THUNDELARRA

ASX/Media Announcement

18 August 2014

FURTHER MASSIVE SULPHIDES AT RED BORE

Highlights:

- ***New 5 metre massive chalcopyrite intercept close to TRBDD09 intercept***
- ***27m of new supergene copper mineralisation in TRBC070***
- ***Indicates possible presence of another "pipe" 20m east of TRBDD09***
- ***Hole TRBC073 suggests possible third "pipe" about 20m west of TRBDD09***
- ***Magnetic target 900m west of Red Bore gossan contains supergene copper mineralisation and magnetite, potentially representing further "pipes"***
- ***Drill program complete: samples being prepared for assay***
- ***Follow-up program of down-hole geophysical surveys planned: magnetics, resistivity and selective EM***

Note 1: The complex nature of the geology and structures around the Red Bore Gossan area continues to hinder the calculation of true widths of the mineralised zones with satisfactory levels of confidence. True widths remain uncertain at present. The interpretations will be revised when all data have been received. The geological models proposed may well change as new information comes available.

Note 2: Mineralised intercepts in this report are based on visual observations of the drill chips, supported by the indicated metal content measured by hand-held XRF analyser. XRF readings are not reported here as they are only deemed to be indicative. The widths and grades of the mineralised intervals will be reported once formal assay results have been received and evaluated.

Thundelarra has completed a follow-up program of Reverse Circulation drilling at its 90%-owned Red Bore prospect (M52/597) in Western Australia's Doolgunna region.

The program, which comprised 14 holes for a total advance of 1,334m, had three main objectives:

- To test unexplained magnetic anomalies that might represent other "pipes" (refer Figure 2);
- To establish the profile (ie the cross-sectional shape) of the "pipe" discovered in holes TRBDD04 and TRBDD09; and
- To test the "pipe" down-plunge for extensions and for evidence of cross-faulting.

Thundelarra is pleased that favourable conditions and circumstances allowed the program to be completed significantly earlier than originally anticipated.

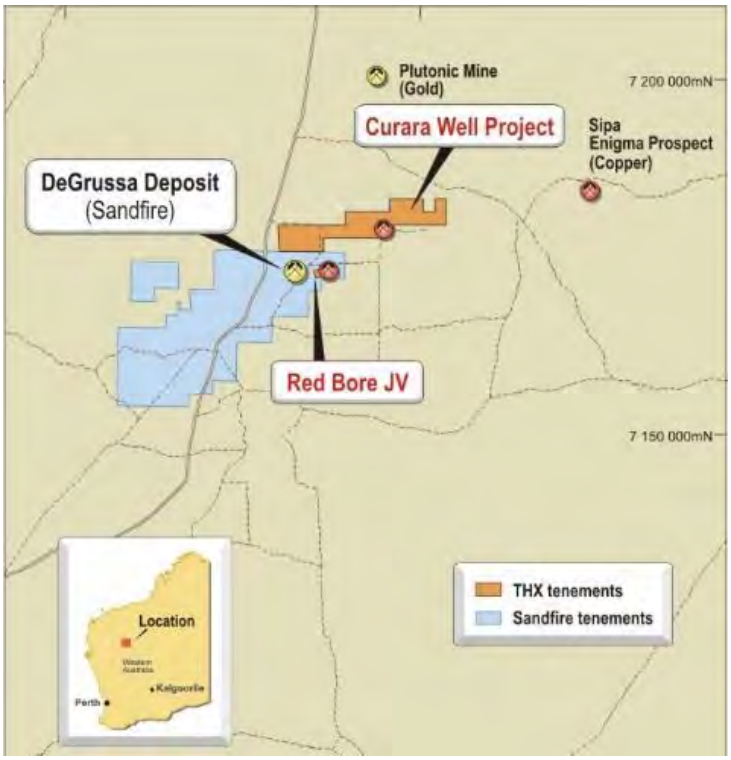

Figure 1. Location map of Red Bore and Curara Well Projects showing proximity to DeGrussa copper-gold mine (Sandfire Resources NL). Scale: grid spacing is 30 km.

The program was a success in terms of these objectives and it also generated a number of further targets to follow up in the next drilling phase, after completion of the planned geophysical surveys.

Holes TRBC063 to TRBC069 inclusive and hole TRBC076 tested targets identified from earlier magnetic surveys away from the Red Bore Gossan area. Holes TRBC070 to TRBC075 inclusive tested the targets at the Red Bore Gossan area. Full details of all holes are given in Table 1.

Hole	East	North	RL	Depth	Dip	Azimuth	Prospect	Licence
TRBC063	734972	7172596	567m	120m	-70°	035°	Red Bore	M52/597
TRBC064	735079	7172332	577m	90m	-60°	360°	Red Bore	M52/597
TRBC065	735079	7172312	581m	96m	-60°	360°	Red Bore	M52/597
TRBC066	735644	7172416	583m	78m	-60°	195°	Red Bore	M52/597
TRBC067	735652	7172247	593m	198m	-90°	360°	Red Bore	M52/597
TRBC068	736348	7172474	582m	102m	-60°	030°	Red Bore	M52/597
TRBC069	736416	7172589	586m	102m	-60°	210°	Red Bore	M52/597
TRBC070	735942	7172552	577m	71m	-60°	216°	Red Bore	M52/597
TRBC071	735923	7172548	577m	63m	-60°	216°	Red Bore	M52/597
TRBC072	735921	7172548	577m	72m	-70°	216°	Red Bore	M52/597
TRBC073	735903	7172547	577m	60m	-60°	216°	Red Bore	M52/597
TRBC074	735904	7172568	577m	84m	-60°	216°	Red Bore	M52/597
TRBC075	735923	7172528	577m	84m	-60°	306°	Red Bore	M52/597
TRBC076	735041	7172290	576m	114m	-60°	360°	Red Bore	M52/597

Table 1. Details of the holes drilled in this RC program. All locations on Australian Geodetic Grid GDA94-50.

The targeted magnetic anomaly marked "A" in Figure 2, located about 900m west of the Red Bore Gossan, encountered a zone approximately 10m wide of semi-massive magnetite with anomalous supergene copper mineralisation. These characteristics are similar to those of the "pipes" discovered at the Red Bore Gossan. They provide an explanation for the magnetic anomaly and validation for the model that these anomalies may represent additional "pipes".

The holes testing the other five magnetic targets shown in Figure 2 did not hit any zones of magnetite with copper mineralisation. However, it is equally important to note that neither did the holes encounter any other features that could explain the magnetic anomalies being tested. This means that the potential for other "pipes" still exists and additional follow-up testwork is needed.

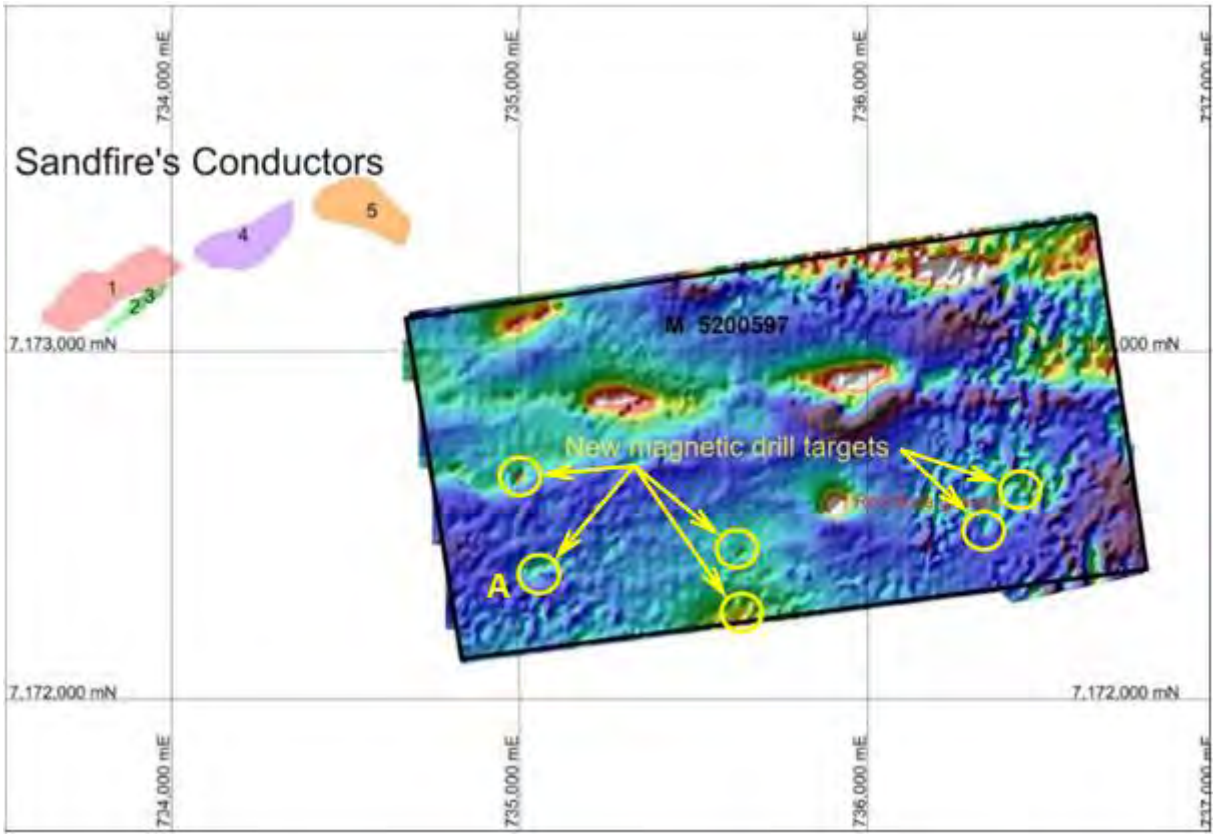

Figure 2: Targeted magnetic anomalies. Grid spacing is 1,000m. Notional surface traces of the DeGrussa deposits overlain to provide geographical context (size and location relative to Red Bore is as shown).

The six holes TRBC070 to TRBC075 tested extensions of the massive chalcopyrite hit in hole TRBDD09 (refer Figure 3).

Hole TRBC070 tested the eastern margin of the overall zone of magnetic anomaly and intersected 27m of supergene copper mineralisation. It is possible that this may represent a new "pipe" to the east of the main "pipe" previously identified and reported on 16 May and 14 July 2014.

Hole TRBC071 was drilled parallel to TRBDD04 and TRBDD09 to test the cross-sectional profile of that "pipe". It intersected 10m of material similar to that encountered in hole TRBDD04 – a combination of massive magnetite with veins and occasional thicker zones of chalcopyrite.

Hole TRBC072 was drilled at a steeper angle (-70º) to test several metres immediately down dip of the massive chalcopyrite found in TRBDD09. It intersected an upper oxide zone and a lower supergene zone of copper mineralisation, the significance of which is still to be interpreted.

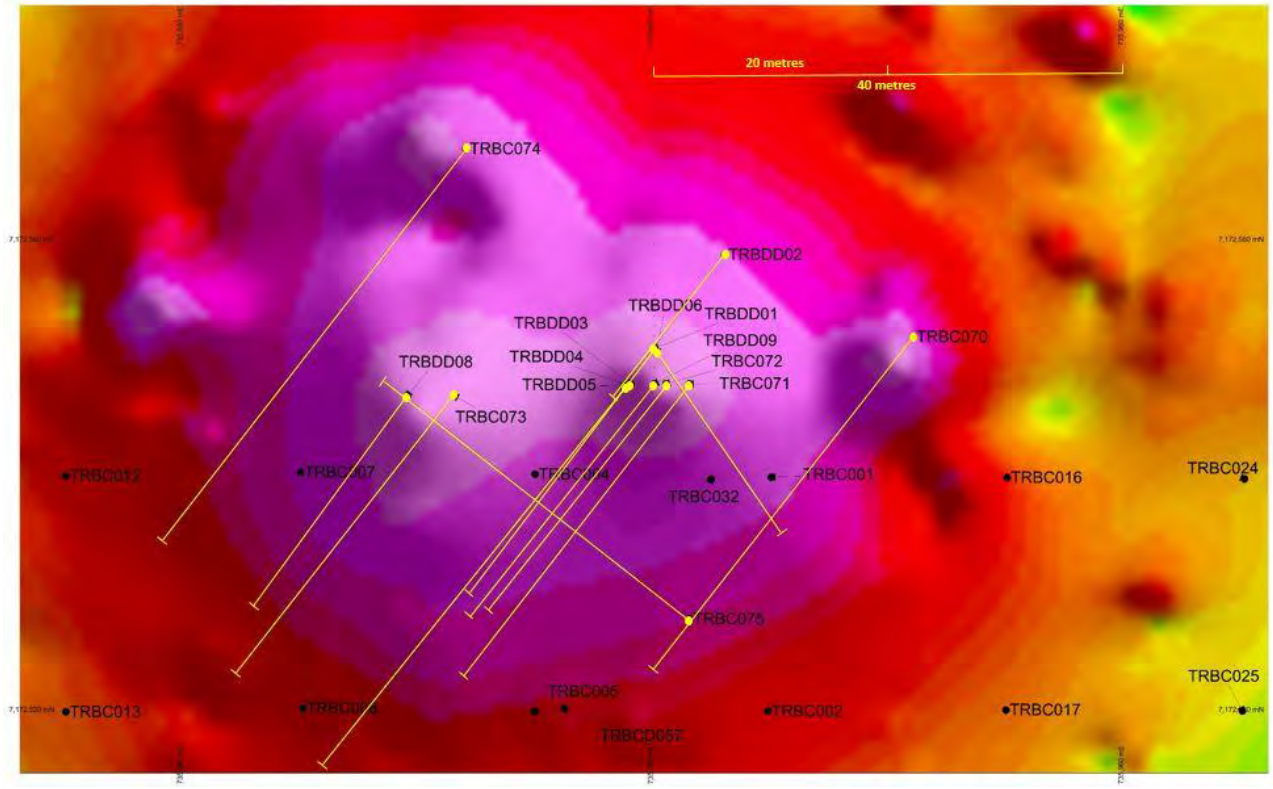

Figure 3: Red Bore Gossan. Recent DD and RC collars and hole traces in yellow. Historical collars in black. Base image is Magnetic Analytical Signal.

Hole TRBC073 tested the possibility of a third "pipe" to the west of the first one. It intersected a 2m zone of massive magnetite with minor chalcopyrite, suggesting that a "pipe" may be close by. Down hole surveys may assist in targeting follow up work on this target.

Hole TRBC074 tested for possible explanations of surface copper mineralisation in the north-west of the Red Bore Gossan area but found no significant mineralisation.

Hole TRBC075 was drilled from the south-east to the north-west to gain geological information from a different direction to assist in the three-dimensional interpretation of the geometry of the first "pipe". It intersected 5 metres of massive chalcopyrite bounded on each side by semi-massive to massive magnetite with chalcopyrite veinlets and additional oxide and supergene copper minerals. Its significance awaits interpretation when full assay results have been received and when down hole survey data has been collected and evaluated.

Geological and assay results from the diamond holes in the preceding program (TRBDD01 to TRBDD09) were reported to the market in ASX releases dated 16 May 2014 and 14 July 2014.

The assay results from this program are anticipated towards the end of August.

Planned Future Work:

A number of the recent and historical drill holes have been prepared for a follow-up program of down-hole geophysical surveys, including magnetics, resistivity, and also DHEM using a strong source. The aim is to try to identify a method that will more effectively "see" possible locations of further "pipes" for subsequent drill targeting.

When the assay results from this program just completed have been received, and when the surveys have been completed and the results interpreted, the conceptual geological model for the

Red Bore mineralisation will be revised to incorporate the new data. This revised interpretation will form the basis for planning the next stage of exploration.

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Competent Person Statement

The details contained in this report that pertain to Exploration Results, Mineral Resources or Ore Reserves, are based upon, and fairly represent, information and supporting documentation compiled by Mr Costica Vieru, a Member of the Australian Institute of Geoscientists and a full-time employee of the Company. Mr Vieru has sufficient experience which is relevant to the style(s) of mineralisation and type(s) of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Vieru consents to the inclusion in this report of the matters based upon the information in the form and context in which it appears.

Appendix 1: JORC Table 1 Checklist of Assessment and Reporting Criteria

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code Explanation	Commentary
Sampling techniques	• Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down-hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1m samples from which 3 kg was pulverised to produce a 30g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	• Drill chips from each metre interval were examined visually and logged by the geologist. Any evidence of alteration or the presence of mineralisation was noted on the drill logs and all intervals were tested by hand-held XRF for metal content. Intervals reporting significant metal concentrations are bagged and numbered for laboratory analysis. The process of selection of samples for assay is currently being finalised. • Representative samples are obtained by riffle splitting all dry material recovered from each metre drill interval. Wet samples are spear sampled (see below). Every 20 to 25 samples submitted to the laboratory will include at least one duplicate and one blank sample. The Delta XRF Analyser is calibrated before each session and is serviced according to the manufacturer's (Olympus) recommended schedule. • The presence or absence of mineralisation is initially determined visually by the site geologist, based on experience and expertise in evaluating the styles of mineralisation being sought.
Drilling techniques	Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	All seven holes were Reverse Circulation holes drilled by a track-mounted Schramm T450 RC rig with booster and auxiliary.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	• Volume of material collected from each metre interval of drilling completed is monitored visually by the site geologist and field assistants. Dry sample recoveries were estimated at ~95%. Where moisture was encountered the sample recovery was still excellent, estimated at >80%. • Samples were collected through a cyclone and split using a rig-mounted riffle splitter. Every 20 to 25 samples submitted to the laboratory will include at least one duplicate and one blank sample. The Delta XRF Analyser is calibrated before each session and is serviced according to the manufacturer's (Olympus) recommended schedule. • No evidence has been observed of a relationship between sample recovery and grade. The excellent sample recoveries obtained preclude any assumption of grain size bias.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged.	• Drill chips are examined visually by the site geologist who classifies the lithologies and any mineralisation or alteration observed and records all data on the drill log. Representative chips are retained in chip trays for each metre interval drilled. • It is not standard practice to photograph each interval but sections of interest or geological relevance are photographed. • The entire length of each drillhole is logged and evaluated.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	• No core drilling was carried out. • Samples were collected through a cyclone and split using a rig-mounted riffle splitter. The majority of the samples obtained were sufficiently dry for this process to be effective. Material too moist for effective riffle splitting was sampled

		using a 4cm diameter spear. Each such sample submitted to the laboratory comprised three spear samples taken from different directions into the material for each metre interval.
	• For all sample types, the nature, quality and appropriateness of the sample preparation technique.	• The sample preparation techniques are well-established standard industry best practice techniques. Drill chips are dried, crushed and pulverised (whole sample) to 85% of the sample passing -75µm grind size.
	• Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	• Field QC procedures include using certified reference materials as assay standards. Also every 20 to 25 samples submitted to the laboratory will include at least one duplicate and one blank sample.
	• Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	• Evaluation of the standards, blanks and duplicate samples assays has fallen within acceptable limits of variability.
	• Whether sample sizes are appropriate to the grain size of the material being sampled.	• Sample size follows industry standard best practice and is considered appropriate for these style(s) of mineralisation.
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.	• The assay techniques used for these assays are international standard and can be considered total. Samples were dried, crushed and pulverised to 85% passing -75µm and assayed for base metals using ICP-MS or ICP-OES following a four-acid digest of a 25g charge.
	• For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	• The handheld XRF equipment used is an Olympus Delta XRF Analyser Thundelarra follows the manufacturer's recommended calibration protocols and usage practices but does not consider XRF readings sufficiently robust for public reporting. Thundelarra uses the handheld XRF data as an indicator to support the selection of intervals for submission to laboratories for formal assay.
	• Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	• The laboratory that carried out the assays is ISO certified and conducts its own internal QA/QC processes in addition to the QA/QC implemented by Thundelarra in the course of its sample submission procedures. Evaluation of the relevant data indicates satisfactory performance of the field sampling protocols in place and of the assay laboratory.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• All significant intersections are calculated and verified on screen and are reviewed by the CEO prior to reporting. • The program included no twin holes. • Data is collected and recorded initially on hand-written logs with summary data subsequently transcribed in the field to electronic files that are then copied to head office. • No adjustment to assay data has been needed.
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.	• Collar locations were located and recorded using hand-held GPS (Garmin 62S model) with a typical accuracy of ±5m. Down-hole surveys are carried out on holes exceeding 100m length with readings taken every 50m.
	• Specification of the grid system used.	• The map projection applicable to the area is Australian Geodetic GDA94, Zone 50.
	• Quality and adequacy of topographic control.	• Topographic control is based on standard industry practice of using the GPS readings. Local topography is relatively flat. Detailed altimetry is not warranted.
Data spacing and distribution	• Data spacing for reporting of Exploration Results.	• Drill hole collars were located and oriented so as to deliver maximum relevant geological information to allow the geological model being tested to be assessed effectively.
	• Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	• These drillholes are part of a follow-up program to improve the understanding of the geometry and geological controls on the known mineralisation identified in the earlier stage of the programs reported on 16 May 2014 and 14 July 2014. • No sample compositing has been applied.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	• The complexity of the local geology, which includes extensive tectonisation / faulting, means that the exact orientation of the mineralisation and controlling structures has not yet been established with confidence. One of the primary objectives of this program is to generate additional geological data that may assist in clarifying and correctly interpreting these parameters.

	• If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• The holes drilled to date are contributing valuable information that will assist in the interpretation of the attitude and geometry of the mineralisation. The normal thickness of the mineralisation is less than the length of the reported intersections. The exact conversion ratio has not yet been determined due to the complexity of the geology.
Sample security	• The measures taken to ensure sample security.	• When all relevant intervals have been sampled, the samples are collected and transported by Company personnel to secure locked storage in Perth before delivery by Company personnel to the laboratory for assay.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• Internal reviews are carried out regularly as a matter of policy. All assay results are considered to be representative as both the duplicates and standards from work programs at Red Bore to date have returned satisfactory replicated results.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	• The Red Bore project comprises one granted mining licence M52/597 of 2 square kilometres in area (2km x 1km). THX holds a 90% interest in the lease and manages the JV with 10% (free carried to decision to mine) partner Mr Bill Richmond. The project is located in the Doolgunna pastoral lease in the Doolgunna region of the Murchison of WA. • The licence is in good standing and there are no known impediments to obtaining a licence to operate.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• Regional exploration was carried out in the distant past by Western Mining. Subsequent drilling by Great Australian Resources identified a gold association with the copper mineralisation found by WMC. Mr Richmond pegged the lease over 20 years ago and entered into a JV agreement with THX in April 2010. THX conducted exploration that included mapping, rock chip sampling, geochemical surveys, and geophysical surveys, leading to several drilling campaigns until early 2012. Subsequently THX announced an indicated mineral resource (per the 2004 JORC code) on 04 May 2012 of 48,000t at 3.6% Cu and 0.4gpt Au. No additional work has been carried out on this resource since it was announced to the market.
Geology	• Deposit type, geological setting and style of mineralisation.	• Exploration carried out by THX included a gravity survey and an induced polarisation survey in 2011 followed up by RC and diamond drilling. A horizon interpreted to be a VMS horizon was identified containing strong copper-gold-silver associations that displays a striking visual and geochemical similarity to the DeGrussa copper-gold deposit currently being mined by Sandfire Resources NL. Some deep IP anomalies remain to be tested and explained. The drilling carried out since April 2014 has established the presence of magmatic feeder "pipes" containing massive sulphide and magnetite, the orientation and extent of which is the subject of recent and future programs. The interpretation of the new geological data suggests an intrusive-related genesis for the Red Bore mineralisation and appears to have discounted the possibility of a VHMS origin at Red bore.
Drill hole Information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all material drill holes:	• The copper mineralisation noted in the oxide zone is consistent with the known geology and provides encouragement for the remainder of the program. This is reinforced in the body of this report. All details of the collar

	• easting and northing of the drill hole collar • elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar • dip and azimuth of the hole • down hole length and interception depth • hole length. • If the exclusion of this information is justified on the basis that the information is not material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	locations and technical parameters of each hole drilled, and assay results, are presented in Table 1 and Appendix 1 respectively. • All relevant information has been provided in this report consistent with the status of the current program. Assay results are unavailable as samples taken in this program are still in the process of submission to the laboratory.
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• No summary information is presented: assay data are not yet available as samples have not yet been delivered to the laboratory. • No assay data are reported here. • No values are reported and so by definition no metal equivalent values have been used.
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	• One of the aims of the current drill program is to improve our understanding of the mineralisation's geometry and relationships with structural controls. Holes have been drilled at different angles to the mineralised zone (which has inconsistent orientation), so the true thicknesses of mineralisation are less than the downhole intersections. • All intercepts are reported as down hole intercepts and true width is unknown. Where relevant in this report the abbreviations "twu" – for "true width unknown" – is used.
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to, a plan view of drill hole collar locations and appropriate sectional views.	• Drill collar locations: refer to Table 1. Data required for the preparation of appropriate cross-sectional interpretations has not yet been incorporated into the relevant database. Upon receipt of assay data from the samples taken in this program it is planned to incorporate such data with that gained in the programs reported on 16 May 2014 and 14 July 2014. The combined results will then form the basis of revised interpretations which will then be reported to the market with appropriate maps and sections supporting the interpretation. Figures 2 and 3 show drill collar locations and the direction / surface trace of holes drilled.
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	• This announcement includes no assay results as they are not yet available.
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including, but not limited to: geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density; groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	• This announcement includes qualitative data relating to interpretations and potential significance of geological observations made during the program. As additional relevant information becomes available it will be reported and announced to provide context to the programs underway.
Further work	• The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• Follow-up programs will include down-hole geophysical surveying (magnetics, resistivity, high-powered DHEM) and possibly detailed ground magnetic surveys. This will assist in targeting subsequent follow-up drill programs. • At present it is anticipated that probable extensions of the primary copper mineralisation towards the south-west exist and will be tested. The potential new mineralisation setting ~700m west of Red Bore will also be tested in more detail.

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