THUNDELARRA

ASX/Media Announcement

28 November 2017

AGGRESSIVE DRILLING AT GARDEN GULLY

Thundelarra is pleased to update shareholders on the progress of the diamond and reverse circulation drilling programmes currently underway at our exciting Garden Gully project.

- **Nine diamond holes drilled so far for 1,244m advance**
- **Thirty reverse circulation holes drilled so far for 7,150m advance**
- **Logged mineralised zones have been sampled for assay**
- **Assay results currently pending from the sampled holes**
- **20,871m RC and 2,032m diamond drilled in total since mid-2016**
- **Drilling still continuing with diamond and RC rigs**

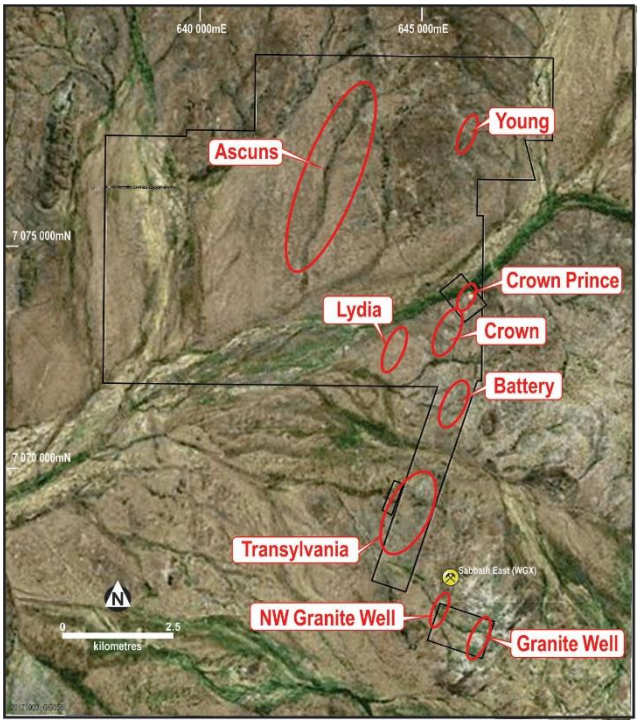

Figure 1. Garden Gully prospects on LandSat image.

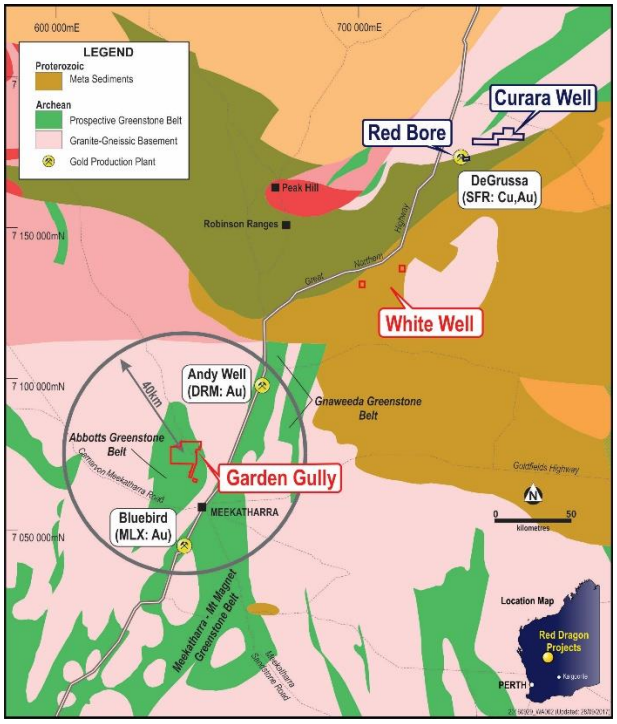

Figure 2. Garden Gully regional location.

Assays are pending from a number of holes that have been sampled and submitted to the laboratory. Results will be reported as soon as they are available. The occurrences of visible gold in two separate diamond holes drilled at Crown Prince (TGGDD090 and TGGRCDD110, reported in ASX announcements of 01 and 15 November 2017) clearly demonstrate that primary gold mineralisation is extending at least 130m below the level of the historical workings. The relevant sections of core have been cut and sampled and the visible gold intervals are among the assays pending.

Details of the diamond and RC holes drilled so far (39 in total) are presented in Table 1. Maps showing the collar locations and drill traces for each prospect are shown in Figures 3 to 6.

Hole ID	Easting	Northing	Prospect	Lease	Depth (m)	Azimuth	Dip
TGGDD086	645855	7073766	Crown Prince	P51/3009	219.6	055	-50
TGGRC087	644254	7072762	Lydia	P51/2909	173	060	-60
TGGRC088	644248	7072733	Lydia	E51/1661	179	045	-60
TGGRC089	644246	7072698	Lydia	E51/1661	209	045	-70
TGGDD090	645858	7073764	Crown Prince	P51/3009	229	075	-60
TGGRC091	644250	7072799	Lydia	P51/2909	191	060	-60
TGGRC092	644279	7072851	Lydia	P51/2909	157	060	-60
TGGRC093	644319	7072956	Lydia	P51/2762	149	060	-60
TGGRC094	644234	7072955	Lydia	P51/2762	281	060	-60
TGGRC095	644241	7072900	Lydia	P51/2909	233	060	-60
TGGRC096	644264	7072828	Lydia	P51/2909	179	060	-60
TGGRC097	644217	7072818	Lydia	E51/1661	255	060	-60
TGGRCDD098	644266	7072777	Lydia	P51/2909	147.8	060	-60
TGGRCDD099	645854	7073714	Crown Prince	P51/3009	213.6	040	-60
TGGRC100	645810	7073755	Crown Prince	P51/3009	127	075	-60
TGGRC101	645720	7073805	Crown Prince	P51/3009	215	100	-60
TGGRC102	645807	7073798	Crown Prince	P51/3009	215	080	-60
TGGRC103	645807	7073748	Crown Prince	P51/3009	293	065	-70
TGGRC104	645810	7073562	Crown Prince	P51/3009	209	060	-60
TGGRC105	645802	7073703	Crown Prince	P51/3009	257	070	-60
TGGRC106	645799	7073557	Crown Prince	P51/3009	323	090	-70
TGGRC107	645258	7072792	South Crown	P51/2909	160	060	-60
TGGRCDD108	645909	7073661	Crown Prince	P51/3009	294.6	360	-60
TGGRC109	645806	7073747	Crown Prince	P51/3009	160	075	-70
TGGRCDD110	645786	7073742	Crown Prince	P51/3009	357.8	075	-70
TGGRC111	645813	7073829	Crown Prince	P51/3009	229	080	-60
TGGRC112	644233	7072733	Lydia	E51/1661	185	060	-60
TGGRC113	644224	7072761	Lydia	E51/1661	212	060	-60
TGGRC114	644237	7072752	Lydia	E51/1661	173	060	-60
TGGRCDD115	644341	7072455	Lydia	E51/1661	204.8	070	-65
TGGRCDD116	644341	7072455	Lydia	E51/1661	213.8	070	-70
TGGRC117	645795	7073561	Crown Prince	P51/3009	209	130	-70
TGGRCDD118	645770	7073735	Crown Prince	P51/3009	345.8	070	-70
TGGRC119	645869	7071154	Battery	P51/2910	263	230	-70
TGGRC120	645669	7070847	Battery	P51/2910	215	310	-60
TGGRC121	644659	7069192	Transylvania	P51/2911	191	060	-70
TGGRC122	644736	7069254	Transylvania	P51/2911	185	290	-70
TGGRC123	644742	7069244	Transylvania	P51/2911	143	290	-70
TGGRC124	644627	7069394	Transylvania	P51/2911	197	050	-60

Table1. Drillhole details for the diamond and reverse circulation holes drilled to date in the current programme. "TGRC" = reverse circulation; "TGDD" = diamond; "TGRCDD" = diamond tail on an RC precollar. RLs not displayed individually as there is insufficient topographic variance to warrant detailed altimetric measurements between holes. General RL is 480m. Australian Geodetic Grid GDA94-50. Magnetic azimuth recorded.

Historical gold production totalled about 21,000 ounces at approximately 21 grams per tonne and was sourced from a maximum reported depth of 120m. The current drilling will help us gain a clear understanding of the geology and structures controlling the mineralisation, which in turn will allow us to target effectively for extensions to that mineralisation.

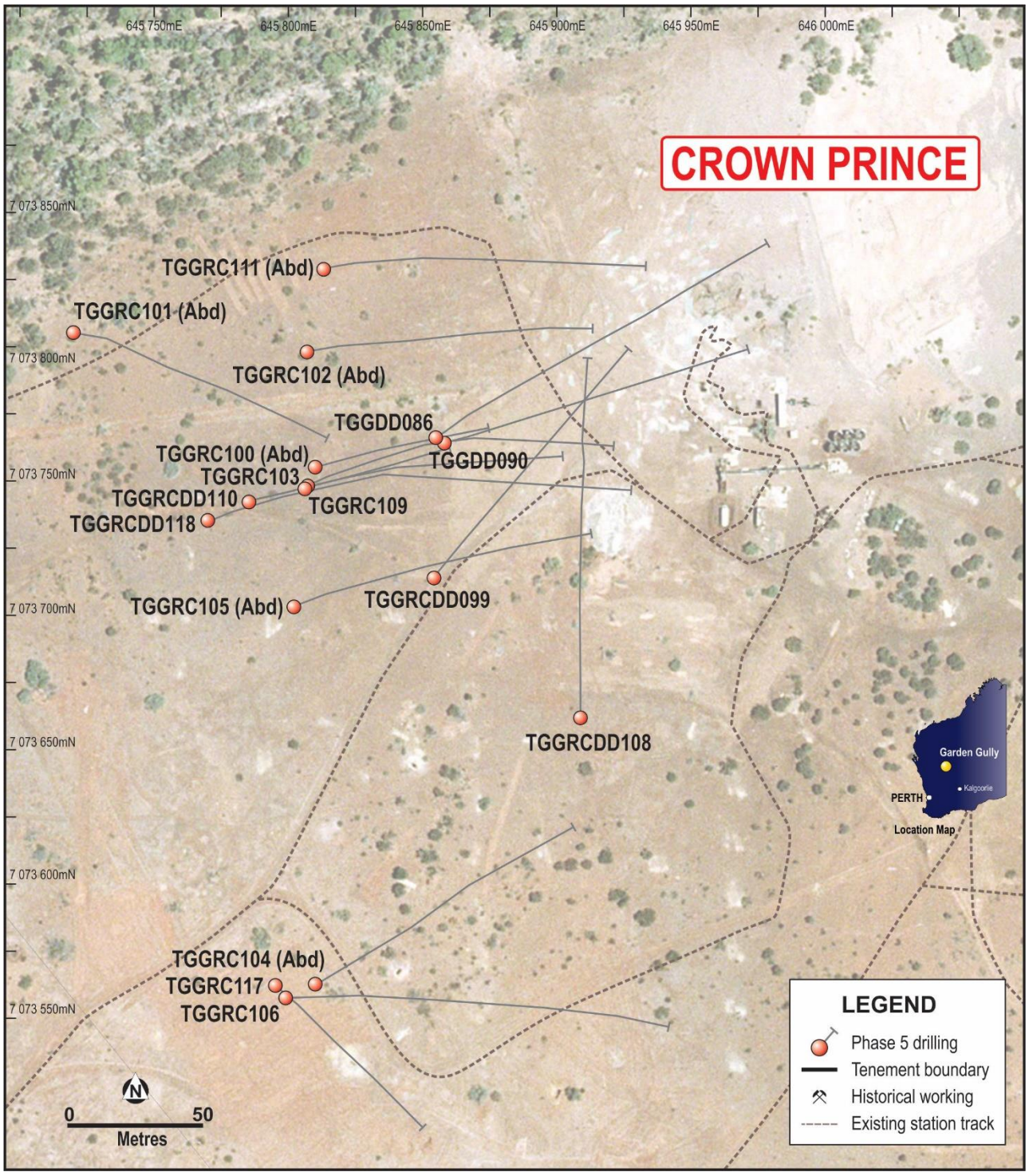

Figure 3. Drill collar locations and drillhole traces from the holes drilled at Crown Prince in the current Garden Gully phase 5 drilling programme.

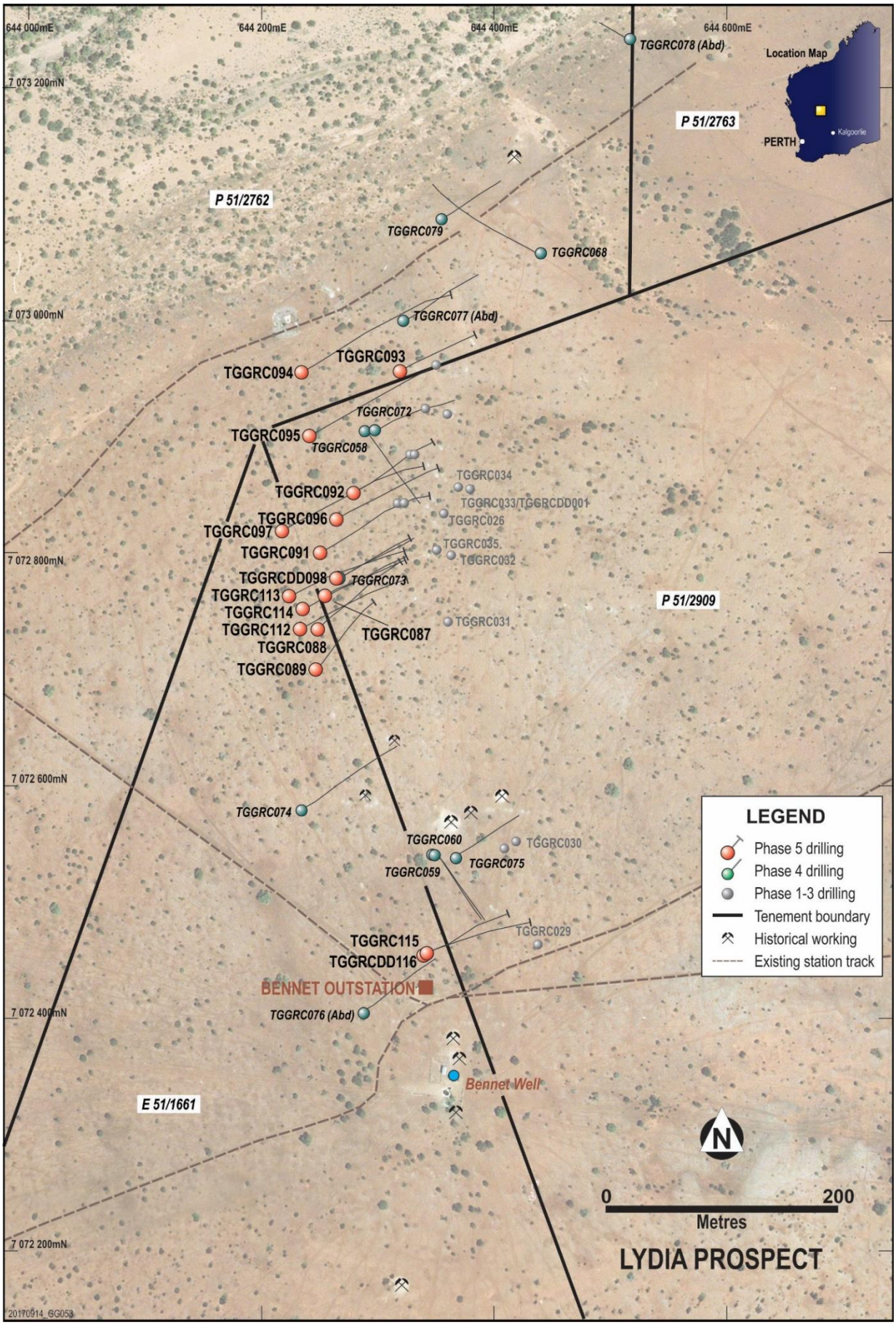

Figure 4. Drill collar locations and drillhole traces from the holes drilled at Lydia Prospect in the current Garden Gully phase 5 drilling programme.

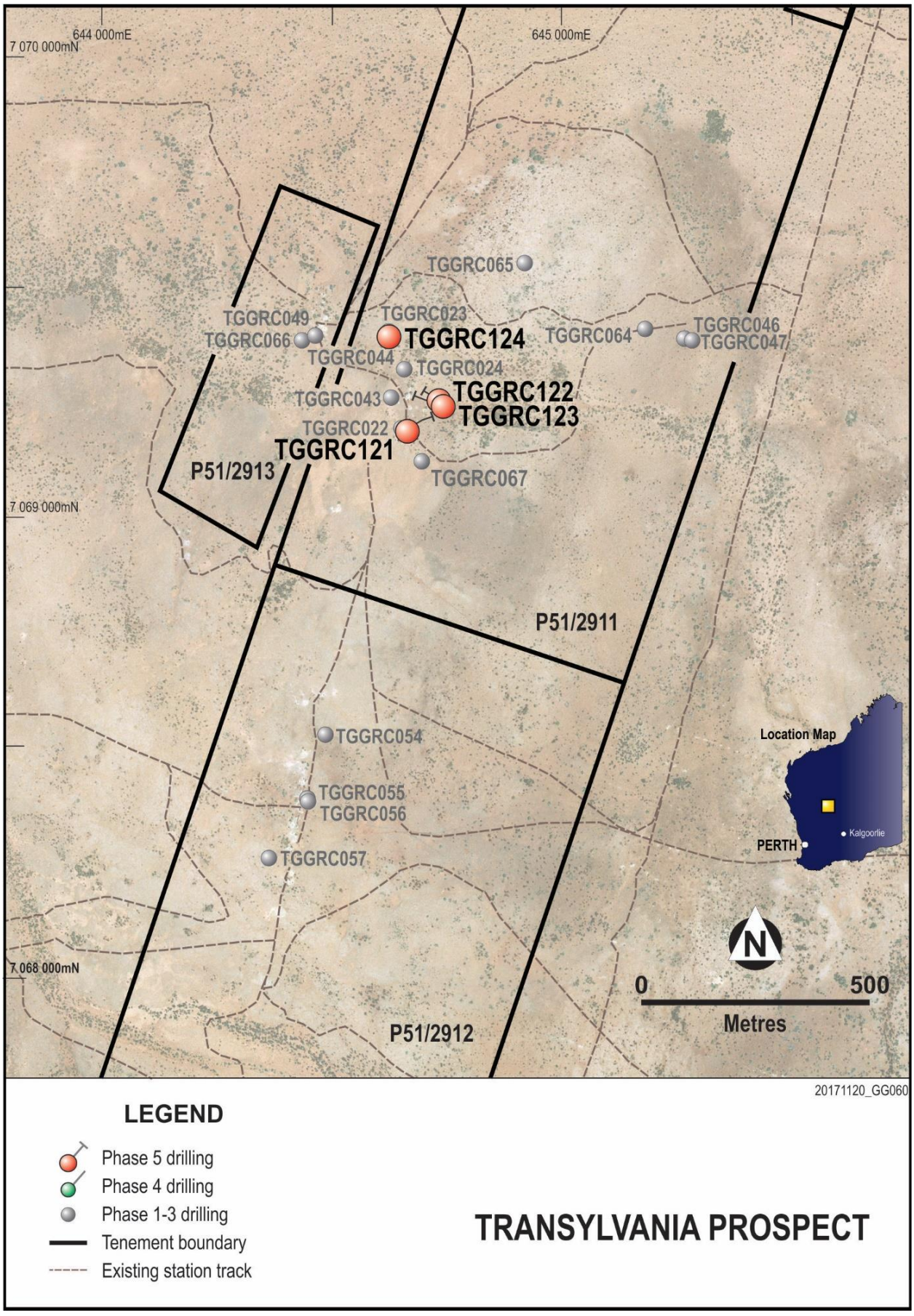

Figure 5. Drill collar locations and drillhole traces from the holes drilled at the Transylvania Prospect in the current Garden Gully phase 5 drilling programme.

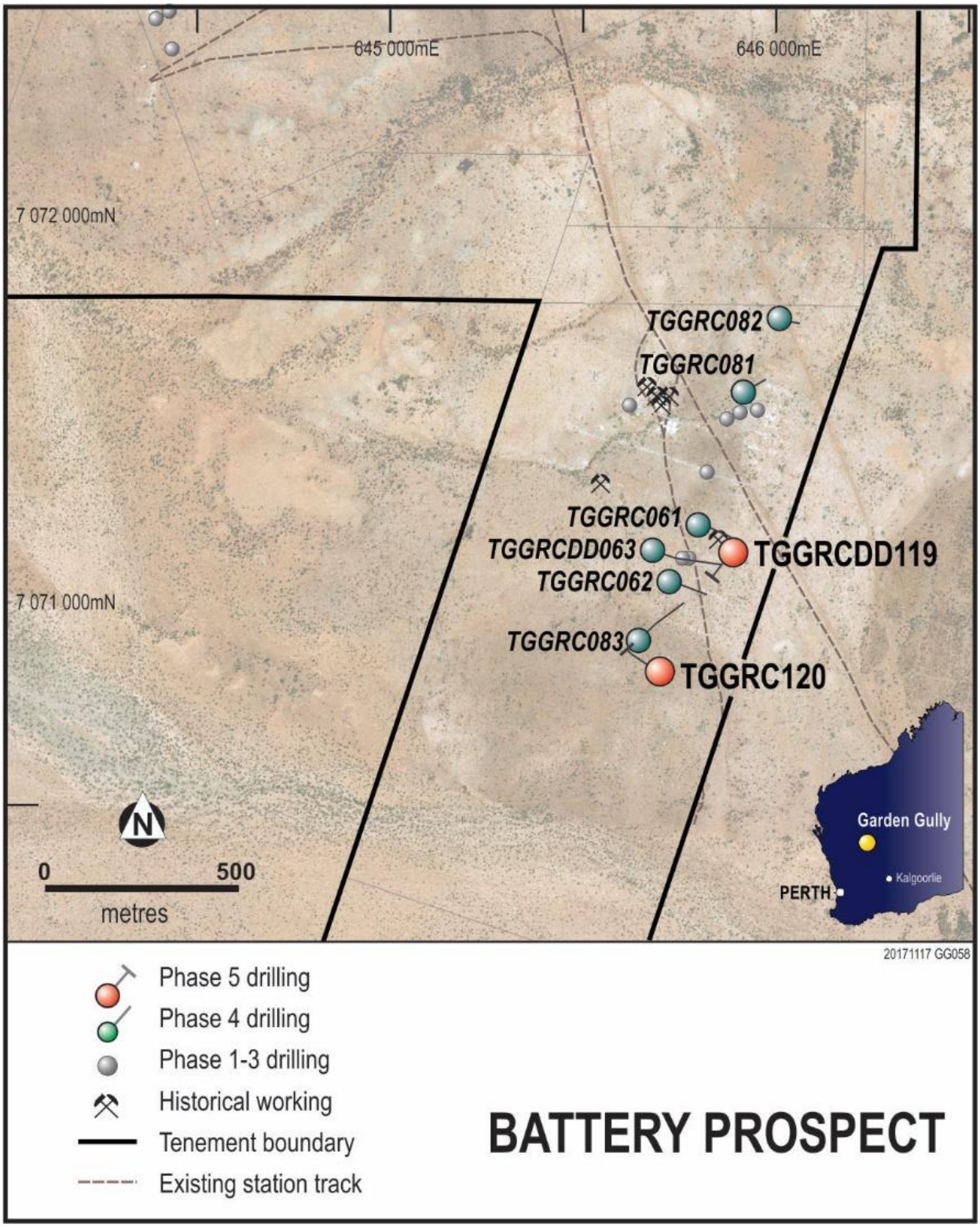

Figure 6. Drill collar locations and drillhole traces from the holes drilled at the Battery Prospect in the current Garden Gully phase 5 drilling programme.

About Garden Gully.

Thundelarra's wholly-owned Garden Gully project comprises 15 granted Prospecting Licences and 2 granted Exploration Licences covering about 78 square kilometres, located in Western Australia's Murchison region about 20 kilometres north-west of the town of Meekatharra.

Thundelarra began exploration at Garden Gully in mid-2016 and drilled 85 reverse circulation holes (13,721m) and 2 diamond holes (788m) (Phases 1 to 5) prior to the 3,500m RC and 3,000m diamond programmes currently underway. Our aggressive approach to exploring the exciting prospects here continues.

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THUNDELARRA LIMITED		**ASX Code**
Quoted Shares:	**635.1M**	**THX**
Quoted Options:	**109.3M**	**THXOB**

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.	• This report only presents the physical parameters of the drill holes completed to date in the current diamond and reverse circulation drilling programme. Assays, together with details of the applicable sampling techniques, will be reported together when the assays are available and have been collated. • 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).	• Diamond holes are being drilled at HQ size (63.5mm diameter) by a track mounted Desco 7000 with automated break outs using triple tube coring to maximise core recovery. All support equipment is all-wheel drive. Core was oriented using NQ REFLEX Ori tools. Hole attitude where surveyed uses Champ gyro. Reverse circulation holes are 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.
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.	• To date the recording of the recovered core is by visual inspection. Core recovery is recorded after each run. • Using triple tube coring to maximise core recovery. •Details of sampling techniques and recovery will be presented when assay results are reported. Assays are pending so no information is yet available to comment on any relationship between sample recovery and grade.
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.	• Core and chips are being logged visually by experienced and competent geologists. • Each interval of core is being photographed and recorded prior to eventual sampling and assay. • 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. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • 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. • Whether sample sizes are appropriate to the grain size of the material being sampled.	• Assays are pending. Sub-sampling techniques ans practices will be reported when assays are reported.

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. • 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. • 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.	• Assays are pending. • Handheld XRF equipment, where used, is an Olympus Delta XRF Analyser Thundelarra follows the manufacturer's recommended calibration protocols and usage practices. • Assays are pending. QC procedures will be reported with the assay results.
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.	• Not relevant as assays are still pending. • 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. • Not relevant as assays are still pending.
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 typical accuracy of ±3m. Down-hole surveys every ~50m using a Reflex EZ-track tool or Champ gyro as applicable. • 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 essentially flat across the project at RL 480m. 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. • Not relevant as assays are still pending.
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.	• Not relevant as assays are still pending. • Not relevant as assays are still pending. A main objective of this programme is to obtain relevant geological information that allows this issue to be evaluated.
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.	• Not relevant as assays are still pending.

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 fifteen 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, P51/3009 and two granted exploration licences E51/1661, and E51/1737, totalling approximately 78 square kilometres in area. THX holds a 100% interest in each lease.

	• 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 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 and Figures 1 to 6. • Assays are still pending.
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.	• Not relevant as assays are still pending.
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. The current drilling programmes aim to confirm our interpretation and afford greater certainty. • Not relevant as assays are still pending.
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 (Figures 1 to 6). Cross-sections are not relevant as this report is not announcing results.
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.	• Not relevant as assays are still pending.
Other substantive	• Other exploration data, if meaningful and material, should be reported including, but not limited to: geological observations; geophysical survey results; geochemical	• Not relevant as assays are still pending.

exploration data	survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density; groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	
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.	• The current programme of RC and diamond drilling continues. Further work will be planned once full results of this programme have been received and evaluated. • Figure 1 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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