70/5794, E70/5898	ELA70/6138	90% - 100%	
YORNUP	E70/5405		100%	
EASTERN GOLDFIELDS				
Killaloe	E63/1018		20%	Cullen retains 20% FCI to DTM, with Lachlan Star (ASX: LSA) managing.
Bromus South	E63/1894	ELA63/2216	100%	
FINLAND				
Central Lapland	Katajavaara Aakenus	Exploration Permit Application Reservation		Farmed out to Capella Minerals Limited (see ASX: CUL; 8-12-2021) Cullen retains 30%

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Exploration Review

JOINT VENTURES - SUMMARY TABLE (as at 30 June 2022)

Joint Venture (farm out)	Commodity Focus	JV Partner	JV Partner Earning (Earned)	Cullen's FCI Actual or (Available)	Cullen's NSR (possible)	Comment
Paraburdoo	Iron Ore	Fortescue Metals Group Ltd	80%	(20%)	-	1.5% Royalty capped to 20Mt. May earn 51% by defining Inferred Resource, 80% by defining Indicated Resource.
Killaloe	Gold, Nickel	Lachlan Star	(80%)	20%	2%	FCI to DTM
Mt Eureka	Gold, Base Metals	Rox Resources	75%	(25%)	2.5%	FCI to PFS
Finland	Copper - Gold	Capella Minerals	(70%)	(30%)	2%	FCI to PFS

DTM = Decision to Mine FCI = Free Carried Interest NSR = Net Smelter Return PFS = Pre Feasibility Study

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. The information in this report may also include review and interpretation of historical and previous exploration by Cullen. The Company confirms that it is not aware of any new information or data which materially affects the information included in this report.

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.

DIRECTORS' REPORT

Your Directors submit their report for the year ended 30 June 2022.

Directors

The names and details of the company's directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Current Directors

- **John Horsburgh BSc, MSc, FAIMM (Non-Executive Chairman) (Appointed 1 April 1999)**

Mr John Horsburgh, a graduate of the Royal School of Mines, has over 40 years industry experience including 11 years with Solomon Pacific Resources NL. Prior to this he gained extensive experience in Australia and overseas with Getty Oil Development Co., Billiton and RTZ Group. Mr Horsburgh was a co-founder and Non-Executive Chairman of AIM and TSX listed public company Mariana Resources Limited, prior to its takeover by Sandstorm Gold Ltd. Mr Horsburgh has had no other directorships of ASX listed companies in the last three years.

- **Dr Chris Ringrose BSc, PhD, MBA, MAIMM, MAICD (Managing Director) (Appointed 19 June 2003)**

Dr Chris Ringrose has been an exploration geologist based mainly in Western Australia since he completed his geology degrees in Scotland in 1982. His career has included experience with EZ, Chevron and Aztec, and prior to joining Cullen, he was Exploration Manager with Troy Resources Limited for nine years. Dr Ringrose has also completed an MBA at Deakin University and brings to the Company significant management, exploration and project evaluation experience gained both in Australia and overseas. Dr Ringrose has had no other directorships of listed companies in the last three years.

- **Wayne John Kernaghan BBus, ACA, FAICD, ACIS (Non-Executive Director and Company Secretary) (Appointed 11 November 1997)**

Mr Wayne Kernaghan is a member of the Institute of Chartered Accountants in Australia with a number of years experience in various areas of the mining industry. He is also a Fellow of the Australian Institute of Company Directors. During the past three years Mr Kernaghan has held, and is currently a director and holds, the following listed company directorships:

- Cassius Mining Limited (from 30 June 2005 to present)

Principal Activities

The principal activity for the Consolidated Entity comprising Cullen Resources Limited ("the Company") and its controlled entities (together "the Consolidated Entity") during the course of the financial year was mineral exploration. There was no significant change in the nature of the Consolidated Entity's activities during the year.

Results

The loss attributable to the Consolidated Entity for the financial year was \$ 1,379,364 (2021: loss \$1,346,651). No income tax was attributable to this result (2021: \$Nil).

Dividends

The directors do not recommend the payment of a dividend for this financial year. No dividend has been declared or paid by the Company since the end of the previous financial year.

Significant Changes in the State of Affairs

In the opinion of the directors there were no significant changes in the state of affairs of the Consolidated Entity that occurred during the financial year under review not otherwise disclosed in this report or the consolidated financial statements.

Review of Operations

Cullen is a mineral exploration company currently focused on a search for gold, lithium, base metals and nickel-copper-PGE deposits, either in its own right, or in Joint Ventures managed by other partners.

During the year under review, the Company's mineral exploration has included: project generation; database reviews; field mapping; geochemical and geophysical surveying; and drilling programmes. Most field activities were focused on exploration for gold and base metals at Wongan Hills, W.A. and at Cue, with a first pass air core drilling programme completed at Barlee. Preparations were made for drilling programmes to commence at the Bromus Project and soil sampling has been planned for Yornup. The Company also continued to market projects as potential farm-out opportunities. The Company farmed out its Finland interests to Capella Minerals Ltd.

Exploration, including joint operations, was exclusively in Western Australia with on-going project generation in Finland.

Current Key Projects are:

- Wheatbelt, WA , Wongan Hills, (gold, base metals and Ni-Cu-PGE)
- Murchison, WA , North Tuckabianna, (copper and gold)
- Murchison, WA, Barlee, (gold)
- Eastern Goldfields, WA, Bromus, (gold)
- North Eastern Goldfields, WA, Mt Eureka JV (gold, VHMS and nickel)
- Eastern Goldfields, WA , Killaloe JV (gold and nickel)
- Finland (Project Generation for gold)

A total of \$1,048,745 (2021: \$865,793) was spent on exploration by Cullen during the year, with Joint Venture Partners contributing further exploration funds on Cullen tenements.

Cullen will continue to identify and evaluate both advanced and "grass roots" opportunities throughout Australia. Cullen's portfolio is under continual evaluation to focus on projects likely to result in discovery of an economic mineral deposit.

Corporate

At 30 June 2022 available cash totalled \$594,563 (2021: \$1,413,662). Refer note 1 (c) for discussion on going concern basis of preparation.

After Balance Date Events

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect the operations of the Consolidated Entity, the results of those operations or the state of affairs of the Consolidated Entity in the subsequent financial years.

Likely Developments and Future Results

Other than as referred to in this report, further information as to likely developments in the operations of the Consolidated Entity and the expected results of those operations would, in the opinion of the directors, be speculative and not in the best interests of the Consolidated Entity.

Environmental Regulation

The exploration activities of the Consolidated Entity in Australia are subject to environmental regulation under the laws of the Commonwealth and the States in which those exploration activities are conducted. The environmental laws and regulations generally address the potential impact of the Consolidated Entity's activities in the areas of water and air quality, noise, surface disturbance and the impact upon flora and fauna. The directors are not aware of any environmental matter which would have a materially adverse impact on the overall business of the Consolidated Entity.

Options

As at the date of this report the Company has 18,000,000 (2021: 18,454,545) options which were outstanding. During the year Nil (2021: 18,000,000) options were issued and 454,545 (2021: 909,090) options expired. Refer to Note 11 of the financial statements for further details of the options outstanding.

During the year no fully paid ordinary shares were issued by virtue of the exercise of options (2021: Nil). Since the end of the financial year no shares have been issued by virtue of the exercise of options (2021: Nil).

Directors' Interest

At the date of this report, the interest of the directors in the shares and options of the company were:

2022	Direct		Indirect	
	Fully Paid Shares	Options	Fully Paid Shares	Options
J. Horsburgh	-	-	13,447,639	3,000,000
C. Ringrose	5,643,494	12,000,000	-	-
W. Kernaghan	-	-	12,734,404	3,000,000

Directors' Meetings

During the year the Company held four meetings of directors. The attendance of the directors at meetings of the Board were:

	No. of meetings attended	Maximum possible eligible to attend*
J. Horsburgh	4	4
C. Ringrose	4	4
W. Kernaghan	4	4

*Number of meetings eligible to attend while a director.

Indemnification and insurance of Directors and Officers

The Company has entered into deeds of indemnity with the Directors indemnifying them against certain liabilities and costs to the extent permitted by law. The Company has paid premiums totalling \$15,261 (2021: \$13,833) in respect of Directors and Officers Liability Insurance and Company reimbursement policies, which covers all Directors and Officers of the Company. The policy conditions preclude the Company from any detailed disclosures.

Indemnification of Auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, Rothsay Audit & Assurance Pty Ltd, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Rothsay Audit & Assurance Pty Ltd during or since the financial year.

Employees

The Consolidated Entity employed one employee as at 30 June 2022 (2021: one).

Corporate Governance

In recognising the need for the highest standard of corporate behaviour and accountability, the directors of Cullen Resources Limited support and have adhered to the principles of good corporate governance. The Company's corporate governance statement is on page 25.

Auditor Independence

The directors have received the auditor's independence declaration for the year ended 30 June 2022 which is on page 30 and forms part of this directors' report. For the year Rothsay Audit & Assurance Pty Ltd have provided non-audit services to the Consolidated Entity in the amount of \$Nil (2021: \$Nil).

The directors are satisfied that non-audit services are compatible with the independence requirements of the Corporations Act 2001. The nature and scope of the non-audit services provided has meant that auditor independence was not compromised.

Rounding

The amounts contained in this report and in the financial report have been rounded to the nearest Australian Dollar (unless otherwise stated) under the option available to the Company under the *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*. The Company is an entity to which the instrument applies.

REMUNERATION REPORT (AUDITED)

This report details the nature and amount of remuneration for each director of Cullen Resources Limited.

This remuneration report outlines the director and executive remuneration arrangements of the Consolidated Entity in accordance with the requirements of the Corporations Act 2001 and its Regulations. For the purposes of this report, key management personnel (KMP) of the Consolidated Entity are defined as those persons having authority and responsibility for planning, directing and controlling the exploration activities of the Consolidated Entity, directly or indirectly, including any director (whether executive or otherwise) of the parent company. Only directors of the Consolidated Entity meet the definition of key management personnel as the executive role is performed by the executive director.

Details of key management personnel:

Directors

J. Horsburgh	Chairman (Non-Executive)
C. Ringrose	Managing Director
W. Kernaghan	Director (Non-Executive)

Remuneration Policy

The remuneration policy of Cullen Resources Limited has been designed to align director objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives. The board of Cullen Resources Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the Company as well as create goal congruence between directors and shareholders.

The Board's policy for determining the nature and amount of remuneration for Board members is as follows.

The remuneration policy, setting the terms and conditions for the executive director was developed by the Board. The executive receives a base salary on factors such as length of service and experience, superannuation, options and incentives. The Board reviews executive packages annually by reference to executive performance and comparable information from industry sectors and other listed companies in similar industries.

The Board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting. Fees for non-executive directors are not linked to either long term or short term performance of the Consolidated Entity. However, to align directors' interest with shareholder interests, the directors are encouraged to hold shares in the Company. There is a specified aggregate directors fees of \$250,000 for non-executive directors which was approved by shareholders at a general meeting of the Company. The \$250,000 excludes other services outside of non-executive directors' fees. No remuneration consultants have been engaged during the current and prior years.

Remuneration Incentives

Director and executive remuneration is currently not linked to either long term or short term performance conditions. The Board feels that the expiry date and exercise price of options when issued to the directors and executives are sufficient to align the goals of the directors and executives with those of the shareholders to maximise shareholder wealth, and as such, has not set any performance conditions for the directors or the executives of the Company. The Board will continue to monitor this policy to ensure that it is appropriate for the Company in future years.

Group performance and shareholder wealth

Below is a table summarising key performance and shareholder wealth statistics for the Consolidated Entity over the last five years.

Financial Year	Loss After Tax \$	EPS Cents	Share Price Cents
30 June 2018	918,006	(0.04)*	0.1*
30 June 2019	1,082,812	(0.74)	1.0
30 June 2020	773,710	(0.40)	1.4
30 June 2021	1,346,651	(0.44)	2.6
30 June 2022	1,379,364	(0.35)	1.2

* The comparative EPS and share prices have not been adjusted for the 1:22 share consolidation on 26 October 2018.

Employment Contract - Managing Director

Pursuant to an agreement Dr Ringrose will provide managing director services to the Company. The term of this arrangement is from 1 November 2006 and will continue thereafter unless terminated on not less than three months' notice given at any time. Effective from 1 July 2021 Dr Ringrose's salary is \$210,500 pa. The position of the director will become redundant under this agreement in the limited circumstances where the employment of the Managing Director is terminated as a result of a takeover or merger of the Company. The Company will pay the Managing Director the equivalent of four weeks per year of service or part thereof of his base salary as a redundancy payment.

As part of Dr Ringrose's employment package he was issued with 12,000,000 options on 21 December 2020 with the following terms. 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 5.00 pm on 30 November 2023 ("the Expiry Date") with an exercise price of \$0.028125 which vested on issue. No options were issued to Dr Ringrose in the current financial year.

During the year the Board paid a discretionary bonus of Nil (2021: Nil) to Dr Ringrose.

Non-Executive Directors

The non-executive directors have been issued with 3,000,000 options each on 21 December 2020 with the following terms. 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 5.00 pm on 30 November 2023 ("the Expiry Date") with an exercise price of \$0.028125 which vested on issue. No options were issued to Non-Executive Directors in the current financial year.

Directors' and Executives' Remuneration

Details of remuneration provided to directors for the year ended 30 June 2022 are as follows:

Directors		Short Term			Post Employ- ment	Long Term	Share Based Payments	Total \$	Perfor- mance Related %
		Director Fees \$	Salary/ Consulting \$	Bonus \$	Non Monetary Benefits \$	Super- annuation \$	Long Service Leave \$	Options \$	
J.Horsburgh	27,500	-	-	-	-	2,750	-	-	30,250
C. Ringrose	-	210,500	-	-	* 5,417	21,050	10,919	-	247,886
W. Kernaghan	25,000	**26,750	-	-	-	2,500	-	-	54,250
Total	52,500	237,250	-	-	5,417	26,300	10,919	-	332,386

* This relates to the provision of a motor vehicle.

**Consultancy payments were made to Mosman Corporate Services Pty Ltd totalling \$26,750 which is a company controlled by Mr W Kernaghan. There was \$1,125 outstanding at 30 June 2022.

Details of remuneration provided to directors for the year ended 30 June 2021 are as follows:

Directors	Director Fees \$	Short Term			Post Employment	Long Term	Share Based Payments	Total \$	Performance Related %
		Salary/ Consulting \$	Bonus \$	Non Monetary Benefits \$	Super-annuation \$	Long Service Leave \$	Options \$		
J.Horsburgh	23,333	-	-	-	2,217	-	19,800	45,350	-
C. Ringrose	-	180,000	-	* 5,417	17,100	3,638	79,200	285,355	-
W. Kernaghan	20,000	**26,500	-	-	1,900	-	19,800	68,200	-
Total	43,333	206,500	-	5,417	21,217	3,638	118,800	398,905	-

* This relates to the provision of a motor vehicle.

**Consultancy payments were made to Mosman Corporate Services Pty Ltd totalling \$26,500 which is a company controlled by Mr W Kernaghan. There was \$825 outstanding at 30 June 2021.

Shares issued on exercise of remunerated options

During the financial year nil (2021: Nil) remunerated options were exercised. During the financial year 909,090 (2021: Nil) options expired. The directors exercised nil (2021: Nil) options during the year.

Options granted as part of remuneration for the year ended 30 June 2022

Directors	Value of options granted during the year \$	Value of options exercised during the year \$	Value of options expired during the year \$	Total value of options granted, exercised and expired during the year \$
J. Horsburgh	-	-	-	-
C. Ringrose	-	-	-	-
W. Kernaghan	-	-	-	-

Options granted as part of remuneration for the year ended 30 June 2021

There were 18,000,000 options granted as a part of remuneration for the year ended 30 June 2021.

Directors	Value of options granted during the year \$	Value of options exercised during the year \$	Value of options expired during the year \$	Total value of options granted, exercised and expired during the year \$
J. Horsburgh	19,800	-	-	19,800
C. Ringrose	79,200	-	(11,200)	68,000
W. Kernaghan	19,800	-	-	19,800

Option holdings of directors

Directors	Balance at beginning of year 1 July 2021 Number	Options issued Number	Options lapsed Number	Balance at end of year 30 June 2022 Number	Total Number	Vested and exercisable at 30 June 2022 Number
J Horsburgh	3,000,000	-	-	3,000,000	3,000,000	3,000,000
C Ringrose	12,000,000	-	-	12,000,000	12,000,000	12,000,000
W Kernaghan	3,000,000	-	-	3,000,000	3,000,000	3,000,000
Total	18,000,000	-	-	18,000,000	18,000,000	18,000,000

The outstanding options are exercisable at \$0.028125 and have an expiry date of 30 November 2023.

These options had a weighted average exercise price of \$0.028125 and a weighted average remaining contractual life of 1.42 years.

	Balance at beginning of year 1 July 2020 Number	Options issued Number	Options lapsed Number	Balance at end of year 30 June 2021 Number	Total Number	Vested and exercisable at 30 June 2021 Number
Directors						
J Horsburgh	-	3,000,000	-	3,000,000	3,000,000	3,000,000
C Ringrose	909,090	12,000,000	(909,090)	12,000,000	12,000,000	12,000,000
W Kernaghan	-	3,000,000	-	3,000,000	3,000,000	3,000,000
Total	909,090	18,000,000	(909,090)	18,000,000	18,000,000	18,000,000

The outstanding options are exercisable at \$0.028125 and have an expiry date of 30 November 2023.

These options had a weighted average exercise price of \$0.028125 and a weighted average remaining contractual life of 2.42 years

Shareholdings of directors

Directors	Balance 1 July 2021 Number	Options Exercised Number	Net Change Purchase Number	Balance 30 June 2022 Number
J Horsburgh	11,682,933	-	1,764,706	13,447,639
C Ringrose	3,878,788	-	1,764,706	5,643,494
W Kernaghan	10,969,698	-	1,764,706	12,734,404
Total	26,531,419	-	5,294,118	31,825,537

Directors	Balance 1 July 2020 Number	Options Exercised Number	Net Change Purchase Number	Balance 30 June 2021 Number
J Horsburgh	8,012,199	-	3,670,734	11,682,933
C Ringrose	2,909,091	-	969,697	3,878,788
W Kernaghan	8,227,273	-	2,742,425	10,969,698
Total	19,148,563	-	7,382,856	26,531,419

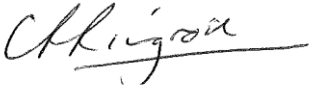
The directors' shareholdings are held directly and indirectly.

There were no loans to KMP's and their related parties.

Other transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. Consultancy payments were made to Mosman Corporate Services Pty Ltd totalling \$26,750(2021: \$26,500) which is a company controlled by Mr W Kernaghan. There was \$1,125 (2021: \$825) outstanding at 30 June 2022.

End of Remuneration Report

Signed in accordance with a resolution of the directors

A handwritten signature in black ink, appearing to read 'C. Ringrose', with a horizontal line drawn underneath.

C. Ringrose
Director
Perth, WA
21 September 2022

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ROTHSAY

AUDIT & ASSURANCE PTY LTD

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead auditor of the audit of Cullen Resources Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Cullen Resources Limited and the entities it controlled during the year.

Rothsay Audit & Assurance Pty Ltd



Donovan Odendaal
Director

21 September 2022

CORPORATE GOVERNANCE STATEMENT

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of Cullen Resources Limited have adhered to the principles of corporate governance and this statement outlines the main corporate governance practices in place throughout the financial year. The ASX Corporate Governance Council have released the fourth edition of Corporate Governance Principles and Recommendations. Having regard to the size of the Company and the nature of its enterprise, it is considered that the Company complies as far as possible with the spirit and intentions of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations. Unless otherwise stated, the practices were in place for the entire year.

Board of Directors

The Board of Directors of the Company is responsible for the corporate governance of the Company. The Board guides and monitors the business and affairs of the Company on behalf of the shareholders by whom they are elected and to whom they are accountable.

As the Board acts on behalf of shareholders, it seeks to identify the expectations of shareholders, as well as other ethical expectations and obligations. In addition, the Board is responsible for identifying areas of significant business risk and ensuing arrangements are in place to adequately manage those risks.

The primary responsibility of the Board includes:

- formulation and approval of the strategic direction, objectives and goals of the Company;
- monitoring the financial performance of the Company, including approval of the Company's financial statements;
- ensuring that adequate internal control systems and procedures exists and that compliance with these systems and procedures is maintained;
- the identification of significant business risks and ensuring that such risks are adequately managed;
- the review of performance and remuneration of executive directors; and
- the establishment and maintenance of appropriate ethical standards.

The responsibility for the operation and administration of the Company is carried out by the directors, who operate in an executive capacity, supported by senior professional staff. The Board ensures that this team is suitably qualified and experienced to discharge their responsibilities, and assesses on an ongoing basis the performance of the management team, to ensure that management's objectives and activities are aligned with the expectations and risks identified by the Board.

The Directors of the Company are as follows:

John Horsburgh
Dr Chris Ringrose
Wayne Kernaghan

For information in respect to each director refer to the Directors' Report.

Independent Directors

Under ASX guidelines, two of the current Board of three directors are considered to be independent directors. Dr Ringrose is the executive director and under the ASX guidelines deemed not to be independent by virtue of his position. The Board is satisfied that the structure of the Board is appropriate for the size of the Company and the nature of its operations and is a cost effective structure for managing the Company.

Board Composition

When the need for a new director is identified, selection is based on the skills and experience of prospective directors, having regard to the present and future needs of the Company. Any director so appointed must then stand for election at the next Annual General Meeting of the Company.

Terms of Appointment as a Director

The constitution of the Company provides that a Director, other than the Managing Director, may not retain office for more than three calendar years or beyond the third annual general meeting following his or her election, whichever is longer, without submitting for re-election. One third of the Directors must retire each year and are eligible for re-election. The Directors who retire by rotation at each annual general meeting are those with the longest length of time in office since their appointment or last election.

Board Committees

In view of the size of the Company and the nature of its activities, the Board has considered that establishing formally constituted committees for audit, board nominations and remuneration would contribute little to its effective management. Accordingly audit matters, the nomination of new Directors and the setting, or review, of remuneration levels of Directors and senior executives are reviewed by the Board as a whole and approved by resolution of the Board (with abstentions from relevant Directors where there is a conflict of interest). Where the Board considers that particular expertise or information is required, which is not available from within their number, appropriate external advice may be taken and reviewed prior to a final decision being made by the Board.

Remuneration

Remuneration and other terms of employment of executives, including executive directors, are reviewed periodically by the Board having regard to performance, relevant comparative information and, where necessary, independent expert advice. Remuneration packages are set at levels that are intended to attract and retain executives capable of managing the Company's operations.

The terms of engagement and remuneration of executive directors is reviewed periodically by the Board, with recommendations being made by the non-executive directors. Where the remuneration of a particular executive director is to be considered, the director concerned does not participate in the discussion or decision making.

Make Timely and Balanced Disclosure

The board has in place written policies and procedures to ensure the Company complies with its obligations under the continuous disclosure rule 3.1 and other ASX Listing Rule disclosure requirements.

Independent Professional Advice

Directors have the right, in connection with their duties and responsibilities as directors, to seek independent professional advice at the Company's expense. Prior approval of the Chairman is required, which will not be unreasonably withheld.

Code of Conduct

In view of the size of the Company and the nature of its activities, the Board has considered that an informal code of conduct is appropriate to guide executives, management and employees in carrying out their duties and responsibilities.

Diversity Policy

The Company is in the process of establishing a diversity policy having regard to the size of the company and the nature of its business.

As at 30 June 2022, 100 % (2021: 100%) of the workforce is male with no females at board or senior management level. There is only one employee who is male.

Communication to Market & Shareholders

The Board of Directors aims to ensure that the shareholders, on behalf of whom they act, are informed of all information necessary to assess the performance of the directors and the Company. Information is communicated to shareholders and the market through:

- the Annual Report which is available to all shareholders;
- other periodic reports which are lodged with ASX and available for shareholder scrutiny;
- other announcements made in accordance with ASX Listing Rules;
- special purpose information memoranda issued to shareholders as appropriate;
- the Annual General Meeting and other meetings called to obtain approval for board action as appropriate; and,
- The Company's website.

Share Trading

Dealings are not permitted at any time whilst in the possession of price sensitive information not already available to the market. In addition, the Corporations Act 2001 prohibits the purchase or sale of securities whilst a person is in possession of inside information.

External Auditors

The external auditor is Rothsay Audit & Assurance Pty Ltd. The external auditors are invited to attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

Full details of the company's corporate governance practices can be viewed at its website www.cullenresources.com.au.

**Consolidated Statement of Financial Position
as at 30 June 2022**

	Note	Consolidated	
		2022	2021
		\$	\$
Current Assets			
Cash and cash equivalents	21(i)	594,563	1,413,662
Receivables	5	7,121	41,274
Total Current Assets		601,684	1,454,936
Non Current Assets			
Plant & equipment	6	23,917	4,665
Exploration & evaluation	7	8,760	14,162
Intangible assets	8	4,747,995	4,747,995
Total Non Current Assets		4,780,672	4,766,822
Total Assets		5,382,356	6,221,758
Current Liabilities			
Trade and other payables	9	31,873	62,826
Provisions	10	112,413	101,498
Total Current Liabilities		144,286	164,324
Total Liabilities		144,286	164,324
Net Assets		5,238,070	6,057,434
Equity			
Issued capital	11	48,859,395	48,299,395
Share based payment reserve	12	118,800	127,891
Accumulated losses	13	(43,740,125)	(42,369,852)
Total Equity		5,238,070	6,057,434

These financial statements should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity for the year ended 30 June 2022

	Note	Issued Capital \$	Share Based Payment Reserve \$	Accumulated Losses \$	Total Equity \$
At 1 July 2020		45,933,453	1,480,016	(42,494,126)	4,919,343
Loss for the year		-	-	(1,346,651)	(1,346,651)
Other comprehensive income		-	-	-	-
Total comprehensive income/(loss) for the year		-	-	(1,346,651)	(1,346,651)
Issue of share capital		2,454,742	-	-	2,454,742
Share issue costs		(88,800)	-	-	(88,800)
Options that have expired	12	-	(1,470,925)	1,470,925	-
Share based payments	12	-	118,800	-	118,800
At 30 June 2021		48,299,395	127,891	(42,369,852)	6,057,434

	Note	Issued Capital \$	Share Based Payment Reserve \$	Accumulated Losses \$	Total Equity \$
At 1 July 2021		48,299,395	127,891	(42,369,852)	6,057,434
Loss for the year		-	-	(1,379,364)	(1,379,364)
Other comprehensive income		-	-	-	-
Total comprehensive income/(loss) for the year		-	-	(1,379,364)	(1,379,364)
Issue of share capital		560,000	-	-	560,000
Share issue costs		-	-	-	-
Options that have expired	12	-	(9,091)	9,091	-
Share based payments	12	-	-	-	-
At 30 June 2022		48,859,395	118,800	(43,740,125)	5,238,070

These financial statements should be read in conjunction with the accompanying notes.

**Consolidated Statement of Comprehensive Income
for the year ended 30 June 2022**

	Note	2022 \$	Consolidated 2021 \$
Revenues	3	55,655	69,504
Rent	3	(36,095)	(35,556)
Salaries and consultants' fees	3	(171,242)	(177,381)
Compliance expenses		(91,356)	(132,373)
Share based payments		-	(118,800)
Impairment of exploration expenditure	7	(1,054,147)	(874,706)
Depreciation		(12,653)	(1,769)
Other expenses		(69,526)	(75,570)
Loss before income tax		(1,379,364)	(1,346,651)
Income tax	4	-	-
Net loss attributable to members of Cullen Resources Limited after tax		(1,379,364)	(1,346,651)
<u>Other Comprehensive Income:</u>		-	-
Total comprehensive loss for the period		(1,379,364)	(1,346,651)
Basic (loss) per share (cents per share)	22	(0.35)	(0.44)
Diluted (loss) per share (cents per share)	22	(0.35)	(0.44)

These financial statements should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows for the year ended 30 June 2022

	Note	Consolidated	
		2022	2021
		\$	\$
Cash flows from operating activities			
Reimbursement of past exploration expenditure		50,000	-
Cash payments in the course of operations		(476,886)	(493,687)
GST refunded and ATO cash flow boost		122,782	125,141
Sundry income		-	17,189
Interest received		200	269
Net operating cash outflows	21(ii)	(303,904)	(351,088)
Cash flows from investing activities			
Payment for plant and equipment		(31,905)	(6,434)
Sale proceeds from plant and equipment		5,455	-
Payment for exploration and evaluation		(1,048,745)	(865,793)
Net investing cash inflows		(1,075,195)	(872,227)
Cash flows from financing activities			
Proceeds from issue of shares		560,000	2,454,742
Share issue costs		-	(88,800)
Net financing cash inflows		560,000	2,365,942
Net (decrease)/increase in cash and cash equivalents		(819,099)	1,142,627
Cash and cash equivalents at the beginning of the financial year		1,413,662	271,035
Cash and cash equivalents at the end of the financial year	21(i)	594,563	1,413,662

These financial statements should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements of Cullen Resources Limited ("Consolidated Entity" or "The Company") are general purpose financial statements, which have been prepared in accordance with the requirements of the Corporations Act 2001, and Australian Accounting Standards. The financial statements have also been prepared in accordance with the historical cost convention using the accounting policies described below.

(b) Statement of compliance

The financial statements comply with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(c) Accounting policies and disclosures

The Consolidated Entity has adopted all new and amended Australian Accounting Standards and AASB interpretations, which were applicable as of 1 July 2021. Adoption of other new and amended Australian Accounting Standards and AASB interpretations did not have any effect on the financial position or performance of the Consolidated Entity.

The Consolidated Entity has not elected to early adopt any new standards or amendments.

Going Concern

The accounts have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and liabilities in the normal course of business.

The Consolidated Entity had cash and cash equivalents of \$594,563 at 30 June 2022. The directors acknowledge that continued exploration and development of the Consolidated Entity's mineral exploration projects will necessitate further capital raisings.

The Consolidated Entity remains dependent on its ability to raise funding in volatile capital markets. However, the directors continue to believe that the going concern basis of accounting by the Consolidated Entity is appropriate as the Consolidated Entity has successfully completed capital raisings during the year to 30 June 2022, notwithstanding the challenging conditions in equity markets.

In consideration of the above matters, the directors have determined that it is reasonably foreseeable that the Consolidated Entity will continue as going concern and that it is appropriate that the going concern method of accounting be adopted in the preparation of the financial statements. In the event that the Consolidated Entity is unable to continue as a going concern (due to inability to raise future funding requirements), it may be required to realise its assets at amounts different to those currently recognised, settle liabilities other than in the ordinary course of business and make provisions for other costs which may arise as a result of cessation or curtailment of normal business operations.

Accordingly, the financial statements do not include adjustments relating to the recoverability and classification of assets amount or to the amounts and classification of liabilities that might be necessary if the Consolidated Entity does not continue a going concern.

(d) Principles of consolidation

The consolidated financial statements include the financial statements of Cullen Resources Limited and the results of all of its controlled entities which are referred to collectively throughout these financial statements as the "Consolidated Entity". The results of controlled entities are prepared for the same reporting period as the parent, using consistent accounting policies. All inter-entity balances and transactions, and unrealised profits arising from intra-economic entity transactions, have been eliminated in full.

(e) Taxes

Income tax

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interest in joint venture, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the Consolidated Statement of Comprehensive Income.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Consolidated Statement of Financial Position. Cash flows are included in the Consolidated Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(f) Provision for employee benefits

Provision has been made in the financial statements for benefits accruing to employees in relation to annual leave and long service leave. Annual leave provisions expected to be settled within twelve months are measured at their nominal amounts. Long service leave provisions are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date. In determining the present value of future cash outflows, the interest rates attaching to Australian corporate bond securities which have terms to maturity approximating the terms of the related liabilities are used.

(g) Investments in controlled entities

Investments in controlled entities are carried in the company's financial statements at cost less impairment. Dividends and distributions are brought to account when they are proposed by the controlled entities.

(h) Exploration and Evaluation Expenditure

(i) Expenditure is deferred

Expenditure on exploration and evaluation is accounted for in accordance with the 'area of interest' method. Exploration and evaluation expenditure is capitalised provided the rights to tenure of the area of interest is current (or in the process of being re-applied for) and either:

- the exploration and evaluation activities are expected to be recouped through successful development and exploitation of the area of interest or, alternatively, by its sale; or
- exploration and evaluation activities in the area of interest have not at the reporting date reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or relating to, the area of interest are continuing.

When the technical feasibility and commercial viability of extracting a mineral resource have been demonstrated then any capitalised exploration and evaluation expenditure is reclassified as capitalised mine development. Prior to reclassification, capitalised exploration and evaluation expenditure is assessed for impairment.

Impairment

The carrying value of capitalised exploration and evaluation expenditure is assessed for impairment at the area of interest level whenever facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount.

An impairment exists when the carrying amount of an area of interest exceeds its estimated recoverable amount. The area of interest is then written down to its recoverable amount. Any impairment losses are recognised in the Consolidated Statement of Comprehensive Income.

(i) Foreign currency

Both the functional and presentation currency of Cullen Resources Limited and its Australian subsidiaries is Australian dollars (\$A).

Foreign currency transactions are translated to Australian currency at the rate of exchange ruling at the date of the transactions. Monetary items in foreign currencies at balance date are translated at the rates of exchange ruling on that date.

Exchange differences relating to amounts payable and receivable in foreign currencies are brought to account in the Consolidated Statement of Comprehensive Income in the financial year in which the exchange rates change, as exchange gains or losses.

(j) Plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Plant and equipment – over 3 to 8 years.

The assets residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate at each financial year end.

(k) Intangible Asset

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less amortisation and any impairment losses. Intangible assets with finite lives are amortised over their useful life and tested for impairment whenever there is an indication that they may be impaired. The amortisation period and method is reviewed at each financial year-end.

The Consolidated Entity's intangible assets represent the deferred consideration payable by the acquirer on the unconditional final investment decision to proceed and royalties on all iron ore extracted from the area of the tenements of the Mt Stuart Iron Ore Joint Venture.

These, although entitling the Consolidated Entity to cash upon the unconditional final investment decision to proceed and the commencement of production, are not considered to fall within the definition of financial assets in accordance with AASB 9 *Financial Instruments* ("AASB 9"). The Consolidated Entity considers, amongst the characteristics listed in AASB 9 that they do not contain an absolute right to receive cash as the Consolidated Entity cannot force the owner to make the investment decision to proceed and to produce and, furthermore, the counterparty can avoid the payment of cash by deciding not to proceed.

The useful life of the intangible assets will be determined by reference to planned development schedule and mine life on commencement of mining and the cost of the royalty contract will be amortised on a systematic basis over the life of the mine. Amortisation rates are adjusted on a prospective basis for all changes to estimates of the life of mine. At 30 June 2022, the decision to proceed has not been made and hence the assets remain unamortised.

(l) Revenue

Other revenue includes interest revenue on short term deposit received. It is brought to account using the effective interest rate method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Refundable research and development tax offset is brought to account when the funds are received.

(m) Joint Operations

The Consolidated Entity undertakes a number of activities through joint arrangements. A joint arrangement is an arrangement over which two or more parties have joint control. Joint control is the contractually agreed sharing of control over an arrangement which

exists only when the decisions about the relevant activities (being those that significantly affect the returns of the arrangement) require the unanimous consent of the parties sharing control. The Consolidated Entity's joint arrangements are in the form of joint operations.

A joint operation is a type of joint arrangement in which the parties with joint control of the arrangement have rights to the assets and obligations for the liabilities relating to the arrangement.

The Consolidated Entity recognises in relation to its joint operations:

- Assets, including its share of any assets held jointly
- Liabilities, including its share of any liabilities incurred jointly
- Revenue from the sale of its share of the output arising from the joint operation
- Share of the revenue from the sale of the output by the joint operation
- Expenses, including its share of any expenses incurred jointly

(n) Payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Consolidated Entity.

(o) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purposes of the Consolidated Statement of Cash Flows, cash includes cash on hand and in banks, and money market investments readily convertible to cash within two working days.

(p) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Operating lease payments are recognised as an expense in the Consolidated Statement of Comprehensive Income on a straight-line basis over the lease term.

(q) Issued capital

Issued and paid up capital is recognised at the fair value of the consideration received by the Consolidated Entity. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

(r) Earnings / (losses) per share

Basic EPS is calculated as net profit/(loss) attributable to members, adjusted to exclude costs of servicing equity, divided by the weighted average number of ordinary shares, adjusted for any bonus element. Diluted EPS is calculated as net profit/ (loss) attributable to members, adjusted for:

- costs of servicing equity;
- the after tax effect of interest associated with dilutive potential ordinary shares that have been recognised as expenses;
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; and
- divided by the weighted average number of ordinary shares, adjusted for the effects of all dilutive potential ordinary shares.

(s) Change in accounting policies

The accounting policies adopted are consistent with those of the previous year.

(t) Share based payments

At each subsequent reporting date until vesting, the cumulative charge to the Consolidated Statement of Comprehensive Income is the product of:

- (i) The grant date fair value of the option.
- (ii) The current best estimate of the number of options that will vest, taking into account such factors as the likelihood of employee turnover during the vesting period and the likelihood of non-market performance conditions being met.
- (iii) The expired portion of the vesting period.

The charge to the Consolidated Statement of Comprehensive Income for the period is the cumulative amount as calculated above less the amounts already charged in previous periods. There is a corresponding entry to equity.

The company may also issue options that do not have any vesting conditions.

Until an option has vested, any amounts recorded are contingent and will be adjusted if more or fewer options vest than were originally anticipated to do so. Any option subject to a market condition is considered to vest irrespective of whether or not that market condition is fulfilled, provided that all other conditions are satisfied.

If the terms of an equity-settled option are modified, as a minimum an expense is recognised as if the terms had not been modified. An additional expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled option is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the option is recognised immediately. However, if a new option is substituted for the cancelled option and designated as a replacement option on the date that it is granted, the cancelled and new option are treated as if they were a modification of the original option, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(u) Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are tested for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed.

2. SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

In applying the Consolidated Entity's accounting policies management continually evaluates estimates and assumptions based on experience and other factors, including expectations of future events that may have an impact on the Consolidated Entity. All estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. Actual results may differ from the estimates and assumptions. Significant estimates and assumptions made by the management in the preparation of these financial statements are outlined below.

Significant accounting estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

(a) Impairment of capitalised exploration and evaluation expenditure

The future recoverability of capitalised exploration expenditure is dependent on a number of factors, including whether the Consolidated Entity decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale. Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices. To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, profits and net assets will be reduced in the period in which this determination is made. In addition, exploration and evaluation is capitalised if activities in the area of interest have not yet reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent it is determined in the future that this capitalised expenditure should be written off, profits and net assets will be reduced in the period in which this determination is made.

(b) Share-based payment transactions

The Consolidated Entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an external valuer using either a binomial or Black-Scholes model, with the assumptions detailed in Note 16. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amount of assets and liabilities within the next annual reporting period but may impact expenses and equity.

(c) Intangibles

The recoverable amount of intangible assets is estimated on the basis of the discounted value of future cash flows. The estimates of future cash flows are based on significant assumptions including:

- timing of the unconditional investment decision to proceed;
- estimates of the quantities of ore reserves and mineral resources for which there is a high degree of confidence of economic extraction and the timing of access to these reserves and resources;
- future iron ore prices and exchange rates based on forecasts by a range of recognized economic forecasters as well as recent spot prices and rates;
- construction and production timetable and production rates; and
- the discount rate used.

Refer to notes 1(k) and 8 for more information.

3. REVENUE AND EXPENSES*Other Revenues*

	Consolidated 2022 \$	2021 \$
Interest received	200	269
Reimbursement of past exploration expenditure	50,000	-
Sale of plant & equipment	5,455	-
ATO Cash Flow Boost	-	52,046
Government Drilling grant	-	17,189
	<u>55,655</u>	<u>69,504</u>

Expenses

(Loss) before tax was after crediting the following expenses:

Auditors remuneration in respect of the Audit or review of the financial statements	8,000	18,000
Rent payments	36,095	35,556
Superannuation	31,830	28,540

4. INCOME TAX

The major components of income tax expenses are:

Income Statement*Current Income Tax*

Current income tax charge/(benefit)	-	-
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Deferred Income Tax

Relating to origination and reversal of temporary differences	-	-
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Income tax expense/(benefit) reported in the statement of comprehensive income	-	-
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Operating loss before income tax	(1,379,364)	(1,346,651)
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Prima facie income tax (benefit) calculated at 26.0% (2021: 26.0%)	(358,635)	(350,129)
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Non-deductible expenses	-	-
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Non-assessable income	-	-
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Income tax losses recognised	358,635	350,129
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Total income tax (expense)/benefit	-	-
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Cullen Resources Limited and its 100% owned Australian subsidiaries have entered the tax consolidation regime from 1 July 2002. The head entity of the tax consolidation group is Cullen Resources Limited.

The entity has adopted the stand alone taxpayer method for measuring current and deferred tax amounts. The members of the income tax consolidated group have entered into a tax funding agreement.

Consolidated	Statement of Financial Position		Statement of Comprehensive Income	
	2022 \$	2021 \$	2022 \$	2021 \$
Deferred Tax Liabilities				
Exploration	(2,278)	(3,682)	(1,405)	(2,317)
Deferred Tax Assets				
Provisions	29,227	26,389	2,838	4,772
Accruals	1,560	1,560	-	(7,813)
Deferred tax assets used to offset deferred tax liabilities/(not recognised) (i)	(28,509)	(24,267)	1,433	(5,358)
Net Deferred Tax Recognised in the Statement of Financial Position	-	-	-	-

(i) As at 30 June 2022 future income tax benefits were available to the Consolidated Entity in respect of operating losses and prospecting and exploration expenditure incurred. The directors estimate the potential income tax benefit at 30 June 2022 in respect of tax losses not brought to account is \$10,601,683 (2021: \$10,243,048) and there is no expiry date. The benefit of these losses has only been brought to account to the extent needed to offset deferred tax liabilities. The remaining benefit will only be obtained if:

- (a) the Consolidated Entity derives future assessable income of a nature and of sufficient amount to enable the benefit to be realised.
- (b) the Consolidated Entity continues to comply with the conditions for deductibility imposed by the law; and
- (c) no changes in tax legislation adversely affect the Consolidated Entity in realising the benefit.

	Consolidated	
	2022 \$	2021 \$
5. RECEIVABLES		
Current		
Other debtors	7,121	41,274

Other debtors includes GST receivable which is non-interest bearing. All other debtors are not past due and are not credit impaired. Considering the size and the credit quality of other debtors, the expected credit loss on the balance at 30 June 2022 is considered insignificant.

The carrying amount of other debtors is a reasonable approximation of fair value.

	Consolidated	
	2022 \$	2021 \$
6. PLANT & EQUIPMENT		
Plant & Equipment at cost		
Opening balance	122,246	115,812
Additions	31,905	6,434
Disposals	(49,663)	-
Closing balance	104,488	122,246

Plant & Equipment – Accumulated depreciation		
Opening balance	(117,581)	(115,812)
Depreciation	(12,653)	(1,769)
Disposals	49,663	-
Closing balance	<u>(80,571)</u>	<u>(117,581)</u>
Total written down amount	<u>23,917</u>	<u>4,665</u>
(a) Reconciliation		
Plant & Equipment		
Carrying amount at beginning	4,665	-
Additions	31,905	6,434
Disposals	-	-
Depreciation expense	<u>(12,653)</u>	<u>(1,769)</u>
	<u>23,917</u>	<u>4,665</u>

7. EXPLORATION & EVALUATION

Costs carried forward in respect of areas of interest in the exploration and evaluation phase

Opening balance	14,162	23,075
Expenditure incurred during the year	<u>1,048,745</u>	<u>865,793</u>
	1,062,907	888,868
Less		
Write off (refer to below)	<u>(1,054,147)</u>	<u>(874,706)</u>
Closing balance net of write off	<u>8,760</u>	<u>14,162</u>

Mining tenements are carried forward in accordance with the accounting policy set out in Note 1.

As discussed in the Directors Report, during the financial year, the Company continued its mineral exploration activities including: project generation, database reviews, field mapping, geochemical surveying, and drilling programmes. Company exploration activities, including joint operations, were focused in Western Australia with additional activities in Finland.

A total of \$1,048,745 (2021: \$865,793) of exploration expenditure was capitalised by Cullen during the year. The Directors have reviewed all exploration projects for indicators of impairment in light of approved budgets. Where substantive expenditure is neither budgeted nor planned the area of interest has been written down to its fair value less costs to dispose. In determining fair value less cost of disposal the Directors had regard to the best evidence of what a willing participant would pay in an arms length transaction (Level 3 fair value hierarchy). Where no such evidence was available, areas of interest were written down to nil pending the outcome of any future farm-out arrangement. This resulted in a write off of \$1,054,147 (2021: \$874,706). The Company will continue to look to attract farm-in partners and/or recommence exploration should circumstances change.

The ultimate recoupment of the book value of deferred costs relating to areas of interest in the exploration and evaluation phase is dependent upon the successful development and commercial exploitation or, alternatively, sale of the respective areas of interest and the Consolidated Entity's ability to continue to meet its financial obligations to maintain the areas of interest.

8. INTANGIBLE ASSETS

	Consolidated	
	2022	2021
	\$	\$
Deferred consideration (a) and royalty stream(b)	4,747,995	4,747,995
	<u>4,747,995</u>	<u>4,747,995</u>

On 12 April 2017, the consolidated entity sold its 30% contributing interest in the Mt Stuart Iron Ore Joint Venture and all of its other rights and interests in the Joint Venture tenements. Part of the consideration includes:

- (a) A deferred consideration of \$1 million payable on the making of an unconditional final investment decision to proceed with the development of an iron ore mine on the tenements which were previously the Mt Stuart Joint Venture.
- (b) An uncapped 1% FOB royalty on all iron ore extracted from the area of the Joint Venture tenements.

At the disposal date, the above consideration was recognised as an intangible asset. Its carrying value was determined based on a Net Present Value calculation using a discounted cash flow model with a number of assumptions including timing of unconditional investment decisions to proceed, future iron ore prices, exchange rate, timing for the development and production, future product volumes and discount rates (Level 3 fair value hierarchy).

As at 30 June 2022, the directors have adopted a similar Net Present Value calculation with the updated key assumptions to reflect changes in the market environment to determine the recoverable amount of the intangible asset as part of their impairment assessment of the carrying value of the asset. In their opinion, this assessment supports the carrying value of the assets and supports the conclusion that no impairment of the intangible asset is required as at 30 June 2022.

In July 2015 the Consolidated Entity sold its interest in the Wyloo project tenements to its partner Fortescue Metals Group Limited and the deferred consideration is a 1.5 % F.O.B. royalty up to 15 Mt of iron ore production from Wyloo project tenements, and will receive \$900,000 cash if and when a decision is made to commence mining on a commercial basis – E47/1649, 1650, ML 47/1490, and ML 08/502.

9. TRADE AND OTHER PAYABLES

Current		
Trade creditors - unsecured	31,873	62,826

Trade creditors are non-interest bearing and are normally settled on 30 day terms. The carrying amount of trade creditors is a reasonable approximation of fair value.

10. PROVISIONS

	Consolidated	
	2022	2021
	\$	\$
Current		
Employee benefits	112,413	101,498

11. CONTRIBUTED EQUITY**Issued capital**

406,858,855 ordinary shares (2021: 373,917,657)	48,859,395	48,299,395
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Movement in issued shares for the year:

	2022		2021	
	Number of Shares	\$	Number of Shares	\$
Beginning of the financial year:	373,917,657	48,299,395	224,937,584	45,933,453
Issued at 1.3 cents each(i)	-	-	74,980,073	974,742
Issued at 2.0 cents each(ii)	-	-	74,000,000	1,480,000
Issued at 1.7 cents each(ii)	32,941,198	560,000	-	-
Less share issue expenses	-	-	-	(88,800)
End of financial year:	406,858,855	48,859,395	373,917,657	48,299,395

(i) Issued under a rights issue

(ii) Issued under a placement

(iii) Issued under a Shareholder Share Purchase Plan.

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid upon shares held.

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

Options

As at 30 June 2022 there are 18,000,000 (2021: 18,454,545) unissued shares in respect of which options were outstanding and the details of these are as follows:

Number	Grant Date	Vesting Date	Exercise Price	Expiry Date	Fair Value at Grant Date
18,000,000	21/12/20	Nil Vesting Conditions	\$0.028125	30 November 2023	0.0066

The options have no rights until they are exercised and become ordinary shares.

During the year 454,545 (2021: 909,090) options lapsed.

During the year Nil (2021: 18,000,000) options were issued to Directors as approved by shareholders on 30 November 2020.

During the year nil (2021: Nil) options were issued to a third party for exploration.

Since the end of the financial year no shares have been issued by virtue of the exercise of options.

12. SHARE BASED PAYMENT RESERVE

The share based payment reserve represents the cost of share-based payments to directors, employees and third parties.

	Consolidated	
	2022	2021
	\$	\$
Beginning of the year	127,891	1,480,016
Share based payments (Note 16)	-	118,800
Options that have lapsed	(9,091)	(1,470,925)
End of the year	<u>118,800</u>	<u>127,891</u>

13. ACCUMULATED LOSSES

Accumulated losses at the beginning of the year	(42,369,852)	(42,494,126)
Net loss	(1,379,364)	(1,346,651)
Transfer from share based payment reserve	9,091	1,470,925
Accumulated losses at the end of the year	<u>(43,740,125)</u>	<u>(42,369,852)</u>

14. PARTICULARS IN RELATION TO CONTROLLED ENTITIES

The consolidated financial statements at 30 June 2022 include the following controlled entities. The financial years of all controlled entities are the same as that of the parent entity.

Name	Place of Incorporation	Interest %		Investment \$	
		June 2022	June 2021	June 2022	June 2021
Cullen Minerals Pty Limited	Australia	100	100	-	-
Cullen Exploration Pty Ltd	Australia	100	100	-	-
Bearmark Investments Pty Ltd	Botswana	100	100	-	-
Cullen Finland OY	Finland	30	100	-	-

15. KEY MANAGEMENT PERSONNEL

	Consolidated	
	2022	2021
	\$	\$
Compensation for key management personnel		
Short-term employee benefits	295,167	255,250
Post-employment benefits	26,300	21,217
Other long-term benefits	10,919	3,638
Share-based payments	-	118,800
Total compensation	<u>332,386</u>	<u>398,905</u>

16. SHARE BASED PAYMENTS

	2022	2021
	\$	\$
(a) Recognised share based payment expenses		
Director options	-	118,800
Third party options	-	-
	<u>-</u>	<u>118,800</u>

(b) Employee Options

For details/movements around the director options, please refer to note 11.

Nil employee and director options were issued during the year. (2021: 18,000,000)

Nil employee or director options lapsed during the year. (2021: 909,090)

(c) Weighted average remaining contractual life	2022	2021
	Years	Years
Options - Third party	-	0.33
Options - Directors	1.42	2.42
(d) Range of exercise prices	2022	2021
	cents	cents
Options - Third party	-	6.6
Options - Directors	2.8125	2.8125
(e) Weighted average fair value at date of issue	2022	2021
	cents	cents
Options - Third party	-	-
Options - Directors	0.066	0.066

(f) Option pricing model

The fair value of the equity settled share options granted are estimated as at the date of allocation using a Black-Scholes Model taking into account the terms and conditions upon which they were granted.

The following table lists the inputs to the models used at the date of allocation for employee and directors' options:

	2022	2021
Expected volatility (i)	-	74.97%
Risk free interest rate	-	0.1%
Exercise price	-	\$0.028125
Share price at measurement date	-	\$0.018
Expected dividend yield	-	0.00%

- (i) The expected volatility was based on the historical volatility of the underlying shares over a period equivalent to the expected life of the option.

17. JOINT OPERATIONS

The Consolidated Entity has interests in the following joint operations as at 30 June 2022:

	Principal Activity	Other Participant
(a) Paraburdoo	Exploration	Fortescue Mining Group Limited (Fortescue)
(b) Killaloe	Exploration	Liontown Resources Limited (Liontown)

(c) Mt Eureka	Exploration	Rox Resources Limited (Rox)
(d) Finland	Exploration	Capella Minerals Limited (Capella)

- a) Fortescue can earn up to 80% in the iron ore rights, Cullen has a 100% interest.
- b) Liontown has an 80% interest; Cullen is 20% free carried to decision to mine.
- c) Rox can earn up to a 75% interest.
- d) Cullen 30%, Capella 70% owners of Cullen Finland Oy and its assets in Finland.

The joint operations are not separate legal entities. They are contractual arrangements between the participants for the sharing of costs and any outputs and do not, in themselves, generate revenue and profit. The net contribution of any joint operations to the operating profit before income tax is \$nil (2021: \$nil). The Consolidated Entity's assets employed in the jointly controlled assets, are recorded as nil.

18. COMMITMENTS

Minimum exploration work

The Consolidated Entity has certain obligations to perform minimum exploration work and expend minimum amounts of money on mineral exploration tenements. The Consolidated Entity is required to expend a minimum of \$673,500 over the next year to keep its current tenements in good standing.

19. RELATED PARTIES

Payments to director related companies

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. Consultancy payments were made to Mosman Corporate Services Pty Ltd totalling \$26,500 (2021: \$26,500) which is a company controlled by Mr W Kernaghan. There was \$1,125 (2021: \$875) outstanding at 30 June 2022.

20. OPERATING SEGMENTS

Identification of Reportable Segments

The Consolidated Entity has based its operating segment on the internal reports that are reviewed and used by the executive management team in assessing performance and in determining the allocation of resources.

The Consolidated Entity currently does not have production and is only involved in exploration. As a consequence, activities in the operating segment are identified by management based on the manner in which resources are allocated, the nature of the resources provided and the identity of the manager and country of expenditure. Discrete financial information about each of these areas is reported to the executive management team on a monthly basis.

Based on this criteria, the Consolidated Entity has only one operating segment, being exploration, and the segment operations and results are the same as the Consolidated Entity's results.

21. STATEMENT OF CASH FLOWS**(i) Reconciliation of cash**

For the purposes of the Consolidated Statement of Cash Flows, cash includes cash at bank and short term deposits at call. Cash at the end of the financial year as shown in the Consolidated Statement of Cash Flows is reconciled to the related items in the Consolidated Statement of Financial Position as follows:

	Consolidated	
	2022	2021
	\$	\$
Cash at bank	594,563	1,413,662
(ii) Reconciliation of operating (loss) after income tax to net cash used in operating activities		
Operating (loss) after income tax	(1,379,364)	(1,346,651)
Add/(less) non cash items		
Impairment of exploration	1,054,147	874,706
Profit on sale of plant and equipment	(5,455)	-
Depreciation	12,653	1,769
Share based payments	-	118,800
(Decrease) / Increase in provisions for employee benefits	10,915	18,352
(Decrease) / Increase in trade and other payables	(30,953)	(16,866)
Decrease / (Increase) in receivables	34,153	(1,198)
Net operating cashflows	(303,904)	(351,088)

22. EARNINGS/(LOSS)PER SHARE

	Consolidated	
	2022	2021
Basic (loss) per share (cents per share)	(0.35)	(0.44)
Diluted (loss) per share (cents per share)	(0.35)	(0.44)
The following reflects the income and share data used in the calculations of basic and diluted (loss) per share		
Net (loss)	(1,379,364)	(1,346,651)
Weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share	390,884,630	308,746,910
Options on issue at year end are not dilutive and hence not used in the calculation of diluted EPS	18,000,000	18,454,545

23. FINANCIAL INSTRUMENTS

The Consolidated Entity's financial instruments comprise receivables, payables, and cash and short-term deposits.

The Consolidated Entity manages its exposure to key financial risks, including interest rate risk in accordance with the Consolidated Entity's financial risk management policy. The objective of the policy is to support the delivery of the Consolidated Entity's financial targets whilst protecting future financial security.

The Board reviews and agrees policies for managing each of these risks as summarised below.

Primary responsibility for identification and control of financial risks rests with the Board of Directors. Due to the size and nature of the company's operations, and as the company does not use derivative instruments or debt, the directors do not believe the establishment of a risk management committee is warranted.

(a) Interest Rate Risk

The Consolidated Entity's exposure to market interest rates relates primarily to the Consolidated Entity's cash and cash equivalents.

The Consolidated Entity's exposure to interest rate risk for each class of financial assets and financial liabilities is set out below.

Financial Instruments	Consolidated	
	Floating interest rate	Floating interest rate
	2022	2021
	\$	\$
Financial Assets		
Cash and cash equivalents	594,563	1,413,662
Total Financial Assets	594,563	1,413,662

Cash gives rise to interest rate risk because the interest rate is variable.

The following summarises the effect on loss and equity of financial instruments held at balance date as a result of a 0.5% movement in interest rates, with all other variables remaining constant.

	Consolidated	
	(Decrease)/Increase in loss/equity	
	2022	2021
	\$	\$
Interest rate +0.5%	(2,973)	(7,068)
Interest rate -0.5%	2,973	7,068

The selection of 0.5% sensitivity check was based on recent interest rate adjustments. The same basis was adopted in 2021.

(b) Currency Risk

The Consolidated Entity has limited exposure to foreign currency risk as it pays for its overseas exploration activities from Australia in various overseas currencies.

(c) Credit Risk

Credit risk arises from the financial assets of the Consolidated Entity, namely cash at bank, trade and other receivables. The Consolidated Entity's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to its carrying amount. Exposure at balance date is addressed in each applicable note.

The Consolidated Entity does not hold any credit derivatives to offset its credit exposure.

Cash at bank and receivable balances are monitored on an ongoing basis with the result that the Consolidated Entity's exposure to bad debts is not significant. Receivables are due from the Australian Taxation Office and other government bodies while bank balances are with reputable Australian banks which have very low default risk.

There are no significant concentrations of credit risk within the Consolidated Entity and cash and cash equivalents are spread amongst the big four Australian Banks.

(d) Liquidity Risk

The liquidity position of the Consolidated Entity is managed to ensure sufficient liquid funds are available to meet the Consolidated Entity's financial commitments in a timely and cost-effective manner. The Consolidated Entity funds its activities through capital raisings in order to limit its liquidity risk which is monitored on a monthly basis.

Contractual maturity of the trade payables is within 30 day terms.

The Consolidated Entity manages its liquidity risk by monitoring the total cash inflows and outflows expected on a monthly basis. The Consolidated entity has established comprehensive risk reporting covering its business units that reflect

expectations of management of the expected statement of financial assets and liabilities.

(e) Capital Management

Management controls the capital of the Consolidated Entity in order to provide the shareholders with adequate returns and ensure that the Consolidated Entity can fund its operations and continue as a going concern.

There are no externally imposed capital requirements.

Management effectively manages the group's capital by assessing the Consolidated Entity's financial risks and adjusting its capital structure in responses to include the management of debt levels, distributions to shareholders and share issues.

The Consolidated Entity uses cash flow forecasts to manage and adjust its capital management.

There have been no changes in the strategy adopted by management to control the capital of the Consolidated Entity since the prior year.

Capital managed by the Consolidated Entity consists of shareholders equity.

	Consolidated	
	2022	2021
	\$	\$
Shareholders equity	5,238,070	6,057,434

24. AUDITOR'S REMUNERATION

Amounts received or due and receivable by :

- an audit or review of the financial report of the entity and any other entity in the Consolidated Entity – Rothsay Audit & Assurance Pty Ltd (current auditor)
- taxation services provided to the Consolidated Entity

	Consolidated	
	2022	2021
	\$	\$
	18,000	18,000
	-	-
	18,000	18,000

25. PARENT ENTITY INFORMATION

Information relating to Cullen Resources Limited:

	2022	2021
	\$	\$
Current assets	582,640	1,408,097
Total assets	4,662,353	6,075,008
Current liabilities	6,923	17,574
Total liabilities	6,923	17,574
Issued capital	48,859,395	48,299,395
Accumulated losses	43,740,125	42,369,852
Share based payment reserve	118,800	127,891
Total shareholders' equity	5,238,070	6,057,434
Loss of the parent entity	1,379,364	1,346,651
Total comprehensive income of the parent entity	1,379,364	1,346,651

The parent entity has no contingent liabilities, nor does it have any contractual commitments for the acquisition of property, plant or equipment.

26. SUBSEQUENT EVENTS

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect the operations of the Consolidated Entity, the results of those operations or the state of affairs of the Consolidated Entity in the subsequent financial years.

27. CORPORATE INFORMATION

The financial report of Cullen Resources Limited for the year ended 30 June 2022 was authorised for issue in accordance with a resolution of the directors on 21 September 2022.

Cullen Resources Limited is a for profit company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Stock Exchange.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Cullen Resources Limited, I state that:

In the opinion of the directors:

- (a) the financial statements and notes of the Consolidated Entity are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2022 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- (b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 1(b).
- (c) subject to the achievement of the matters in Note 1(c), there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- (d) this declaration has been made after receiving the declaration required to be made to the directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2022.

On behalf of the Board



C. Ringrose

Director

Perth, WA

21 September 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CULLEN RESOURCES LIMITED

Report on the Audit of the Financial Report

Qualified Opinion

We have audited the financial report of Cullen Resources Limited ("the Company") and its controlled entities ("the Group") which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended on that date and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration of the Company.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Qualified Opinion

As detailed in Note 8 to the financial report, on 12 April 2017, the Group sold its 30% contributing interest in the Mt Stuart Iron Ore Joint Venture and recognised a royalty intangible asset of \$4,747,995 being the Directors' estimated fair value of the consideration receivable at the disposal date. In estimating the fair value of the consideration receivable, the directors used a discounted cash flow model with a number of assumptions as to the timing, quantum and discounting of cash flows. The intangible asset recognised by the company includes a deferred consideration of \$1,000,000, which has not been separately disclosed. At 30 June 2022, the directors have adopted a similar net present value calculation with updated market assumptions to determine the recoverable amount of the intangible asset as part of their impairment assessment of the carrying value of the deferred consideration and the royalty intangible asset. The directors have determined that the net present value calculation supports that the recoverable amount of these assets is higher than their carrying value.

For the audit of the Group's financial report for the year ended 30 June 2022, we have been unable to obtain sufficient appropriate audit evidence to assess the reasonableness of the directors' assumptions adopted in determining the recoverable value of the deferred consideration and the intangible asset as part of the asset's impairment assessment. Consequently, we are unable to determine the accuracy and appropriateness of the carrying value of these assets, their classification and related disclosures as disclosed in the financial report.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

CULLEN RESOURCES LIMITED (continued)

The Group's audit report for the year ended 30 June 2021 was qualified as sufficient appropriate audit evidence to assess the reasonableness of the directors' assumptions adopted in determining the recoverable value of the deferred consideration and the intangible asset as part of the asset's impairment assessment was unable to be obtained. The consolidated statement of financial position as at 30 June 2021, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year ended 30 June 2021 and associated notes are shown as comparatives in the Group's financial report.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under these standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of this report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (Including Independence Standards)* (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

Emphasis or Matter - Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the financial report, which describes the principal conditions that raise doubt about the Group's ability to continue as a going concern. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

CULLEN RESOURCES LIMITED (continued)

<i>Key Audit Matter - Exploration and Evaluation Expenditure</i>	<i>How our Audit Addressed the Key Audit Matter</i>
<p>The Group has expensed \$1,054,147 on exploration and evaluation during the year.</p> <p>We do not consider exploration and evaluation expenditure to be at a high risk of significant misstatement, or to be subject to a significant level of judgement. However due to the materiality in the context of the financial statements as a whole, this is considered to be an area which had an effect on our overall strategy and allocation of resources in planning and completing our audit.</p>	<p>Our procedures in assessing exploration and evaluation expenditure included but were not limited to the following:</p> <ul style="list-style-type: none">• We assessed exploration and evaluation expenditure with reference to AASB 6 Exploration for and Evaluation of Mineral Resources.• We tested a sample of exploration and evaluation expenditure to supporting documentation to ensure they were bona fide payments; and• We documented and assessed the processes and controls in place to record exploration and evaluation transactions. <p>We have also assessed the appropriateness of the disclosures included in the financial report.</p>

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2022, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If based on the work we have performed we conclude there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Directors' Responsibility for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement whether due to fraud or error.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

CULLEN RESOURCES LIMITED (continued)

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/Home.aspx.

We communicate with the directors regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters.

We describe those matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communications.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2022.

In our opinion the remuneration report of Cullen Resources Limited for the year ended 30 June 2022 complies with section 300A of the *Corporations Act 2001*.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CULLEN RESOURCES LIMITED (continued)

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Rothsay Audit & Assurance Pty Ltd

Donovan Odendaal
Director

Dated 21 September 2022

SHAREHOLDER INFORMATION

CAPITAL STRUCTURE

As at 16 September 2022, the company had the following securities on issue:

	Fully paid Ordinary shares
Issued Capital	406,858,855
Top 20 Shareholders	
Total holding of twenty largest shareholders	180,973,500
% of total shares on issue	44.48%
Distribution of shareholders	
1 - 1,000 shares	1,024
1,001 - 5,000 shares	746
5,001 - 10,000 shares	181
10,001 - 100,000 shares	582
100,001 and over	373
Total	2,906
Unmarketable Parcels as at 16 September 2022 Minimum \$500.00	2,242

OPTIONS

As at 16 September 2022, 18,000,000 unissued shares in respect of options were outstanding. These are as follows:

Number	Exercise Price	Expiry Date
18,000,000	\$0.028125	30 November 2023

SUBSTANTIAL SHAREHOLDERS

The company has one Substantial Shareholder as at 16 September 2022

Name	%	No. of shares
Perth Capital Pty Ltd & Associates	11.20	45,546,648

TWENTY LARGEST SHAREHOLDERS

The names of the twenty holders of the fully paid shares at 16 September 2022 are listed below:

Name	No. of Shares	% Held	Rank
Perth Capital Pty Ltd	19,764,706	4.86	1
Perth Capital Pty Ltd	16,946,833	4.17	2
Dr Raphael Blum	14,039,409	3.45	3
WJK Investments Pty Ltd	12,734,404	3.13	4
Innerleithen Pty Ltd	12,552,206	3.09	5
Bellarine Gold Pty Ltd	12,130,674	2.98	6
Chiatta Pty Ltd	11,764,706	2.89	7
W L Houghton Pty Ltd	9,764,706	2.40	8
Glyde Street Nominees Pty Ltd	8,835,109	2.17	9
Treble Sum Pty Limited	8,000,000	1.97	10
C Y T Investment Pty Ltd	7,750,000	1.90	11
Denkey Pty Ltd	7,400,000	1.82	12
Mr Christopher Robert Ringrose	5,643,494	1.39	13
Mr Herbert Choy	5,569,735	1.37	14
Bikini Atoll Investments Pty Ltd	5,544,993	1.36	15
Mr Alexander Angelopoulos	5,000,000	1.23	16
Warrambo Holdings Pty Ltd	4,725,000	1.16	17
Aquila Resources Ltd	4,651,973	1.14	18
Mr Zhilei Yang	4,215,379	1.04	19
Vemac Ascent Investments Pty Ltd	3,940,173	0.97	20
Total	180,973,500	44.48	

VOTING RIGHTS

Every member present in person or by representative shall on a show of hands have one vote, and on a poll every member present in person or by representative, proxy or attorney shall have one vote in respect of each fully paid share held by him.

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