



FIRST QUARTER ACTIVITY & CASHFLOW REPORT 31 DECEMBER 2016

HIGHLIGHTS

WESTERN AUSTRALIA

- **Garden Gully Gold Project, Murchison Region (THX 100%)**
 - *Exceptional intercepts from Lydia indicating possible presence of a large gold mineralising system – a new Eastern Goldfields discovery?*
 - **80m at 1.9 gpt Au**
 - **including 5m at 6.0 gpt Au and 16m at 3.8 gpt Au**
 - **45m at 1.3 gpt Au**
 - **including 14m at 2.2 gpt Au and 15m at 1.6 gpt Au**
 - *29 follow-up RC holes (6,432m) drilled to test nine of eleven prospects*
 - *Results from 23 of the holes still pending at end of Quarter*
 - *Aggressive exploration: over 1,000 samples submitted for assay*

NORTHERN TERRITORY

- **Allamber Project, Pine Creek Region (THX 100%)**
 - *5 diamond holes (863m) drilled to follow up copper and graphite targets*
 - *Massive pyrrhotite with chalcopyrite in quartz breccia at Ox-Eyed Herring*
 - *9.25m at 1.2% Cu including 3.60m at 1.6% Cu*
 - *Graphite at North Brumby over a 185m down-hole interval*

CORPORATE

- **Cash position at end of quarter: \$3.000 million (excludes equity investments)**
- **Current marked to market value of equity investments: \$0.357 million**
- **Cash generated from equity sales: \$0.272 million**

SUBSEQUENT EVENTS SINCE 31 DECEMBER

- **Primary gold mineralisation at Battery prospect, Garden Gully**
- **Large off-hole conductor at Battery to be followed up**
- **Results still pending from 16 holes (testing seven other Garden Gully targets)**

Garden Gully Gold Project, WA (THX 100%)

The Garden Gully Project comprises 1 EL and 12 PLs totalling approximately 65km², located about 15km north-northwest of Meekatharra (Figure 1). Records show the area produced 20,718 oz gold at an average grade of 21.7 gpt.

Excellent local infrastructure includes two operating gold treatment plants nearby: Doray Minerals' Andy Well plant (~300kpta) and the Bluebird Plant (~3.1 Mtpa) operated by Westgold Resources (recently spun out of Metals Ex). These companies are actively exploring the area for more mineralisation for their plants and each holds tenements which abut Thundelarra's project area.

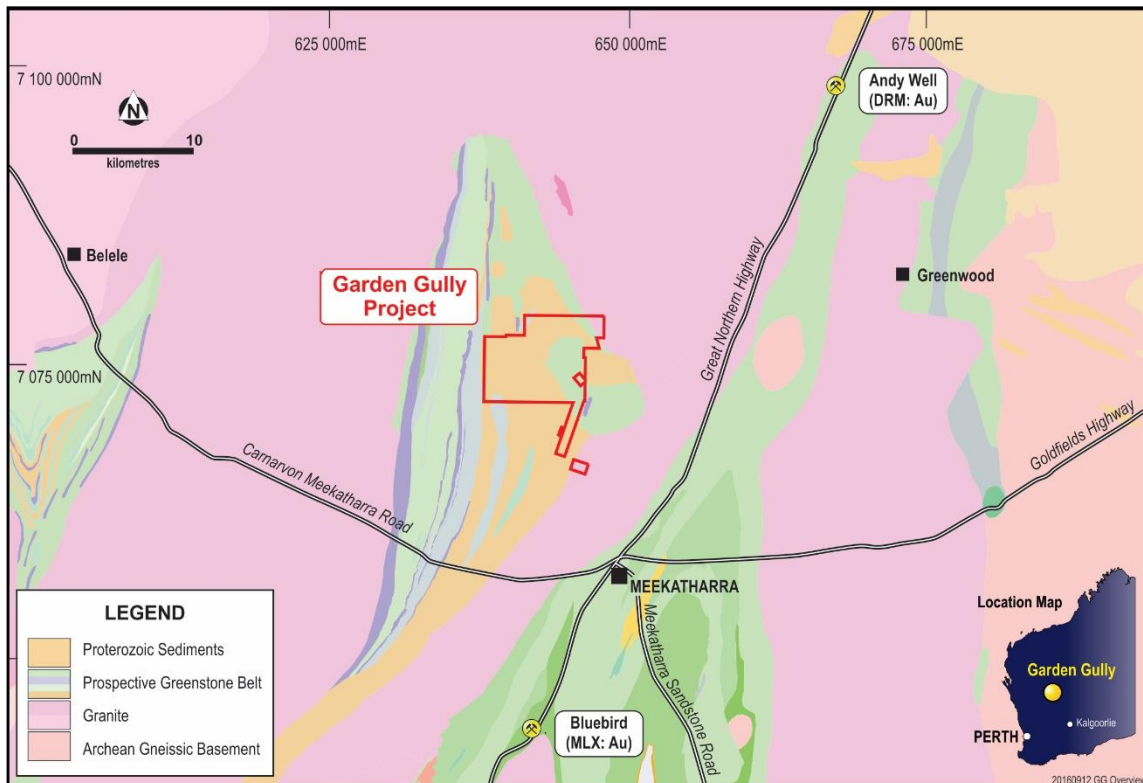


Figure 1. Garden Gully location showing proximity to local plant and infrastructure.

During the Quarter a programme of 29 Reverse Circulation (“RC”) holes (Table 2) were drilled for a total advance of 6,432m. These holes comprised the first phase of follow-up testing on the targets identified by the scout drilling programme carried out in the previous Quarter (Figure 2).

The first results received were from **Lydia** and exceeded all expectations. Spectacular intersections in TGGRC033 and TGGRC034 hit wide zones of gold mineralisation about 100m to the south of hole TGGRC018 that reported 7m at 24.5 gpt Au (ASX announcements 29 July, 03 November 2016).

80m at 1.9 gpt Au from 79m in TGGRC034

including **5m at 6.0 gpt Au** from 81m

and **16m at 3.8 gpt Au** from 113m

45m at 1.3 gpt Au from 215m in TGGRC033

including **14m at 2.2 gpt Au** from 216m

and **15m at 1.6 gpt Au** from 243m

The mineralisation in TGGRC034 was distributed across the entire 80m interval, indicating the potential presence of a large system. The highest individual one metre assay was 13.4 gpt and only six assays reported grade below 0.1 gpt. The fact that the intercept was consistently mineralised across its full 80m length is highly significant for the potential that this new discovery may represent. The grade distribution reinforcing this significance is tabulated below:

Grade Range (gpt Au)	<0.1	0.1 - 0.5	0.5 - 1.0	1.0 - 1.9	1.9 - 5.0	>5.0	Ave:1.9 gpt
No of 1m assays	6	27	8	11	18	10	80m total

Table 1. Gold grade distribution within the 80m at 1.9 gpt Au intersection in TGGRC034, Lydia Prospect

Gold mineralisation identified in 10 of the first 14 holes drilled at Lydia is clear testament to the expertise of our geological team in evaluating and targeting the unquestioned potential of this very exciting prospect. Mineralisation to date is inferred to have prospective strike length of about 750m in total, offset by an inferred fault (Figure 3). Drilling has only tested two sections (totalling about 350m) of this strike length with the mineralisation showing continuity for about 200m of the northern section. It also shows mineralisation continuing at 260m downhole (TGGRC033). 400m of this inferred system remains to be tested, with the structure still open to the north and south.

The exact geometry of the mineralisation and the controls still needs to be established: further drilling at Lydia is planned to include diamond drilling, probably as diamond tails, to give structural information that is needed to allow better understanding of these mineralising controls.

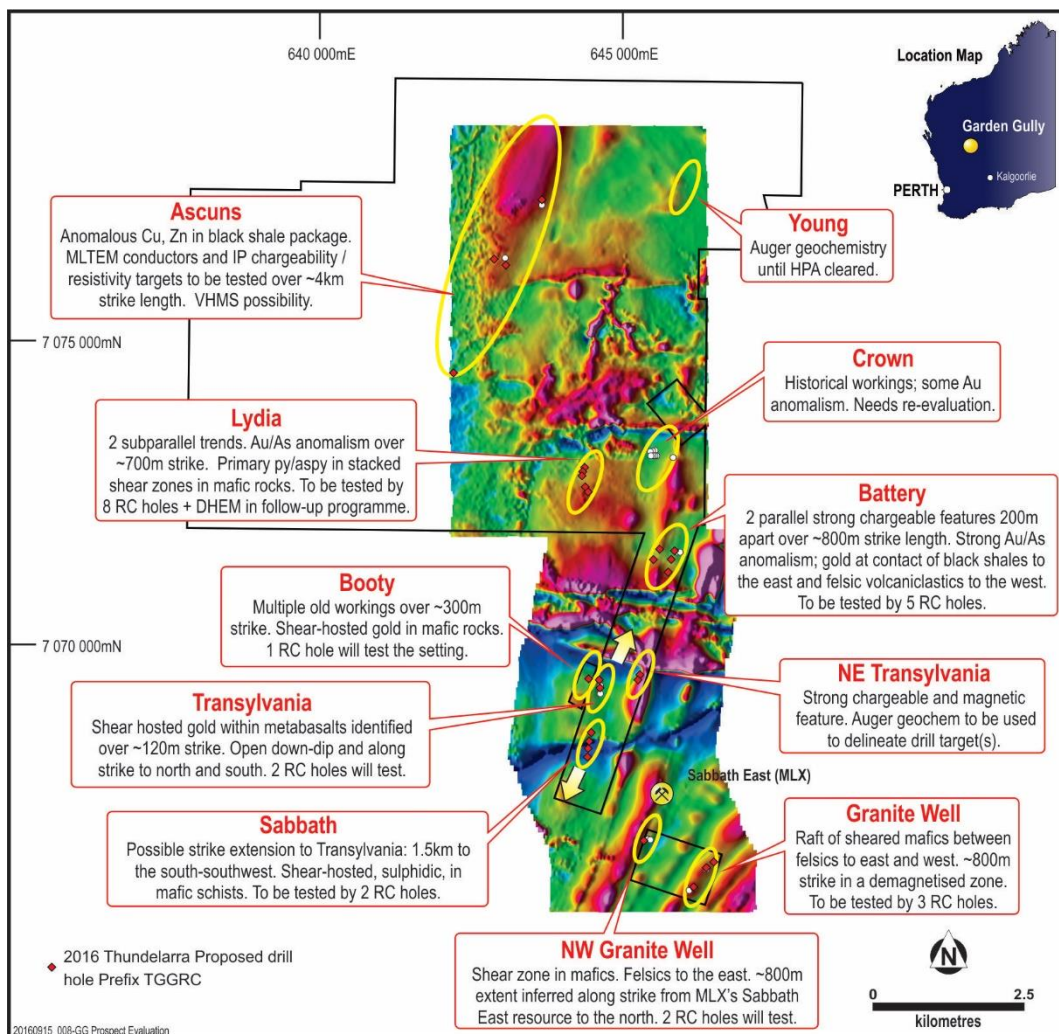


Figure 2. Prospect locations and drill collars in the Garden Gully Project, shown on TMI image.

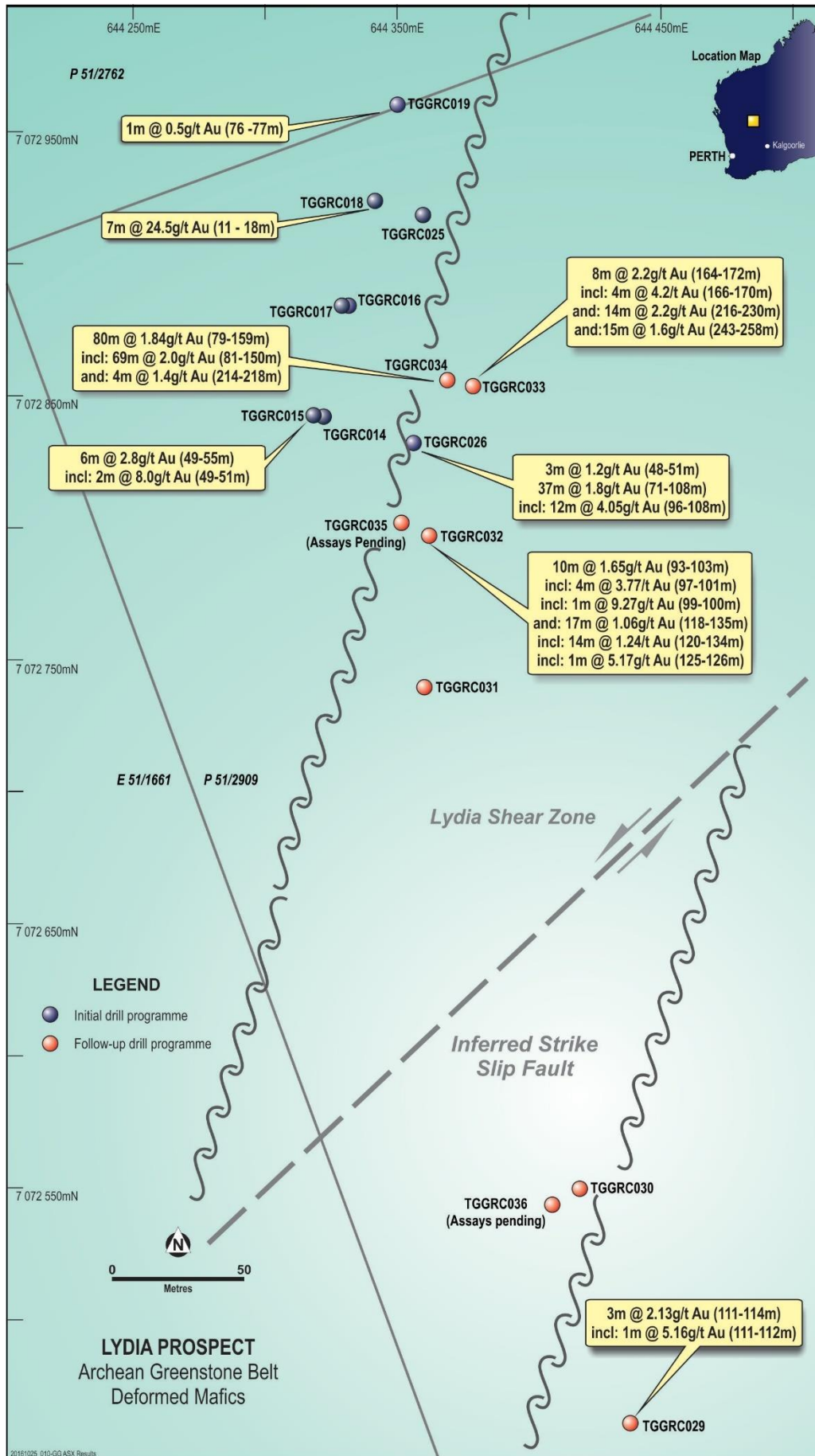


Figure 3. Lydia Prospect drill collars and significant intercepts. Scale: grid spacing is 50m.

Such information is of vital importance, as better understanding of the structural controls will allow more effective and cost-efficient drill testing of the mineralisation, leading to earlier definition of mineral resources that these initial results are suggesting is present.

Hole No	From	To	Interval	Au(g/t)	Comment
TGGRC029	111	114	3m	2.1	Edge of another shoot?
inc	111	112	1m	5.2	Higher grade section
TGGRC032	93	103	10m	1.6	Probable mineralised shoot
inc	97	101	4m	3.8	Higher grade section
	118	135	17m	1.0	Probable mineralised shoot
inc	120	128	8m	1.8	Higher grade section
TGGRC033	164	171	7m	2.6	Probable mineralised shoot
inc	166	170	4m	4.3	Higher grade section
	215	260	45m	1.3	Probable mineralised shoot
inc	216	230	14m	2.2	Higher grade section
and	243	258	15m	1.6	Probable mineralised shoot
TGGRC034	79	159	80m	1.9	Probable mineralised shoot
inc	81	86	5m	6.0	Higher grade section
and	89	97	8m	1.3	Elevated grade section
and	100	105	5m	4.9	Higher grade section
and	113	129	16m	3.8	Higher grade section
inc	124	129	5m	4.9	Higher grade section
and	145	150	5m	2.6	Higher grade section
and	214	218	4m	1.3	Edge of another shoot?

Table 2. Significant new drill intercepts at Lydia (see ASX release 03 November 2016 for all assays).

The gold grade distribution within the mineralised intervals in these holes continues to support the model of broader zones of mineralisation containing single or multiple interpreted shoots of higher grade mineralisation. It is also consistent with the results from the earlier, shallower drilling:

Results from previously reported drilling (ASX release dated 13 September 2016)					
Hole No	From	To	Interval	Au(g/t)	Comment
TGGRC014	23	30	7m	0.5	
	35	44	9m	0.5	
TGGRC015	49	55	6m	2.8	Probable mineralised shoot
	49	51	2m	8.0	High grade section
TGGRC017	74	75	1m	0.5	
TGGRC018	11	18	7m	24.5	First assay: high grade shoot
	11	18	7m	17.8	Re-sampled and re-assayed
TGGRC019	76	77	1m	0.5	
TGGRC026	48m	51m	3m	1.2	
	71m	108m	37m	1.8	Probable mineralised shoot
	96m	108m	12m	4.0	High grade section

Table 3. Significant drill intercepts at Lydia (ASX releases 13 Sep and 03 Nov 2016 for all assays).

Hole ID	Easting	Northing	Prospect	RL	Depth	Azimuth	Dip
TGGRC029	644438	7072461	Lydia	485m	322m	300°	-60°
TGGRC030	644419	7072550	Lydia	485m	304m	300°	-59.9°
TGGRC031	644360	7072740	Lydia	480m	262m	296°	-69.8°
TGGRC032	644363	7072797	Lydia	480m	184m	299°	-69.8°
TGGRC033	644379	7072854	Lydia	480m	268m	296°	-69.9°
TGGRC034	644369	7072856	Lydia	480m	268m	239°	-69.2°
TGGRC035	644351	7072802	Lydia	480m	268m	236°	-69.7°
TGGRC036	644409	7072544	Lydia	480m	190m	190°	-70.2°
TGGRC037	642235	7074414	Ascuns	480m	238m	266°	-63.3°
TGGRC038	642900	7076280	Ascuns	480m	100m	290°	-60°
TGGRC039	645620	7071536	Battery	480m	251m	107°	-60°
TGGRC040	642760	7076338	Ascuns	480m	118m	291°	-60.9°
TGGRC041	645877	7071496	Battery	480m	267m	110°	-60°
TGGRC042	645766	7071144	Battery	480m	202m	110°	-60°
TGGRC043	644631	7069259	Transylvania	480m	202m	110°	-60°
TGGRC044	644626	7069390	Transylvania	480m	184m	110°	-60°
TGGRC045	645381	7066758	North Granite Well	480m	258m	70°	-70°
TGGRC046	645270	7069389	Transylvania	480m	268m	140°	-60°
TGGRC047	645280	7069385	Transylvania	480m	250m	80°	-60°
TGGRC048	646503	7066404	North Granite Well	480m	226m	115°	-60°
TGGRC049	644464	7069395	Booty	480m	238m	110°	-60°
TGGRC050	646388	7066307	North Granite Well	480m	258m	115°	-60°
TGGRC051	646176	7065982	North Granite Well	480m	208m	115°	-60°
TGGRC052	645825	7071360	SW Battery	480m	232m	110°	-60°
TGGRC053	645765	7071143	SW Battery	480m	202m	110°	-70°
TGGRC054	644488	7068528	Sabbath	480m	238m	300°	-70°
TGGRC055	644451	7068386	Sabbath	480m	142m	230°	-70°
TGGRC056	644453	7068386	Sabbath	480m	160m	300°	-60°
TGGRC057	644366	7068260	Sabbath	480m	124m	70°	-70°

Table 4. Details of follow-up RC holes drilled at Garden Gully. All collar locations on Australian Geodetic Grid GDA94-50. The azimuth shown is the magnetic azimuth of the drilling direction.

One highly significant aspect of the Lydia results is the clear confirmation that the mineralisation is primary *as well as* supergene – not *just* supergene. This is of paramount importance if the near surface results are to offer any potential for the existence of a significant primary mineralising system at depth. These results at Lydia are providing every indication that such a system may indeed exist.

The Garden Gully Project has already delivered a wealth of riches in terms of valid exploration targets to be tested and it is still very early days in the exploration of the Project's potential. It is proving to be a very exciting project for Thundelarra shareholders. Eleven significant targets with an aggregate potential strike length of more than 10 km identified to date represents exceptional potential for discovery. As exploration continues and results flow in 2017, we expect Garden Gully to prove to be one of Western Australia's most exciting new exploration projects.

Mooloogool Gold Project, WA (THX 100%)

Mooloogool comprises 3 ELs for a total area of approximately 554.5km², located about 100km northeast of Meekatharra. Limited historical exploration: area currently the being actively explored by several companies, including Sandfire Resources NL (SFR) which entered into an arrangement in October 2016 with Enterprise Metals (ENT), holder of tenements abutting the Mooloogool area.

Two shallow RC holes (78m) were drilled at Mooloogool during the Quarter. Results are pending.

White Well Gold Project, WA (THX 90%)

White Well comprises 2 PLs for a total area of 308ha (~3km²). Located about 90km northeast of Meekatharra and is surrounded by tenements the subject of current active exploration by Sandfire following its October 2016 arrangement with local explorer Enterprise Metals.

No field work was carried out at White Well during the Quarter.

Paynes Find Gold Project, WA (THX 100%)

Paynes Find comprises 4 ELs and 2 PLs for a total area of approximately 117km². The Project is located approximately 140km south of Mount Magnet along the Great Northern Highway. Sparse evidence of modern exploration over the area, despite proximity to a number of significant old gold mines. Mineralisation is shear-related hosted by gneiss. Recorded historical gold production totalled about 46,000 ounces from 60,000t grading 24 gpt from lodes in plunging shoots.

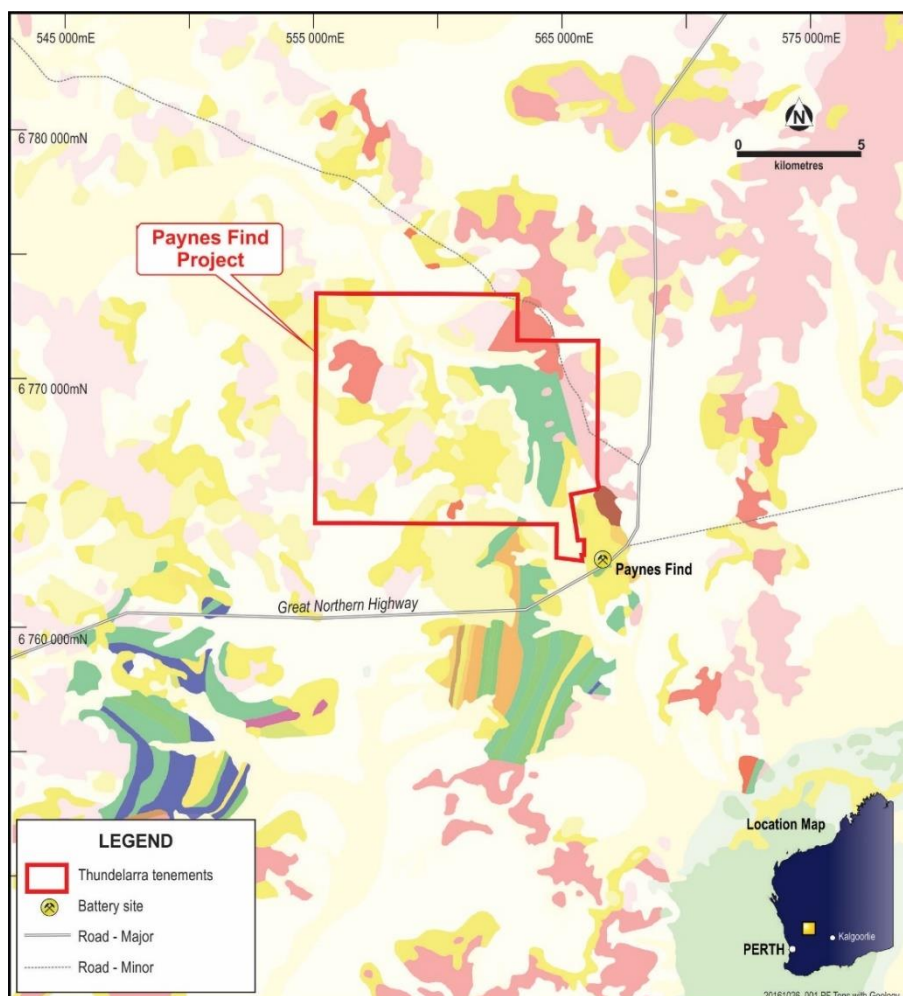


Figure 4: Location of Payne's Find project.

Four RC holes (628m) were drilled at Payne's Find during the Quarter. Results are pending.

Doolgunna Projects, WA Red Bore (THX 90%); and Curara Well (THX 90%)

Red Bore is a granted Mining Licence (M52/597), two square kilometres in area, located about 900km NNE of Perth in the Doolgunna region of Western Australia. It is situated less than 1,500m from the processing plant at Sandfire Resources NL's operating DeGrussa copper-gold mine.

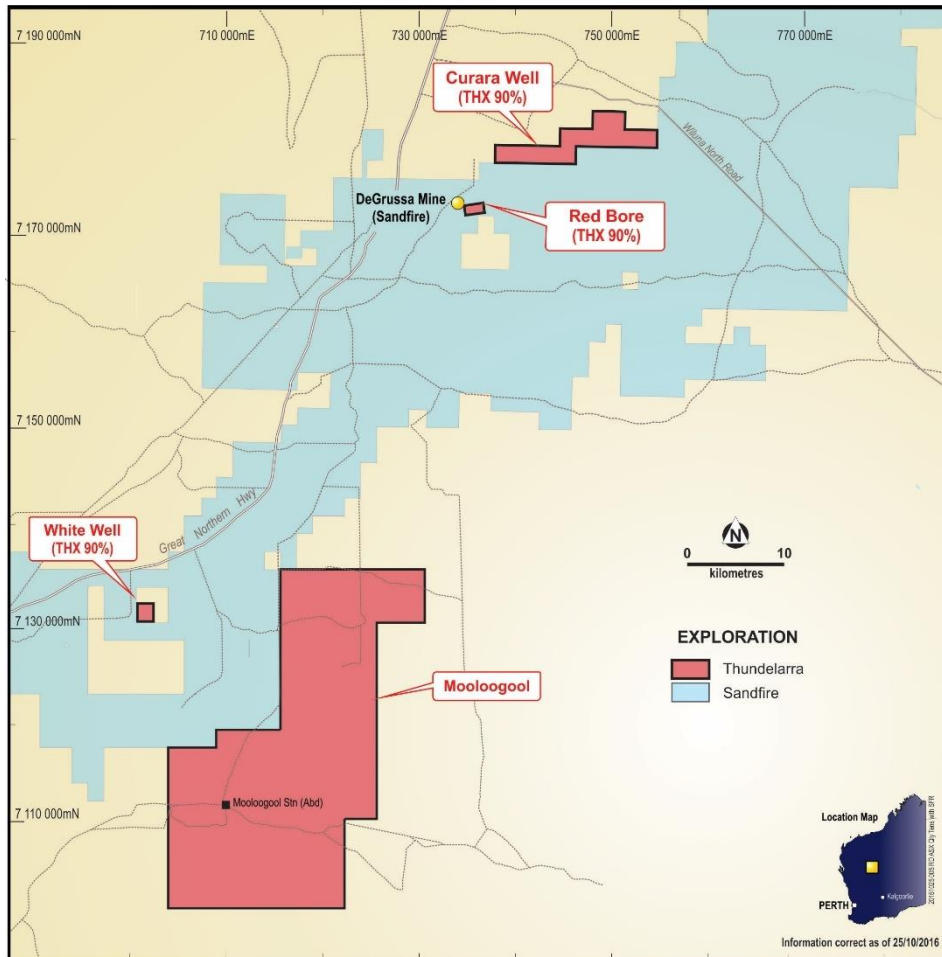


Figure 5. Location map of Doolgunna projects showing proximity to Sandfire Resources NL's exploration holdings and its DeGrussa copper-gold mine. Scale: grid spacing is 20 km.

During the Quarter, no new exploration was carried out at Red Bore. Work on the project was restricted to further interpretation of the geological and structural data obtained from the previous Quarter's exploration programmes. All evidence to date continues to support our geological models suggesting strong potential for the presence of as yet undiscovered VHMS lenses, probably at depth. Thundelarra will continue to evaluate all available avenues to establish the approach most likely to make a discovery in the most cost-effective manner. All the geological indicators are that further VHMS mineralisation remains to be found through systematic, well-planned, exploration.

Results were received from the petrological analysis of relevant core samples submitted in order to gain better understanding of the relationships between the different lithologies and mineralisation. These, together with laser ablation studies, confirmed that the high grade sulphide mineralisation found near surface at Gossan is younger than the primary VHMS-style mineralisation at Impaler. This in turn confirms the interpretation that the Gossan mineralisation is remobilised and therefore that its source, interpreted to be at depth below Gossan, remains to be discovered.

This is highly significant as it confirms that the potential for discovery still exists at Red Bore.

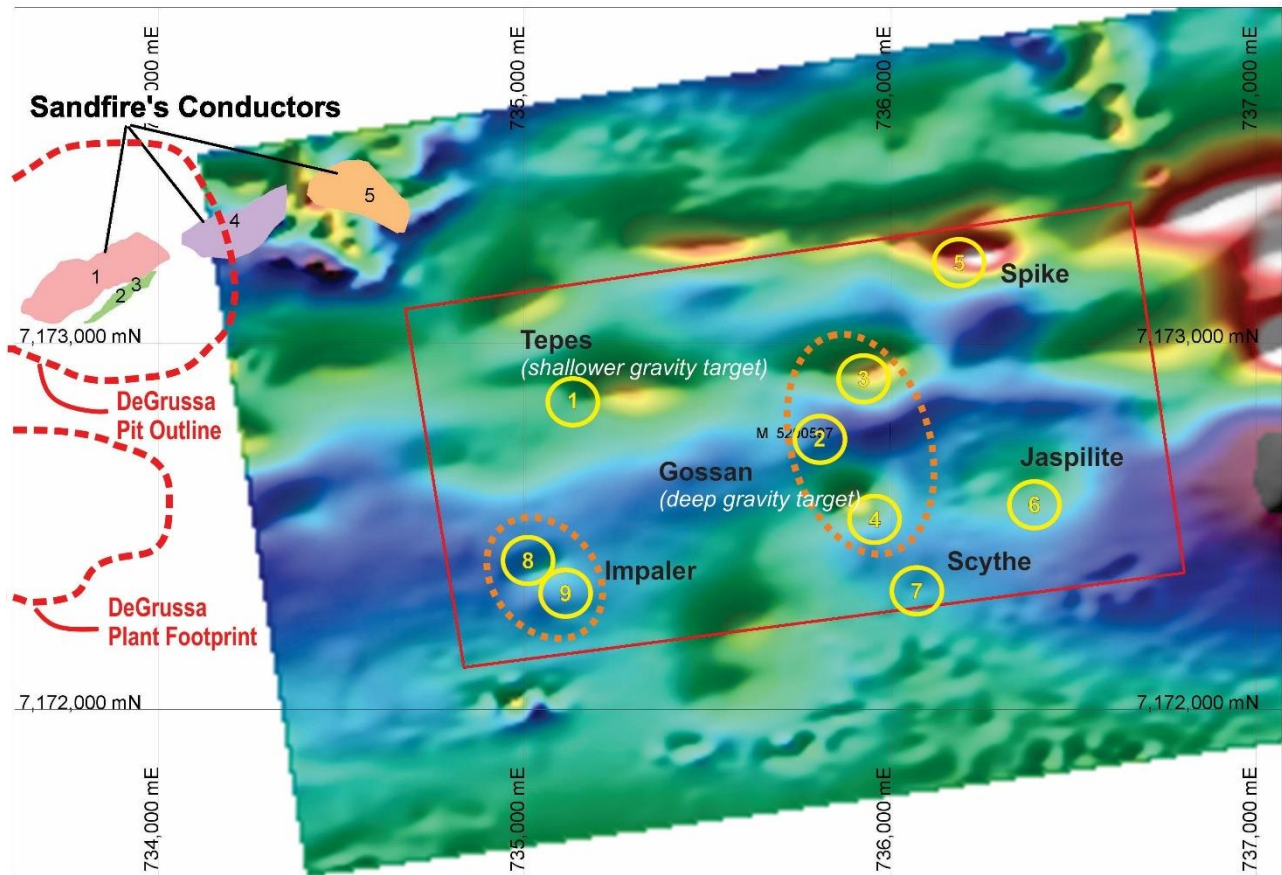


Figure 6. Red Bore drill targets on TMI magnetic image. Surface trace of Conductor orebodies (to scale) and approximate location of DeGrussa pit and plant show proximity of Red Bore to Sandfire’s infrastructure.

No field work was carried out at the **Curara Well** project (Figure 5) during the Quarter.

Sophie Downs, East Kimberley, WA (THX 100%)

Sophie Downs is approximately 30km to the north-east of Halls Creek in the East Kimberley region of Western Australia on Thundelarra’s 100%-owned exploration license EL 80/3673.

No field work was carried out at Sophie Downs during the Quarter.

Allamber Project, Pine Creek, NT (THX 100%)

Allamber is approximately 180km south-east of Darwin and is part of the Pine Creek Orogen. The project is very well served by regional infrastructure, with sealed road, rail, and a gas pipeline running within 25km of the project area.

During the Quarter a programme of RC and diamond drilling tested targets to follow up the potential for copper and graphite at the Ox-Eyed Herring, North Tarpon and North Brumby prospect areas at Allamber (Figures 7, 8 and 9). Total advance was 863.3m (344m RC; 519.3m DD tails). Full details of all holes drilled are recorded in Table 5.

The targets and results of this programme were reported in detail in the ASX Announcement dated 16 December 2016.

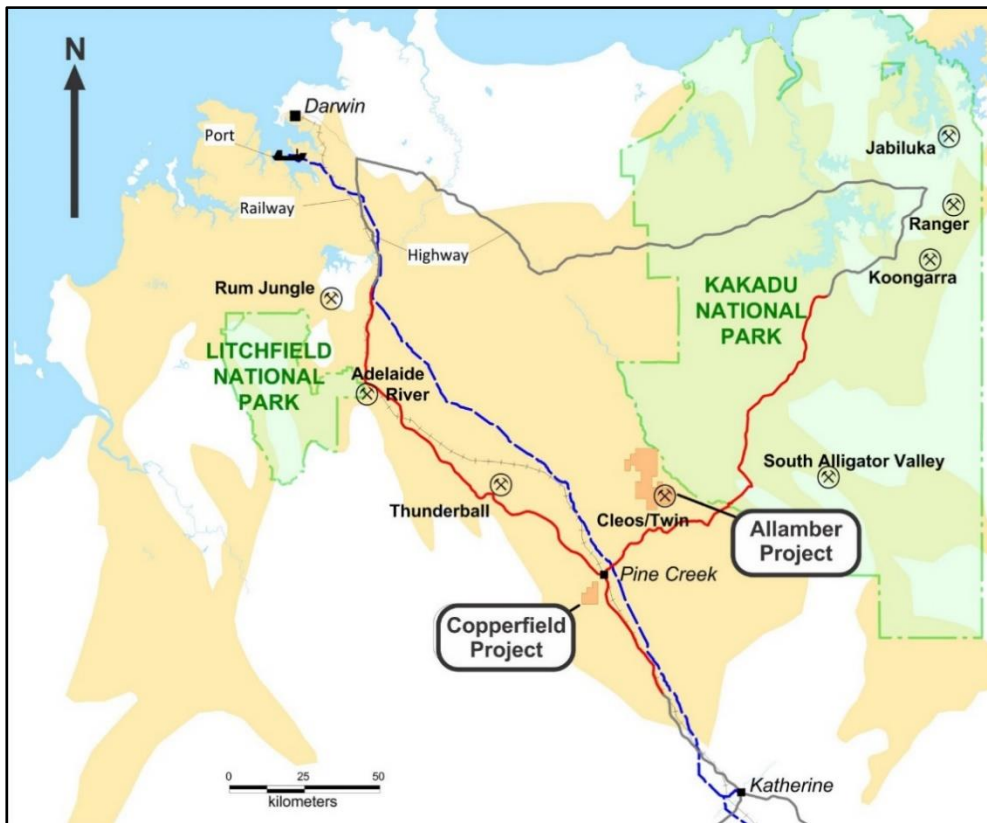


Figure 7: Allamby location and local infrastructure. Copperfield relinquished in March 2016 Quarter.

Hole ID	Prospect	Easting	Northing	RL	Azimuth	Dip	Depth
TALDD001	North Brumby	822919	8499685	170m	357 ⁰	-65 ⁰	249.1m
TALDD001A	Ox-Eyed Herring	822905	8497915	143m	267 ⁰	-65 ⁰	44.9m
TALRCDD001	Ox-Eyed Herring	822937	8497914	143m	267 ⁰	-65 ⁰	176.9m
TALRCDD002	North Tarpon	823461	8498372	170m	327 ⁰	-75 ⁰	209.7m
TALRCDD003	Ox-Eyed Herring	822772	8497937	147m	150 ⁰	-60 ⁰	182.7m

Table 5. Details of holes drilled. RCDD represents RC pre-collar with DD tail. Locations on GDA94 MGA zone 52. The azimuth shown is the magnetic azimuth of the drilling direction.

TALDD001 was drilled at North Brumby to test the strong magnetic anomaly located within the black shale package at the contact with the granitic batholith to the north; and the graphite potential at the metamorphosed contact with the granitic intrusion. The hole intersected a thick sequence of metasediments. Several dykes of late-stage pink granites are present. Trace amounts of pyrite and chalcopyrite were observed. Graphitic schists with various amounts of sulphides, mostly pyrrhotite and pyrite, were intersected. Samples were collected to test for total graphitic content (TGC). The presence of pyrrhotite explains the magnetic anomaly.

The thick carbonaceous shale package between the Masson quartz-arenite, to the south, and the granitic batholith, to the north, has significant potential for graphite. Petrology carried out on several samples showed an average graphite flake size of approximately 70 microns. The local continuity of this stratigraphic horizon (Figure 8) shows that it has the potential to host significant graphite content both to the north-west (through Nipper and up to Hatrick prospects) and east towards the Cleo-Twin prospect.

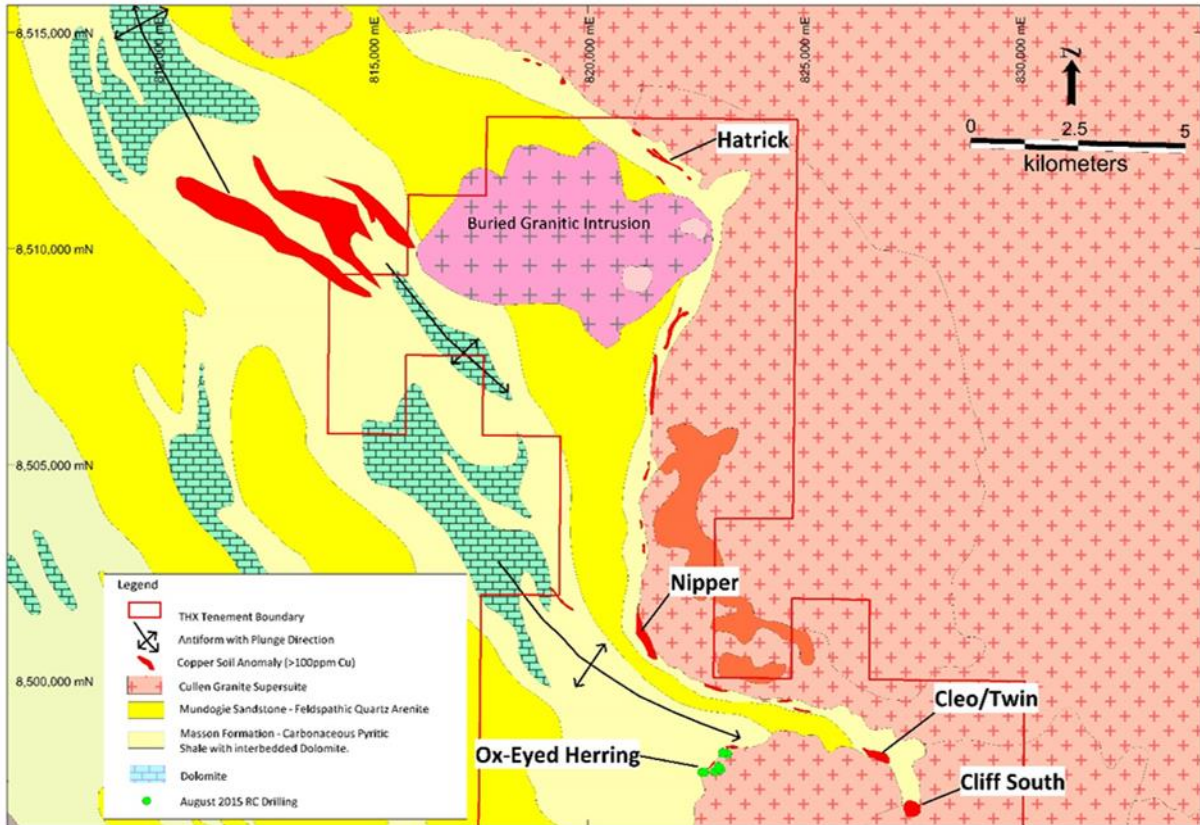


Figure 8. Allamber Project area showing various prospect locations and tenement outline.

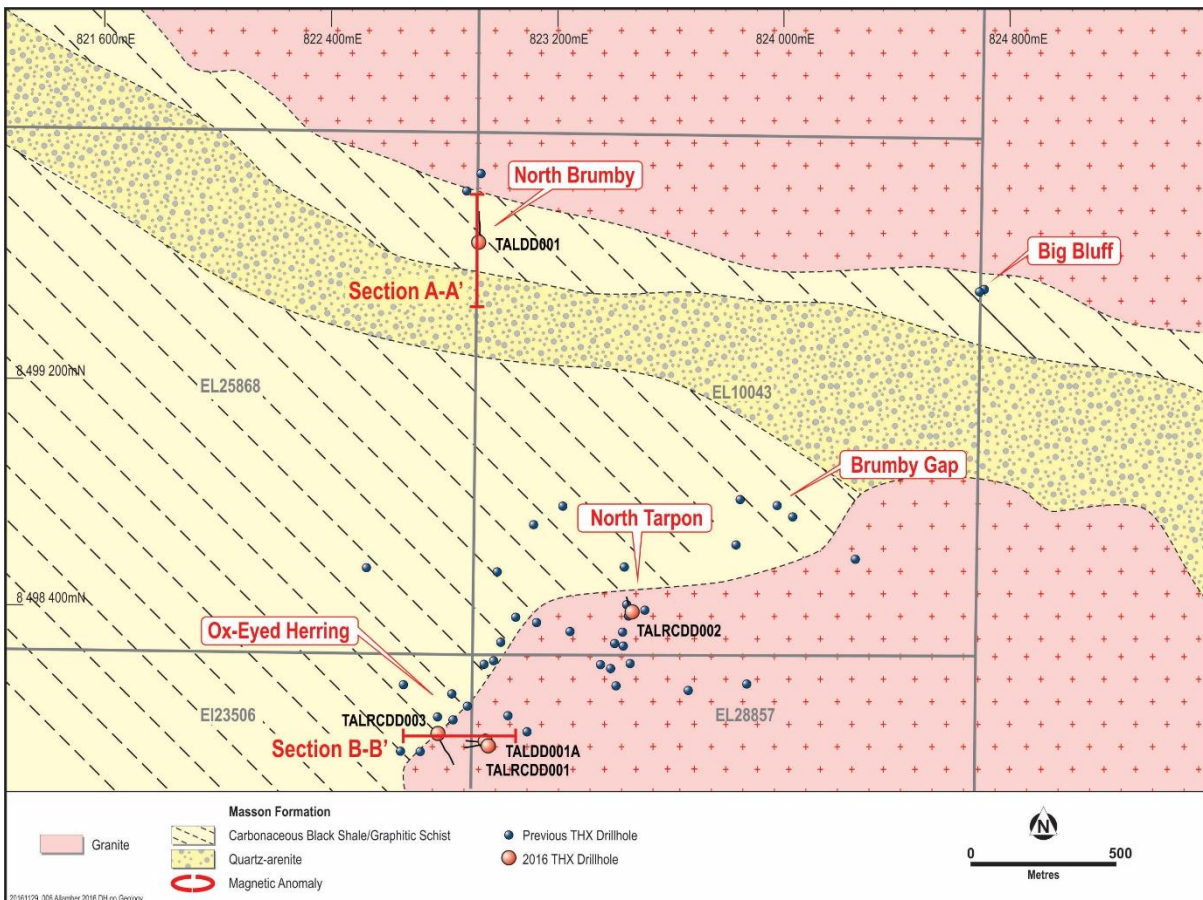


Figure 9. Ox-Eyed Herring, North Tarpon and North Brumby prospects showing section and drill collar locations.

Core was cut and sampled in selected lengths of 10cm to 25cm to deliver an indication of the tenor of the graphite mineralisation in order to maximise the cost efficiency of the assay process where commercial levels of base metal mineralisation were not observed. Samples were taken from across the sequence, from 61.5m downhole to 246.65m downhole and the 18 samples delivered TGC grades averaging 11.5% within a range of 17.4% to 5.6%.

TALRCDD002 was drilled at North Tarpon (Figure 9) to test a prominent magnetic anomaly and significant conductive plates encountered in previous downhole surveys. An RC pre-collar was drilled to 84m in red-brownish oxidised granite. Thin quartz veins with visible pyrrhotite and chalcopyrite were intersected below this level. The dominant strike is north-easterly with a shallow south-easterly dip. Some local zones of enriched copper values are present (Table 6), but overall the whole intersected package does not show potential for economic copper mineralisation at commercial scale.

Hole ID	From	To	Interval	Cu
TALRCDD002	85.0	87.5	2.50m	0.25%
TALRCDD002	111.2	119.25	8.05m	0.59%
TALRCDD002	177.0	180.0	3.00m	0.69%
TALRCDD002	192.5	195.1	2.60m	1.23%

Table 6. Significant copper intercepts from North Tarpon.

At Ox-Eyed Herring Prospect, TALDD001A was abandoned at just 44.9m due to low penetration rates within fresh and abrasive granite. A second rig was brought to site to drill RC pre-collars.

TALRCDD001 targeted the downhole conductors picked up in previously drilled holes TAL126 and TAL142, which intersected copper mineralisation associated with pyrrhotite. The hole was cored below 140m to the final depth of 176.9m and successfully intersected two thin mineralised zones between 152.15-154.3m and 159.4-161.2m (Table 7).

Hole ID	From	To	Interval	Cu
TALRCDD001	152.15	154.3	2.15m	0.60%
TALRCDD001	159.4	161.2	1.80m	0.21%
TALRCDD003	154.75	164.0	9.25m	1.21%
<i>including</i>	156.0	159.6	3.60m	1.58%
<i>and</i>	160.5	162.95	2.45m	1.74%

Table 7. Significant copper intercepts from Ox-Eyed Herring. Full assay details available in Appendix 1.

TALRCDD003 was drilled towards the south-east to test a strong off-hole conductor identified in previously drilled TALRC136. This hole intersected massive sulphides comprising pyrrhotite with blebs of chalcopyrite and thin zones of quartz breccia with chalcopyrite. The former appears to be related to later mineralising events. Significant intercepts are recorded in Table 7.

The best mineralisation (**9.25m at 1.21% Cu**) was from 154.75 - 164m and contained thin intervals of higher grade copper. It is associated with elevated levels of silver, bismuth, tin and tungsten.

The mineralisation is complex but the metal associations identified in this drill programme warrant further investigation to gain a better understanding of the systems at work. Petrological studies are underway and results are pending. Sulphide geochemistry will help in establishing the genetic relationships and in vectoring the intrusive source that is indicated from the results to date. Wet weather conditions at the end of the programme prevented DHTM surveys being undertaken.

TMI (magnetics) image over the Ox-Eyed Herring area displays the presence of north-west trending transfer faults at the margin of the granitic intrusion.

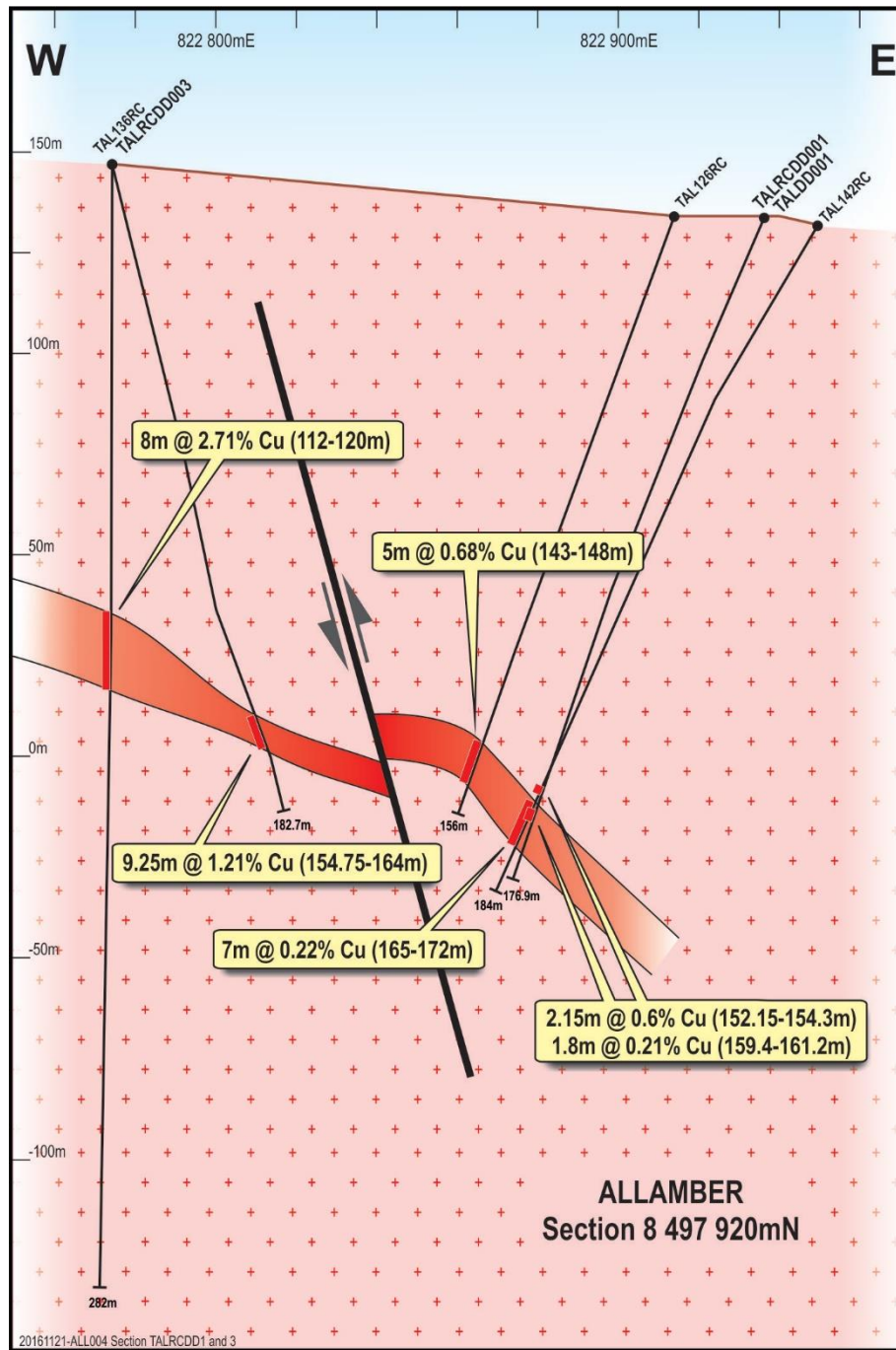


Figure 10. Ox-Eyed Herring cross section. Refer B-B' on Figure 9.

The cross-section (Figure 10) shows previous drill intersections and the inferred sub-vertical transfer fault interpreted as a possible feeder for the mineralising fluids at the Ox-Eyed Herring prospect. Evaluation of follow-up DHTeM surveys on these holes will help define this deep target and provide the basis for future follow-up work.

CORPORATE

At 31st December 2016, our cash balance was \$3.000 million. The marked to market valuation of equity investments held at the date of this report was \$0.357 million and is additional to the reported cash balance. During the Quarter the Company sold part of its equity holdings on market to deliver additional cash of \$0.272 million. This sale represented 60% of a shareholding that was the consideration for the sale of a joint venture interest in a non-core prospect. The notional sale value at the time was \$0.050 million, thus clearly demonstrating the success of the project rationalisation model undertaken by management.

Thundelarra retains a strong cash balance at the end of the Quarter, leaving us well-placed to continue aggressive exploration of our exciting prospects in 2017.

We continue to evaluate opportunities that are consistent with our core commodity focus of copper and gold. Such projects must offer the potential for Thundelarra to be able to deliver positive returns to shareholders, either through direct exploration success or by adding geological value to the project to attract interest prior to subsequent sale or disposal.

Company representatives attended and presented at an investor event in Hong Kong during the Quarter, which was well-received. In conjunction with that event, a new research note prepared by Independent Investment Research was completed and released. The note can be accessed on the Thundelarra website.

A further significant development during the Quarter was the completion of MPI Nickel's on-market sale of the 7.8 million Thundelarra shares held since 2003. Originally issued to Lion Ore as part of the East Kimberley nickel exploration Joint Venture, MPI Nickel's parent Norilsk acquired the holding when it acquired Lion Ore. MPI Nickel's orderly exit from Thundelarra's register has removed what could have been perceived as an overhang in the market and therefore is positive for possible share price re-ratings that might follow future exploration successes.

Thundelarra is well-funded for follow-up exploration programmes planned for 2017. We continue to explore aggressively, while managing expenditures carefully and prudently. Our target, broadly met for the last 19 quarters, is that at least two thirds of all dollars spent go into the ground.

SUBSEQUENT EVENTS

Since the end of the December Quarter, the following subsequent events are noted:

- Results from the Garden Gully drilling programme continue to be received and reported (ASX announcement dated 19 January 2017);
- A "Resource Stocks" Company Profile on Thundelarra was published on MiningNews.net and in Mining Journal. It can be viewed on the Thundelarra website.

The aggressive exploration programmes of the last two Quarters have generated a wealth of technical data. Garden Gully, Red Bore, Payne's Find, Allamber, Sophie Downs and Curara Well all offer the potential for discovery from the exploration programmes planned.

2017 is showing all the hallmarks of being a stellar year for Thundelarra shareholders. Our systematic and patient approach to exploration will make the coming months an exciting, and hopefully rewarding, time for all associated with Thundelarra.

SCHEDULE OF TENEMENTS

Project / Tenement		Interest at Start of Quarter	Interest at End of Quarter	Acquired During the Quarter	Disposed During the Quarter	Joint Venture Partner/Farm-in Party
Western Australia						
Sophie Downs	E80/3673	100%	100%	-	-	-
Keller Creek	E80/2836	20% fci	20% fci	-	-	Panoramic (PAN)
Red Bore	M52/597	90%	90%	-	-	WR Richmond
Curara Well	E52/2402	90%	90%	-	-	WR Richmond
Garden Gully Project						
Garden Gully	E59/1661	100%	100%	-	-	-
Garden Gully Meeka NW	P51/2760	100%	100%	-	-	-
Garden Gully Meeka NW	P51/2761	100%	100%	-	-	-
Garden Gully Meeka NW	P51/2762	100%	100%	-	-	-
Garden Gully Meeka NW	P51/2763	100%	100%	-	-	-
Garden Gully Meeka NW	P51/2764	100%	100%	-	-	-
Garden Gully Meeka NW	P51/2765	100%	100%	-	-	-
Garden Gully South	P51/2909	100%	100%	-	-	-
Garden Gully South	P51/2910	100%	100%	-	-	-
Garden Gully South	P51/2911	100%	100%	-	-	-
Garden Gully South	P51/2912	100%	100%	-	-	-
Garden Gully South	P51/2913	100%	100%	-	-	-
Garden Gully South	P51/2914	100%	100%	-	-	-

Project / Tenement		Interest at Start of Quarter	Interest at End of Quarter	Acquired During the Quarter	Disposed During the Quarter	Joint Venture Partner/Farm-in Party
Western Australia (continued)						
Payne's Find Project (Red Dragon and Zeus ground acquired December 2015)						
Paynes Find	E59/1648	100%	100%	-	-	-
Oudabunna	E59/1944	100%	100%	-	-	-
Paynes Find	E59/2057	100%	100%	-	-	-
Paynes Find	P59/1929	100%	100%	-	-	-
Paynes Find	P59/1930	100%	100%	-	-	-
Mooloogool Project (Red Dragon and Zeus ground acquired December 2015)						
Mooloogool	E51/1667	100%	100%	-	-	-
Mooloogool	E51/1668	100%	100%	-	-	-
Mooloogool	E51/1669	100%	100%	-	-	-
White Well Project (Red Dragon and Zeus ground acquired December 2015)						
Doug's Find West	P51/2787	90%	90%	-	-	A. Levissianos
Doug's Find East	P51/2788	90%	90%	-	-	A. Levissianos

Northern Territory						
Allamber Project						
Brumby Gap	EL10043	100%	100%	-	-	-
McKeddies	EL23506	100%	100%	-	-	-
Allamber 1	EL24549	100%	100%	-	-	-
Mary River	EL25868	100%	100%	-	-	-
Second Chance	EL28857	100%	100%	-	-	-

Table 8. Schedule of Tenements showing changes during the December 2016 Quarter.

PRODUCTION AND DEVELOPMENT

None of Thundelarra's projects are at a production or development stage and consequently there were no activities during the quarter relating to production or development.

Tony Lofthouse
Chief Executive Officer

THUNDELARRA LTD

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ABN: 74 950 465 654

ACN: 085 782 994

ASX CODE: THX

Issued Shares: 423.5M (at 30 September 2016)

Issued Shares: 423.5M (at 30 January 2017)

Market Cap: \$25M (at 30 January 2017)

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 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

THUNDELARRA LIMITED

ABN

74 950 465 654

Quarter ended ("current quarter")

31 DECEMBER 2016

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(1,241)	(1,241)
(b) development	-	-
(c) production	-	-
(d) staff costs	(163)	(163)
(e) administration and corporate costs	(137)	(137)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	29	29
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	401	401
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(1,111)	(1,111)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	(50)	(50)
(c) investments	-	-
(d) other non-current assets	-	-
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	272	272

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other – redemption of security deposits	71	71
2.6 Net cash from / (used in) investing activities	293	293

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	-
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other – share issue costs	-	-
3.10 Net cash from / (used in) financing activities	-	-

4. Net increase / (decrease) in cash and cash equivalents for the period	3,818	3,818
4.1 Cash and cash equivalents at beginning of period		
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,111)	(1,111)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	293	293
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5 Effect of movement in exchange rates on cash held	-	-
4.6 Cash and cash equivalents at end of period	3,000	3,000

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	320	509
5.2 Call deposits	2,680	3,309
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,000	3,818

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

161

-

Thundelarra's financial year is from 1 October 2015 to 30 September 2016.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$A'000**

-

-

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	600
9.2 Development	-
9.3 Production	-
9.4 Staff costs	163
9.5 Administration and corporate costs	140
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	903

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	-	-	-	-
10.2 Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:

Date: 30 January 2017

Print name: Frank DeMarte
Company Secretary

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.