



PHASE 3 DRILLING STARTS AT GARDEN GULLY

Thundelarra is pleased to report that a Reverse Circulation rig with capacity to drill holes to in excess of 400m depth is now at Garden Gully and Phase 3 drilling is underway. A total of approximately 2,400m is planned in about eight holes of 300-350m, with ~600m of diamond tails to follow as warranted.

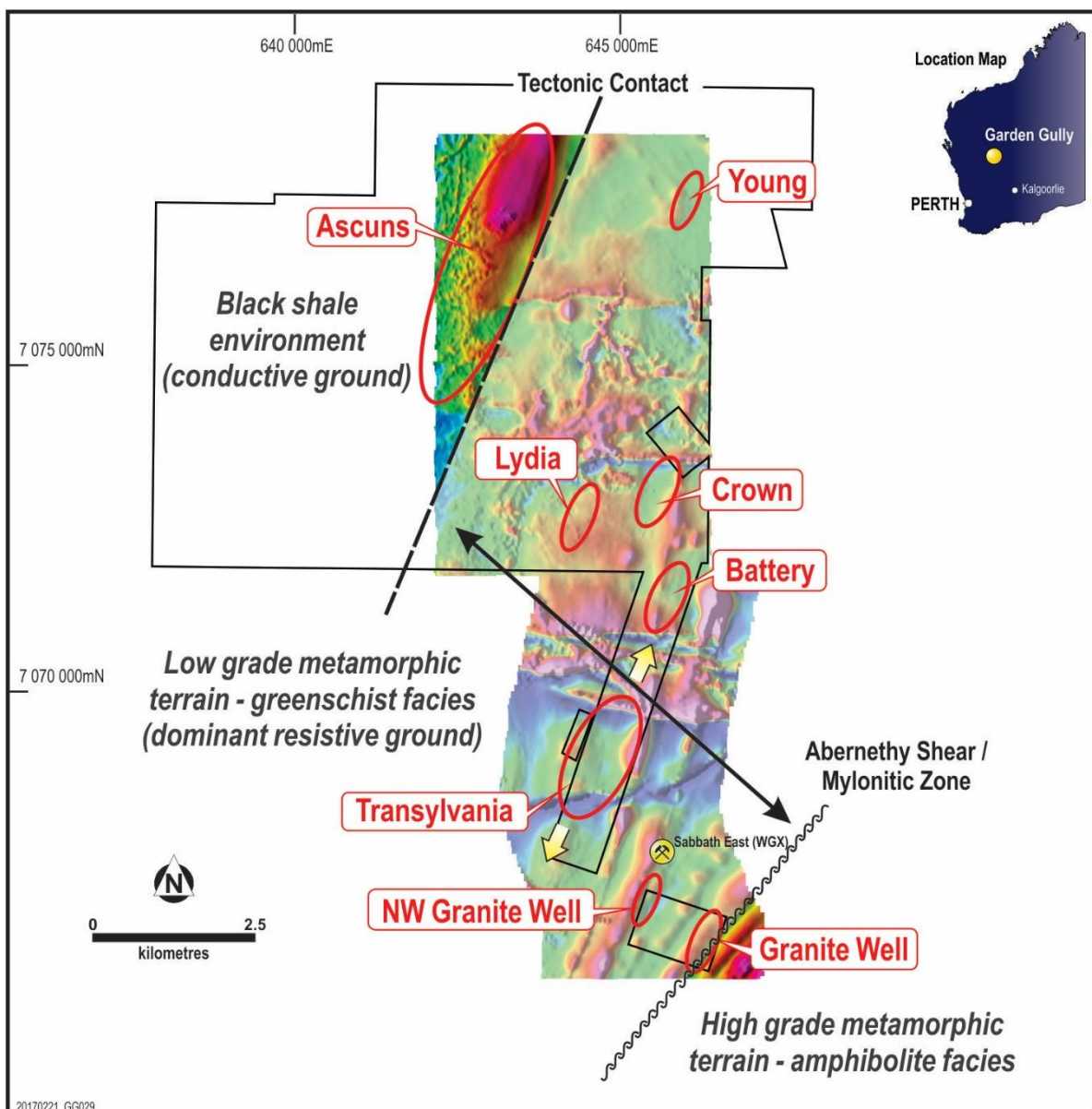


Figure 1. Garden Gully Prospects hosting follow-up drill targets.

Lydia, Battery, Transylvania and Granite Well will be drilled in this programme. A main objective is to establish the orientation of the structural controls for the gold mineralisation discovered to date.

The other prospects at Garden Gully still require follow-up testing, which provisionally is planned for the next drilling programme.

The Garden Gully project, wholly-owned by Thundelarra, comprises 14 granted Prospecting Licences, 1 granted Exploration Licence, and one Exploration Licence application covering about 65.5 square kilometres and is located in Western Australia's Doolgunna region (Figure 2) about 20km north-west of the town of Meekatharra.

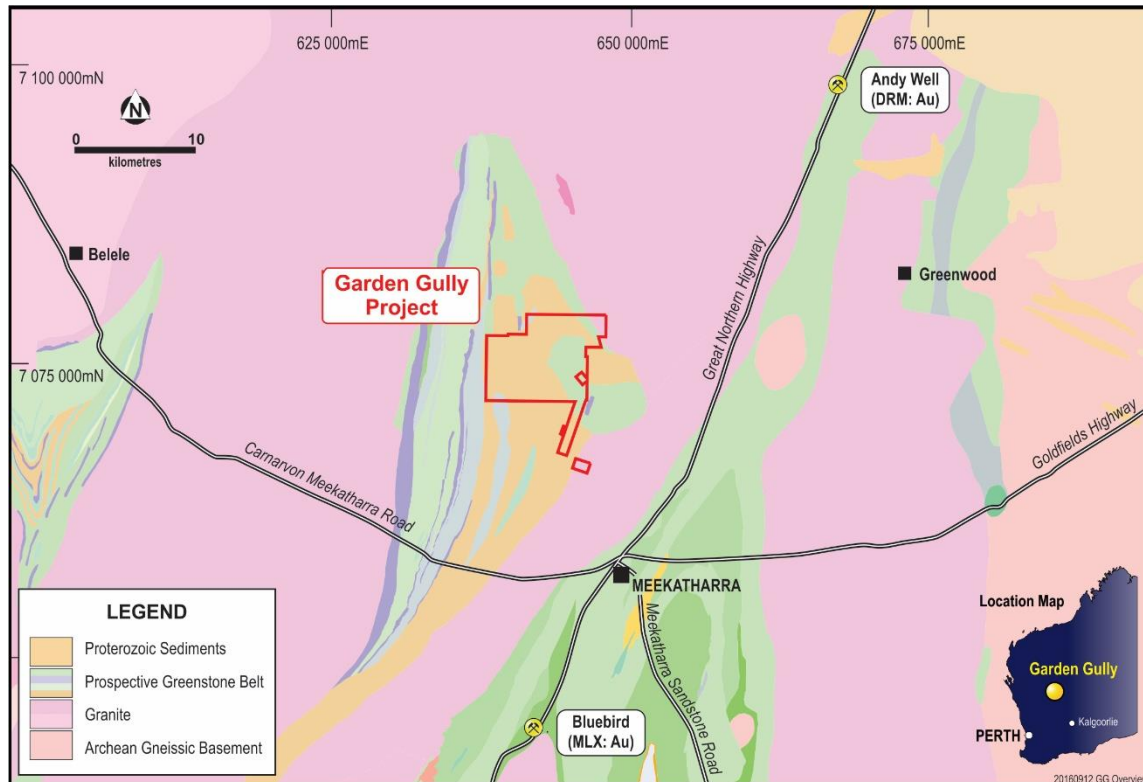


Figure 2. Garden Gully location showing proximity to local plant and infrastructure.

Results of this programme will be announced as they become available.

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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.