THUNDELARRA

ASX/Media Announcement

10 July 2017

GARDEN GULLY'S BATTERY CHARGING UP

Thundelarra is pleased to announce that drilling results from the Battery Prospect continue to show the Battery trend's potential to host significant additional mineralisation to complement the gold mineralisation already identified at the neighbouring Lydia Prospect.

The diamond hole drilled across the inferred trend to investigate the rock types and structural controls confirmed the presence of gold-mineralised porphyry at depth. The possibility that this mineralisation extends northwards into the Crown and Crown Prince prospects, where similar rocks have also been observed in earlier exploration, enhances the prospectivity of the project area.

Each new phase of exploration results at Garden Gully is adding to the real possibility that the project can develop into a significant new gold discovery. Garden Gully continues to grow into a very promising project for Thundelarra and if the current interpretation continues to be proven, the balance of 2017 offers exciting prospects from a consistent flow of news.

Highlights:

- ***Mineralisation present along 800m strike length at Battery***
- ***Mineralisation open along strike and at depth***
- ***Sulphidic mineralised altered porphyry at depth (below 247m)***
- ***6m at 1.6 gpt Au from 125m in TGGRC061***
- ***5m at 1.0 gpt Au from 168m in TGGRC062***
- ***4m at 1.3 gpt Au from 178m in TGGRC062***
- ***5.5m at 1.1 gpt Au from 276.6m in TGGRCDD063***
- ***The mineralisation in hole 63 was intersected 100m vertically below the 8m at 1.6 gpt Au intersected in hole 53, suggesting that the gold mineralisation continues to depth***

The rock types and associations observed at Battery and Crown and reported at Crown Prince – porphyry intrusives within a package of mafic schists, high magnesium basalts and black shales - continue to exhibit close similarities to the geology reported by Gascoyne Resources Ltd (ASX.GCY) on its Gilbeys and Gilbeys South mineralisation at Dalgaranga, where a resource of 1.31 million ounces includes proven and probable reserves of 581,000 ounces (ASX.CGY: 21 June 2017).

The next programme of work at Battery will be designed to evaluate the potential of this 800m+ mineralised trend to add to the 500m+ mineralised trend already identified at Lydia.

Garden Gully, wholly-owned by Thundelarra, comprises 14 granted Prospecting Licences and 2 granted Exploration Licences covering about 78 km^2 located in Western Australia's Doolgunna region (Figure 1), about 20km north-west of Meekatharra.

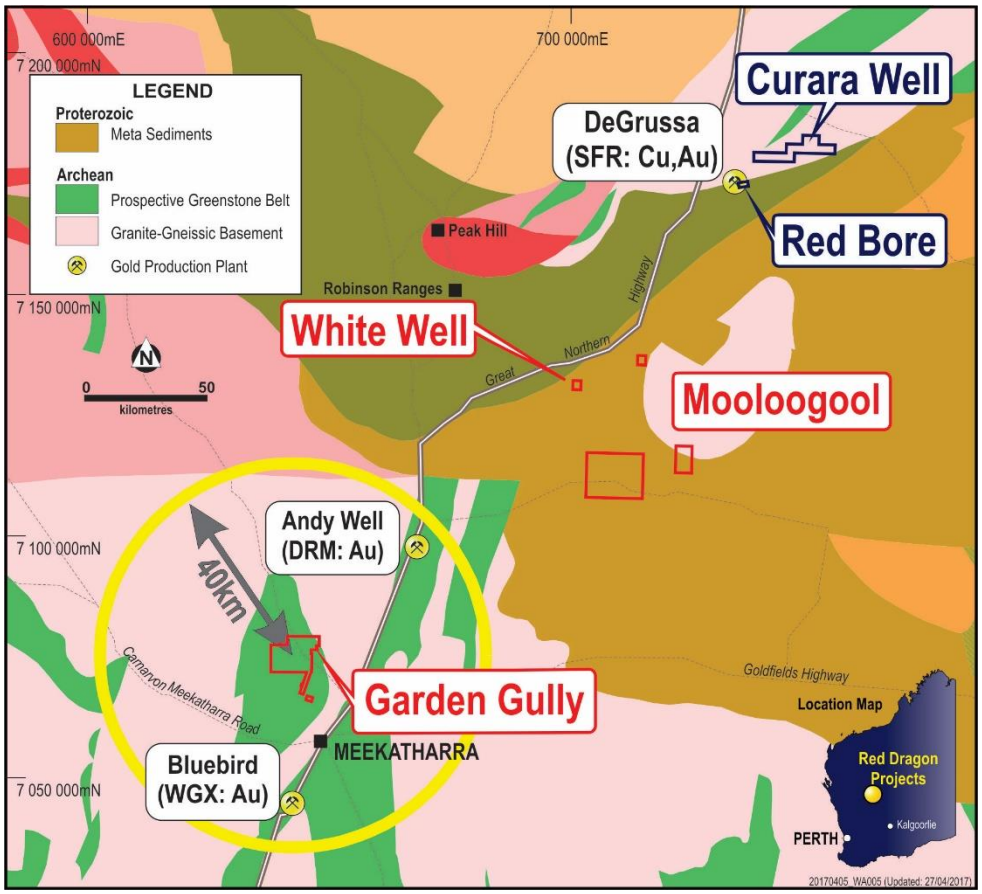

Figure 1. Location showing proximity to local plant and infrastructure. Scale: grid spacing is 25 km.

The holes drilled at Battery during this programme comprised 6 RC (reverse circulation) holes for 1,030m and a DD (diamond) tail of 254m on RC hole TGGRC063 which terminated before target depth due to drilling difficulties. This combined hole TGGRCDD063 completed at a total depth of 378.5m (124m RC and 254m of diamond). Full assay results can be found in Appendix 1.

Hole ID	Easting	Northing	Prospect	Depth	Azimuth	Dip
TGGRC061	645788	7071229	Battery	160m	114°	-59°
TGGRC062	645712	7071081	Battery	203m	112°	-60°
TGGRCDD063	645664	7071160	Battery	378.5m	110°	-70°
TGGRC081	645906	7071575	Battery	95m	060°	-60°
TGGRC082	645995	7071766	Battery	167m	110°	-70°
TGGRC083	645625	7070929	Battery	281m	050^0	-60^0

Table1. Holes drilled at Battery Prospect, Garden Gully (P51/2910), in the Phase 3 follow-up RC programme with one DD tail (TGGRCDD063). All locations on Australian Geodetic Grid GDA94-50. The azimuth shown is the magnetic azimuth of the drilling direction.

Previous drilling and geophysics at Battery identified primary gold mineralisation at depth and a large off-hole conductor that warranted testing. Mineralisation was found to be hosted by quartz veins and quartz porphyry intrusives containing pyrite and arsenopyrite, emplaced within strongly folded and tectonised mafic schists and black shales.

Holes **TGGRC061** and **TGGRC062** (Figure 2) were sited to test the continuity of the mineralised trend at Battery. Both intersected gold mineralisation (Table 2).

Hole No	From (m)	To (m)	Interval (m)	Au (g/t)	Cu (%)	Observations
TGGRC061	125m	131m	6m	**1.6**		Quartz-carbonate veins within sulphidic black shale. Gold anomalism within brittle quartz-feldspar porphyry rocks.
TGGRC062	160m	163m	3m	0.6		Quartz-carbonate veins within sulphidic black shale. Gold anomalism within brittle quartz-feldspar porphyry rocks.
and	168m	173m	5m	**1.0**		Quartz-carbonate veins within sulphidic black shale
and	178m	182m	4m	**1.3**		Quartz-carbonate veins within sulphidic black shale
TGGRCDD063	276.6	282.1m	5.5m	**1.1**		Selective sampling to date – systematic assays pending.
TGGRC081	67m	69m	2m		0.4	Quartz-carbonate veins within sulphidic black shale. Hole abandoned at 95m: broken shaley ground.
TGGRC082	147m	149m	2m	**1.3**		Quartz-carbonate veins within sulphidic black shale.
TGGRC083	257m	259m	2m	0.3		Gold anomalism within brittle quartz-feldspar porphyry rocks.
and	279m	281m	2m	**1.1**		Quartz-carbonate veins within sulphidic black shale. Hole abandoned in mineralisation at 281m.

Table 2. Significant drill intercepts at Battery. See Appendix 1 for full assay details.

Hole **TGGRC063** was collared between these two to prove the along-strike continuity, but broken ground resulting in hammer blockages and strong water flow led to the hole being completed from 124m with a diamond tail. A diamond hole had always been planned, with the aim of obtaining oriented cores to determine the structural orientation and morphology of the gold-arsenic mineralized zones previously intersected in drill holes TGGRC042 (5m at 1.5g/t Au) and TGGRC053 (8m at 1.6g/t Au), and also to test a strong off-hole conductive zone interpreted from a DHTEM survey in TGGRC053.

Diamond coring was undertaken from 124m to the end of the hole at 378.5m. The conductive package was intersected at 231m and consists of sulphidic shales and porphyritic rocks with a steep westerly dip (Figure 4). Multiple quartz-carbonate veins are discordant to foliation and consequently form part of the late deformational events affecting the syn-genetic sulphidic sequence (Figures 2 and 3).

Selective sampling of these late structures has returned gold mineralisation within the strongly folded massive sulphides (**5.5m @ 1.1 gpt Au** between 276.6m - 282.1m).

Systematic core cutting was undertaken and the complete assays will be announced once the results are available. Data from orientated core show that the whole package dips west/north-westerly at a deep angle and plunges towards the south/south west. It consists of sulphidic black

shales with clastic metasediments and is intruded by sills and dykes of both felsic quartz-porphyries and late mafic dykes. The western block is down-thrown, suggesting that potential

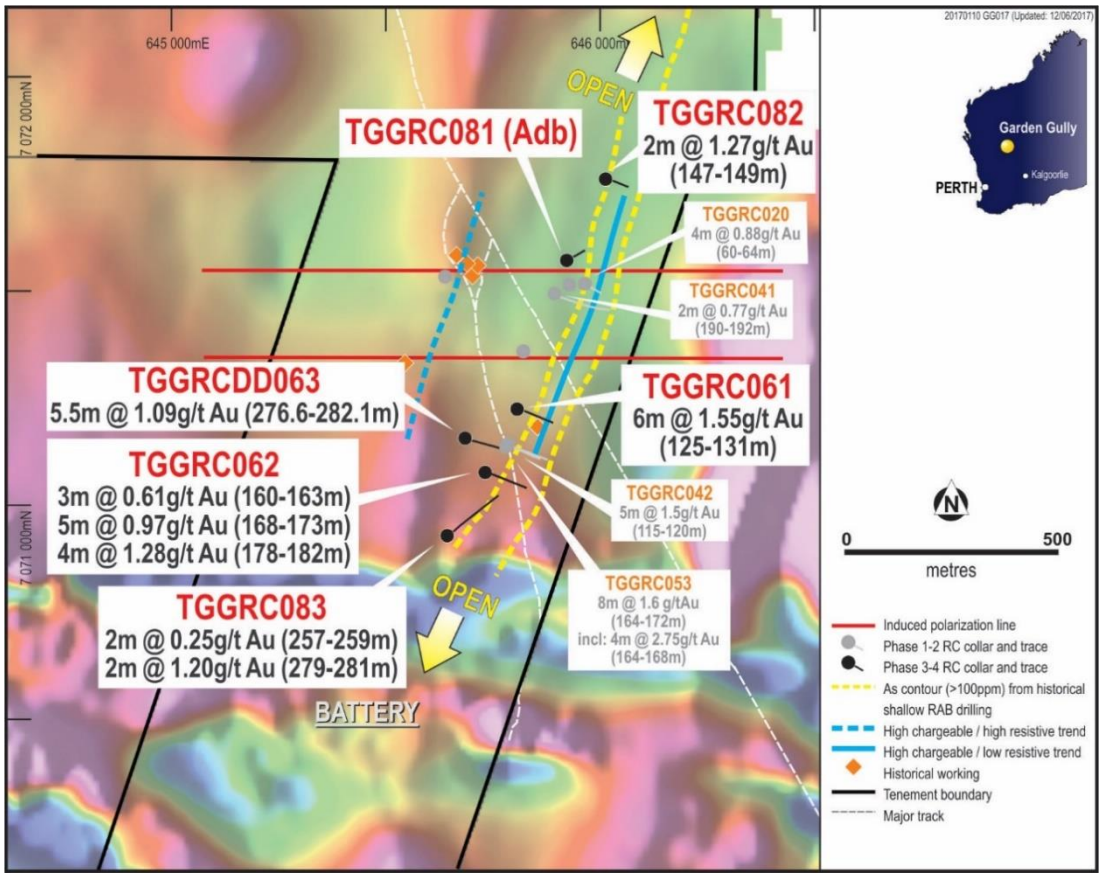

Figure 2. Recent gold intersections at the Battery prospect, shown on TMI image

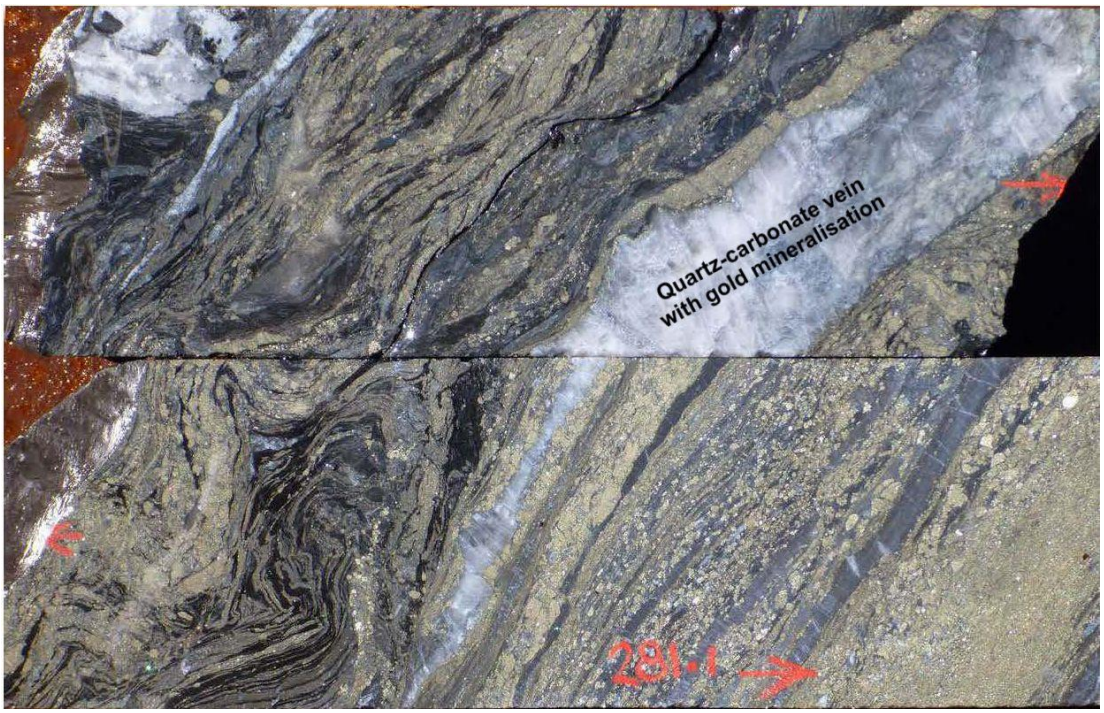

Figure 3. TGGRCDD063 (281.1m): syn-genetic association between pyritic black shale and massive pyrite-pyrrhotite, contrasting with later deformation-related gold-mineralised quartz-carbonate veins.

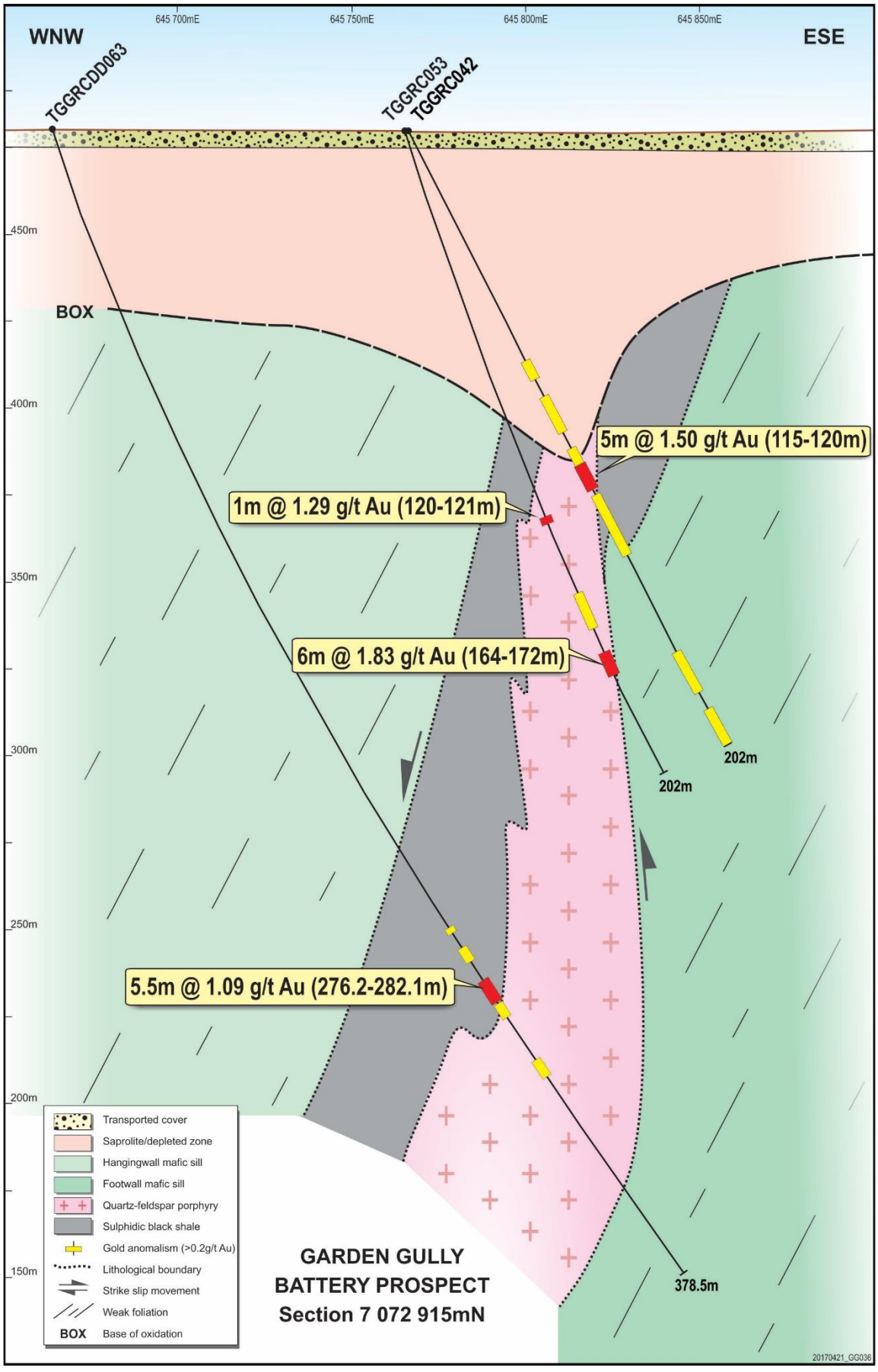

Figure 4. Cross section showing the strong DHTEM conductor off-hole from TGGRC053.

later structures hosting gold mineralisation will be discordant to the initial layering. This means that a change in drilling orientation will be required for the next programme of work.

Two holes followed up the northern part of the arsenic trend (Figure 2). **TGGRC081** was drilled NE (at 060º) but was abandoned at 95m due to difficult ground conditions. It intersected a thin sulphidic shale with highly anomalous copper, silver and arsenic values which explain the IP chargeability. Sampled intervals did not return any anomalous gold values. **TGGRC082** (drilled easterly) was terminated at 180m within footwall dolerite and intersected both shales and felsic porphyry rocks with anomalous gold and arsenic values in places. This confirms the continuity to the north of the same lithological package hosting gold and base metal values to the south-west.

The mineralisation identified at Battery to date is present along the main arsenic trend for at least 800m. Infill drilling is required to define the high-grade zones.

TGGRC083, tested SW extensions of the Battery shear zone and also different orientation of potential mineralising controls. Sulphidic black shales, interleaved with altered porphyries, were intersected below 247m. Visible pyrite and arsenopyrite was noted within felsic rocks intruding the metasediments. Unfortunately, the hole had to be cut short in mineralisation at 281m due to low penetration rates and difficult ground condition. The hole will be used as a pre-collar for diamond drilling expected to take place in the next quarter.

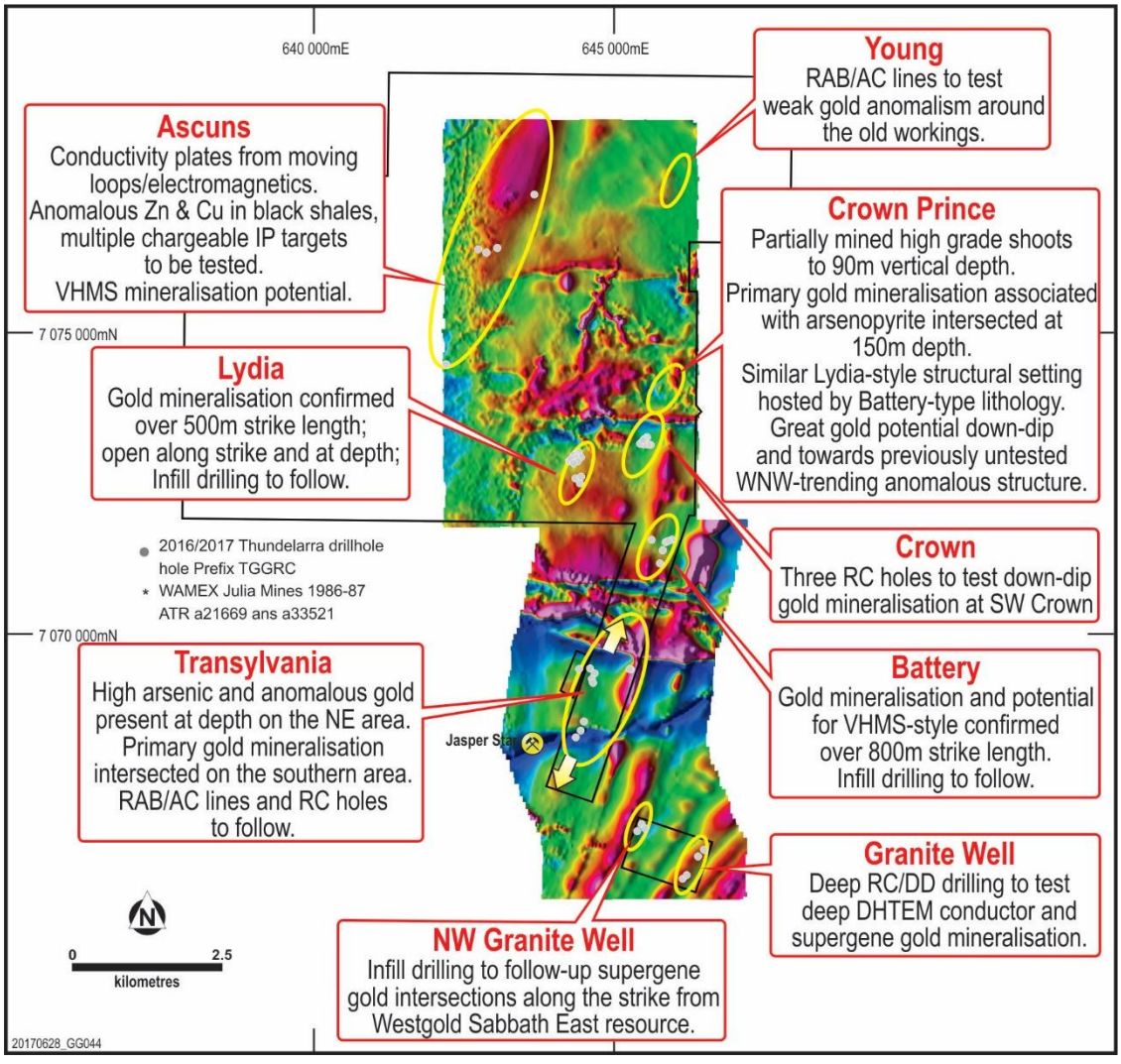

Figure 5. Garden Gully Prospects with brief geological descriptions of follow-up targets.

The **Crown Prince**, source of most of Garden Gully's reported historical gold production of 21,000 ounces at an average grade of 21 gpt Au, offers significant potential for exploration success, based on the open file reports describing previous exploration activities and results. Work will commence as soon as practicable after the licence application has been granted and the title formally transferred to Thundelarra, as per the agreement announced on 02 March 2017.

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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: Laboratory assay results: Fire Assay 50g charge after Aqua Regia digest with ICP analysis.

Only gold ≥ 0.05 ppm (0.05 gpt); silver ≥ 0.20 ppm; arsenic ≥70 ppm; copper ≥200 ppm; or zinc ≥200ppm are recorded in the following table, except where relevant as part of a longer intercept.

Hole No	From (m)	To (m)	Width (m)	Au (ppm)	Ag (ppm)	As (ppm)	Cu (ppm)	Zn (ppm)
TGGRC061	109	110	1	0.11		875		
TGGRC061	115	116	1			102		307
TGGRC061	116	117	1	0.09		109		446
TGGRC061	117	118	1			117		228
TGGRC061	118	119	1	0.50				231
TGGRC061	119	120	1					260
TGGRC061	125	126	1	3.48	0.77	120	367	1,780
TGGRC061	126	127	1	0.55	0.71	325	455	3,300
TGGRC061	127	128	1	0.48	0.46	604	305	1,670
TGGRC061	128	129	1	0.62	0.64	643	338	1,810
TGGRC061	129	130	1	2.11	0.41	977	297	841
TGGRC061	130	131	1	2.10	1.11	833	747	2,940
TGGRC061	131	132	1	0.04	0.24	81		655
TGGRC061	132	133	1	0.05		86		442
TGGRC061	133	134	1	0.11	0.57	158	348	1,520
TGGRC061	134	135	1	0.10	0.55	205	350	1,290
TGGRC061	135	136	1	0.05	0.26	641		930
TGGRC061	136	137	1	0.11		709		510
TGGRC061	137	138	1	0.11		107		346
TGGRC061	138	139	1	0.07		121		274
TGGRC061	139	140	1	0.08		475		426
TGGRC061	140	141	1	0.10		277		
TGGRC061	141	142	1	0.05		176		273
TGGRC061	142	143	1	0.14		211		432
TGGRC061	143	144	1	0.09		159		253
TGGRC061	144	145	1	0.14		298		266
TGGRC061	145	146	1	0.32		908		407
TGGRC061	146	147	1	0.03	0.23	392		706
TGGRC061	147	148	1	0.11		198		232
TGGRC061	148	149	1	0.17		256		235
TGGRC061	149	150	1	0.16	0.23	158		767
TGGRC061	150	151	1	0.07				
TGGRC061	151	152	1	0.14	0.24			
TGGRC061	152	153	1	0.06	0.31			972
TGGRC061	153	154	1	0.06	0.28	115		660
TGGRC061	154	155	1	0.10	0.27	242		743
TGGRC062	129	130	1	0.26	1.21	2,070		
TGGRC062	130	131	1	0.03	0.09	1,060		
TGGRC062	160	161	1	0.54	0.72	165	262	843
TGGRC062	161	162	1	0.88	1.16	372	519	1,350
TGGRC062	162	163	1	0.41	0.65	237	281	1,140
TGGRC062	163	164	1	0.06	0.49		423	1,490
TGGRC062	164	165	1	0.04	0.24			587
TGGRC062	167	168	1	0.07		87		336

Hole No	From (m)	To (m)	Width (m)	Au (ppm)	Ag (ppm)	As (ppm)	Cu (ppm)	Zn (ppm)
TGGRC062	168	169	1	0.37				233
TGGRC062	169	170	1	0.74		209		772
TGGRC062	170	171	1	1.93		1,250		418
TGGRC062	171	172	1	1.47	0.75	475	268	2,600
TGGRC062	172	173	1	0.32	0.36	153		709
TGGRC062	173	174	1	0.10				
TGGRC062	174	175	1	0.04	0.27	125		907
TGGRC062	175	176	1	0.13	0.30	123		644
TGGRC062	176	177	1	0.04				
TGGRC062	177	178	1	0.04		158		
TGGRC062	178	179	1	0.41		376		
TGGRC062	179	180	1	2.54		937		285
TGGRC062	180	181	1	1.75		1,340		227
TGGRC062	181	182	1	0.41	0.26	198		
TGGRC062	184	185	1	0.12		1,150		
TGGRC062	185	186	1	0.24		544		
TGGRC062	186	187	1	0.06		471		
TGGRCDD063	258.85	259	0.15	0.45	2.29	817	1,990	8,730
TGGRCDD063	259	259.4	0.4	1.05	1.88	217	649	11,700
TGGRCDD063	259.4	260	0.6	0.16	1.00	130	631	214
TGGRCDD063	260	260.3	0.3	0.08	0.69		535	269
TGGRCDD063	265.7	266	0.3	0.09	2.34		2,850	10,900
TGGRCDD063	268.8	269.2	0.4	1.21	0.29	241	223	542
TGGRCDD063	269.2	269.7	0.5	0.23	0.42	969	460	
TGGRCDD063	276.6	277.4	0.8	2.55	0.38	859		421
TGGRCDD063	277.4	278.8	1.4	1.52	0.24	989		220
TGGRCDD063	278.8	279.1	0.3	0.67	0.26	307		410
TGGRCDD063	279.1	279.8	0.7	1.09	1.26	331	602	2,720
TGGRCDD063	279.8	280.6	0.8	0.07	0.20	386		
TGGRCDD063	280.6	280.9	0.3	0.89	1.13	248	611	3,110
TGGRCDD063	280.9	281.3	0.4	7.78	1.69	718	344	1,690
TGGRCDD063	281.3	282.1	0.8	0.67	0.49	149		
TGGRCDD063	286.8	287.3	0.5		0.38	395		810
TGGRCDD063	287.3	287.8	0.5			210		219
TGGRCDD063	287.8	288.2	0.4		0.58	1,140	309	1,600
TGGRCDD063	288.2	289	0.8			82		
TGGRCDD063	294.3	294.7	0.4	0.16			230	
TGGRCDD063	304	304.5	0.5			153		
TGGRCDD063	304.5	305	0.5	0.08		615		
TGGRCDD063	305	305.3	0.3			423		
TGGRCDD063	305.3	305.4	0.1	0.10		1,080		
TGGRCDD063	305.4	305.7	0.3			857		
TGGRC081	65	66	1	0.09	3.96	135	1,490	
TGGRC081	66	67	1	0.04	2.63	87	945	
TGGRC081	67	68	1	0.07	4.00	132	3,480	
TGGRC081	68	69	1	0.08	4.89	196	4,690	
TGGRC081	69	70	1	0.02	1.84	188	1,940	246
TGGRC082	146	147	1	0.13		1,600		229

Hole No	From (m)	To (m)	Width (m)	Au (ppm)	Ag (ppm)	As (ppm)	Cu (ppm)	Zn (ppm)
TGGRC082	147	148	1	1.48	0.45	964	202	766
TGGRC082	148	149	1	1.06	0.18	619		302
TGGRC083	257	258	1	0.30	0.13	2,615		
TGGRC083	258	259	1	0.26	0.10	2,490		
TGGRC083	275	276	1	0.07	0.06	99		
TGGRC083	276	277	1	0.15	0.12	295		
TGGRC083	277	278	1	0.08	0.09	77		
TGGRC083	278	279	1	0.52	0.29	207		386
TGGRC083	279	280	1	0.98	0.24	480		277
TGGRC083	280	281	1	1.28	1.50	403	433	2,020

Appendix 2: 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.	• The results reported here are from a drill programme that comprised reverse circulation (RC) plus two diamond tails. RC sample was collected through a rig mounted cyclone with cone splitter attachment and split in even metre intervals. Wet sample was speared or on occasion scoop-sampled. RC drill chips (from each metre interval) were examined visually and logged by the geologist. Cores were also examined visually and logged by the geologist. Where selected, DD core was generally sampled at one metre intervals, with core marked up and cut into half and quarter core for duplicates using a large diamond blade saw. Any visual observation of alteration or of mineralisation was noted on the drill logs. Any interval was tested by hand-held XRF to assist in identifying intervals to be bagged and numbered for laboratory analysis.
	• Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	• Duplicate samples are submitted at a rate of approximately 4% of total samples taken (ie one duplicate submitted for every 25 samples). The Delta XRF Analyser is calibrated before each session and is serviced according to the manufacturer's (Olympus) recommended schedule.
	• 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.	• 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).	• Reverse circulation holes were drilled by a truck-mounted RWL 700 rig with 1350cpm@500psi compressor. The rig has a full lock-out isolation and emergency shut-out system. Diamond drilling was by a track mounted Desco 7000 with automated break outs. All support equipment is all-wheel drive. Core was oriented using NQ REFLEX Ori tools. Hole attitude was surveyed using Champ gyro.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed.	• Volume of material collected from each metre interval of RC 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%. Sample recovery of the diamond core is recorded on blocks after each run.
	• Measures taken to maximise sample recovery and ensure representative nature of the samples.	• Samples were collected through a cyclone and split using a cone splitter. One duplicate sample is submitted for every 25 samples. Diamond drilling samples are half- or quarter-cored using a large diamond blade core saw.
	• 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.	• 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.	• Core and RC chips are logged visually by qualified geologists. Lithology, structures when possible, textures, colours, alteration types and minerals estimates are recorded. Diamond core is also geotechnically logged.
	• Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	• Each interval of core displaying features of geological interest is photographed and recorded prior to eventual sampling and assay. Representative chips are retained in trays for each metre interval drilled, with sections of interest photographed.
	• The total length and percentage of the relevant intersections logged.	•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.	• Diamond drilling samples are half cored using a large diamond blade core saw and quarter cored when duplicates were taken.
	• If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	• RC samples were collected through a rig-mounted cyclone and split using rig-mounted cone splitter. Most samples obtained were sufficiently dry for this process to be effective.
	• For all sample types, the nature, quality and appropriateness of the sample preparation technique.	• Core samples comprised cut core and RC samples comprised three spear samples taken from different directions into the material for each metre interval. The samples were sent to SGS in Perth for Au by 50g fire assay and a 7 element analysis by 4 acid digest. Sample preparation techniques are well-established standard industry best practice techniques. Drill chips and core 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. One duplicate sample is submitted for every 25 samples, approximately.
	• 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 using ICP AES and ICP IMS following four-acid digest for the 7 element analyses; and Fire Assay for gold following a four-acid digest in Teflon tubes of a 50g 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 Ltd follows the manufacturer's recommended calibration protocols and usage practices but does not consider XRF readings sufficiently robust for public reporting. Thundelarra Ltd 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. The

		laboratory uses check samples and assay standards to complement Thundelarra's duplicate sampling procedures.
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 programme 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. • Specification of the grid system used. • Quality and adequacy of topographic control.	• Collar locations were located and recorded using hand-held GPS (Garmin 60Cx model) with a typical accuracy of ±3m. Down-hole surveys are carried out on holes exceeding 100m length with readings taken every 50m at least using a Reflex EZ-track tool. • The map projection applicable to the area is Australian Geodetic GDA94, Zone 50. • Topographic control is based on standard industry practice of using the GPS readings. Local topography is relatively flat. Detailed altimetry (and thus the reporting of RLs for each drill collar) is not warranted.
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • 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.	• 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. • This is still early stage exploration and is not sufficiently advanced for this to be applicable. • Various composite sampling was applied depending on the geology of the hole. All sample intervals are reported in Appendix 1. Zones where geological logging and/or XRF analyses indicated the presence of mineralised intervals were sampled on one metre intervals.
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. • 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.	• This drill programme is the third at the project. To date there is insufficient data to establish, with certainty, true widths, orientation of lithologies, relationships between lithologies, or the specific nature of any structural controls. The main aim of this programme is to generate geological data to develop an understanding of these parameters and early results are beginning to show success. Based on evaluation of the data to date, the true width of the mineralised zone at Lydia appears to be at least 30m wide. • Data collected so far presents no suggestion that any sampling bias has been introduced.
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 this programme 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 Garden Gully Project comprises fourteen granted prospecting licences P51/2909, P51/2910, P51/2911, P51/2912, P51/2913, P51/2914, P51/2760, P51/2761, P51/2762, P51/2763, P51/2764, P51/2765, P51/2941, P51/2948, and two granted exploration licences E51/1661, and E51/1737, totalling approximately 78 square kilometres

	• 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.	in area. THX holds a 100% interest in each lease. The project is partially located in the Yoothapina pastoral lease, 15km north of Meekatharra, in the Murchison of WA. • The licences are 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.	• First workings in the Garden Gully area: 1895 - 1901 with the Crown gold mine. 264 tonnes gold at 1.99 oz/t average (~ 56 g/t Au). Maximum depth~24m. Kyarra gold mine (1909 – 1917): 18,790 oz gold from quartz veins in "strongly sheared, decomposed, sericite rich country rock". - Seltrust explored for Copper and Zinc from 1977, reporting stratigraphically controlled "gossanous" rock from chip sampling and drilling. - In 1988, Dominion gold exploration at Crown defined a >100ppb gold soil anomaly. RAB to 32m: "no significant mineralisation": drilling was "sub-parallel to the dip of mineralisation". Best intersection: 15m at 2.38g/t from 5m. - 1989 at Lydia: Julia Mines RAB drilled 30 m intervals 100m apart across the shear zone targeting the arsenic anomaly. 12m at 5.16 g/t Au from 18m; 6m at 3.04 g/t Au from 18m. No samples deeper than 24m due to poor recovery, so open at depth in the prospective shear zone. Julia also drilled shallow aircore at Crown mine, returned best intersection of 2m at 0.4g/t Au from 34m in quartz veins in felsic volcanics. - In 1989, Matlock Mining explored North Granite Well and Nineteenth Hole. Best result 8m at 2.1 g/t Au. Supergene zone: grades to 3.17 g/t Au and still open. - 1993 – 2003: St Barbara Mines: RAB, RC on E51/1661. Gold associated with black shale (best: 1m at 0.64 g/t). - 1996, Australian Gold Resources RAB and RC drilling found Cu, Zn and Ag anomalies (up to 1800ppm Cu, 1650ppm Zn and 3.8 g/t Ag) associated with saprolitic clay and black shales at 60-80m deep on current E51/1661. - 2001-2002, Gamen (Bellissimo & Red Bluff Noms) trenched, sampled, mapped and RC drilled at Crown. Results (up to 0.19 g/t Au) suggests the presence of gold mineralisation further to the east of Crown gold mine. - 2008 – 2009: Accent defined targets N and S of Nineteenth Hole from satellite imagery and airborne magnetics. • Exploration at Battery started in the late 19th century with the discovery of the old Battery mine, which was exploited at the same time as the Crown and Kyarra gold mines in the late 19th and into the early 20th centuries. Limited exploration followed until 1987 to 1990, when Dominion Mining started exploring south and east of the old Battery mine. Results of RAB drilling show a 1,200m long Au-As anomaly east and south-east of the old Battery mine. Best intersects were 2m at 1.19g/t Au and 2m at 1.03g/t Au. In 1993, Defiance Mining drilled three lines of RAB: 91 holes for 2,583m. Best intersect was 4m at 0.44g/t Au.
Geology	• Deposit type, geological setting and style of mineralisation.	• The Garden Gully project lies on the south-eastern limb of the Abbotts Greenstone Belt; comprised of Archaean rocks of the Greensleeves Formation (Formerly Gabanintha); a bimodal succession of komatiitic volcanic mafics and ultramafics overlain by felsic volcanics and volcaniclastic sediments, black shales and siltstones and interlayered with mafic to ultramafic sills. Regional synclinal succession trending N-NE with a northern fold closure postdating E-W synform, further transected by NE trending shear zones, linearity with the NE trend of the Abernethy Shear, which is a proven regional influence on structurally controlled gold emplacement in Abbotts and Meekatharra Greenstone Belts and in the Meekatharra Granite and associated dykes.

		- The Project is blanketed by broad alluvial flats, occasional lateritic duricrust and drainage channels braiding into the Garden Gully drainage system. Bedrock exposures are limited to areas of dolerite, typically massive and unaltered. Small basalt and metasediment outcrops exist, with some exposures of gossanous outcrops and quartz vein scree. - Gold bearing quartz reefs, veins and lodes occur almost exclusively as siliceous impregnations into zones within the Kyarra Schist Series, schistose derivatives of dolerites, gabbros and tuffs, typically occurring close to axial planes of folds and within anastomosing ductile shear zones. At the Battery prospect, horizons of graphitic shale with local massive sulphides are interposed between the locally deformed and sheared mafic/ultramafic intrusives of the Greensleeves formation. Intrusions of quartz-porphyry are also observed. Gold mineralisation is localised in quartz veins with arsenopyrite, within the massive sulphides and at or near the contacts between black shales, quartz porphyry and mafic schist. Primary gold mineralisation in quartz feldspar porphyry has been observed at depth in recent drilling: porphyry is also recorded in historical reports on Crown Prince / Kyarra.
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: • 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.	• All relevant drillhole details are presented in Table 1. • The principal geologic conclusion of the work reported from this programme at the Battery Prospect confirms the presence of significant widths of gold mineralisation related to a wide shear zone cross-cutting a folded and tectonised shaley sequence hosting massive sulphides, with altered dykes of quartz-feldspar porphyries. Extensive primary gold mineralisation is present below the base of oxidation. This primary mineralisation (often associated with sulphides as pyrite and arsenopyrite), offers an exceptionally positive outlook for the potential of the prospect to host gold mineralisation of commercial scale. The proof of such potential will be further tested in follow-up drilling, which will include diamond drilling to permit structural parameters to be identified and thus structural controls interpreted.
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.	• All summary information of significant drill intercepts is presented in Table 2. Full assay data are recorded in Appendix 1. No assay grades have been cut. • Arithmetic weighted averages are used. For example, 125m to 131m in TGGRC061 is reported as 6m at 1.55gpt Au. This comprised 6 samples, each of 1m, calculated as follows: [(1*3.48)+(1*0.55)+(1*0.46)+(1*0.62) +(1*2.11)+(1*2.10)] = [9.32/6] = 1.55 gpt Au. • No metal equivalent values are 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').	• Insufficient geological data have yet been collected to confirm the geometry of the mineralisation. It is hoped that the next drilling programmes may confirm the current interpretation and afford greater certainty. • True widths at Battery are not yet ascertained and geometry is still to be determined. Reported intercepts are downhole intercepts and are noted as such. The main aim of the programmes to date has been to generate geological data to develop an understanding of the orientation of lithologies, relationships between lithologies, and specifics of the structural controls on mineralisation. Results so far are beginning to show success: evaluation of the data gathered to date suggest the true width of the mineralised zone at Lydia is at least 30m wide.

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.	• Relevant location maps and figures are included in the body of this announcement. Insufficient data have yet been collected to allow meaningful cross-sections to be drawn with confidence. Figure 4 presents a preliminary cross-sectional interpretation of the geological setting.
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 the results of all Au assays for the six RC holes drilled at Battery, plus selective sampling of diamond tail TGGRCDD063. Results of additional systematic assaying of TGGRCDD063 are pending and will be announced once the results are available. The reporting of the results to hand is comprehensive and thus by definition balanced. It represents the second set of results of the larger Phase 3 programme to investigate the possible mineralisation at Garden Gully.
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 programme. As additional relevant information becomes available it will be reported and announced to provide context to current and planned programmes.
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.	• Further deep RC drilling, together with diamond drilling to assist in structural interpretations, is planned to commence at Battery as soon as practicable to test the potential for repetitions or continuations at depth of the primary gold mineralisation discovered in this programme. • Figure 5 provides a broad overview of the potential geological targets at the Garden Gully Project that are still to be tested by follow up drilling. Further details will be provided when available.

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