THUNDELARRA

ASX/Media Announcement

20 February 2018

GARDEN GULLY: FURTHER PROMISE AT TRANSYLVANIA

Thundelarra is pleased to provide an update on the recent diamond and reverse circulation drilling at the other prospects, including Transylvania and Battery, that form part of our exciting Garden Gully gold project near Meekatharra, a well-established and proven gold production centre in Western Australia's Murchison Province.

- ***20 reverse circulation ("RC") holes drilled for 3,843m advance***
- ***1 diamond ("DD") tail drilled for 179m advance***
- ***Drilling tested targets at four Garden Gully prospects***
- ***New significant intersections at Transylvania (downhole widths):***
  3m at 8.3 gpt Au *from 68m in TGGRC123; within*
  8m at 3.3 gpt Au *from 67m*
- ***New significant intersections at Battery (downhole widths):***
  4m at 2.6 gpt Au *from 52m in TGGRC137; within*
  6m at 1.9 gpt Au *from 52m*
- ***Previously announced intersections at Transylvania***
  2m at 4.4 gpt Au *from 108m in TGGRC044; within*
  7m at 1.3 gpt Au *from 107m*
  2m at 6.1 gpt Au *from 106m in TGGRC022; within*
  6m at 2.8 gpt Au *from 103m*
- ***Previously announced intersections at Battery***
  4m at 3.3 gpt Au *from 164m in TGGRC053; within*
  8m at 2.0 gpt Au *from 164m*

Evaluation of new data from drilling at Transylvania, Battery, South Crown and Granite Well continues to support the possible existence of a large mineralised system at depth beneath Garden Gully, acting as a single source for the mineralisation at these prospects and at Lydia and Crown Prince. Next drilling programmes will work towards delivering maiden resources at both the Crown Prince and the Lydia prospects and at identifying new mineralised structures to contribute to the Garden Gully project's inventory.

Results from over 26,000m drilled in 141 holes (23,556m RC; 2,523m DD) since mid-2016 continue to support the potential for a major new gold discovery at Garden Gully, located in one of Western Australia's most productive gold provinces.

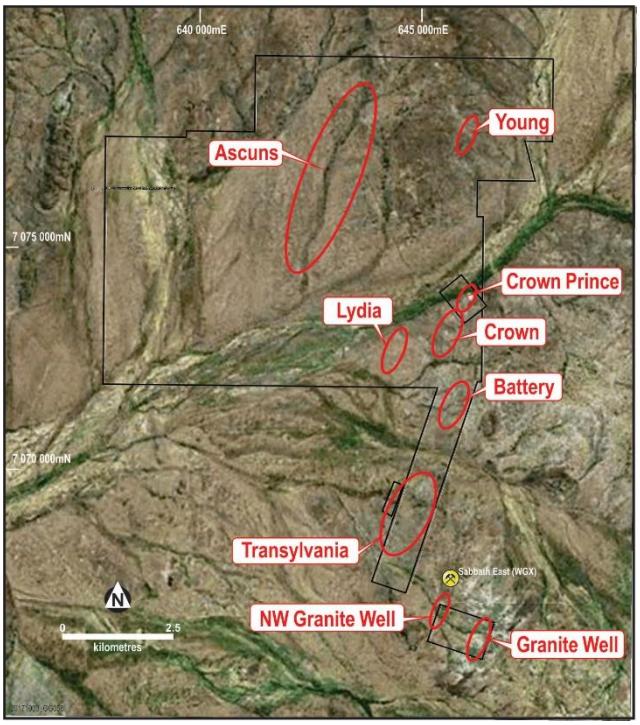

Figure 1. Garden Gully prospects on LandSat image.

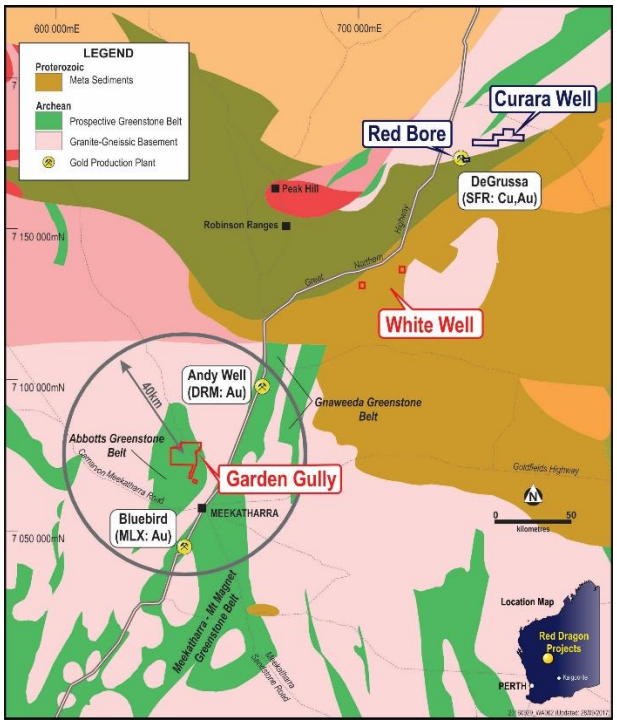

Figure 2. Garden Gully regional location.

Hole ID	Easting	Northing	Depth (m)	Azimuth	Dip		Prospect	Lease
TGGRC107	645258	7072792	160	060	-60	abd	South Crown	P51/2909
TGGRC119	645869	7071154	263	230	-70		Battery	P51/2910
TGGRC120	645669	7070847	215	310	-60		Battery	P51/2910
TGGRC121	644659	7069192	191	060	-70		Transylvania	P51/2911
TGGRC122	644736	7069254	185	290	-70		Transylvania	P51/2911
TGGRC123	644742	7069244	143	290	-70		Transylvania	P51/2911
TGGRC124	644627	7069394	197	050	-60		Transylvania	P51/2911
TGGRC126	644739	7069342	161	240	-60		Transylvania	P51/2911
TGGRC127	644748	7069344	155	240	-70		Transylvania	P51/2911
TGGRC128	644728	7069195	89	240	-60		Transylvania	P51/2911
TGGRC130	645265	7069587	215	060	-60		Transylvania	P51/2911
TGGRC131	644185	7067652	167	090	-60		Transylvania	P29/2912
TGGRC132	644253	7067675	155	230	-60		Transylvania	P29/2912
TGGRCDD133	646049	7065960	435.6	110	-75		Granite Well	P51/2914
TGGRC134	644264	7068138	215	060	-60		Transylvania	P29/2912
TGGRC135	644778	7069111	183	240	-60		Transylvania	P51/2911
TGGRC136	644814	7069584	263	240	-60		Transylvania	P51/2911
TGGRC137	645957	7071364	137	340	-60	abd	Battery	P51/2910
TGGRC138	645905	7071579	11	300	-60	abd	Battery	P51/2910
TGGRC139	645909	7071581	275	300	-60		Battery	P51/2910
TGGRC140	645728	7070901	207	340	-60		Battery	P51/2910

Table 1. Details for latest holes drilled at Garden Gully prospects other than Lydia and Crown Prince (already reported). "TGGRC" = reverse circulation; "TGGDD" = diamond; "TGGRCDD" = diamond tail on an RC pre-collar. 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 reported.

Collar locations and surface traces for each hole drilled at Garden Gully's prospects in the latest programme (other than those already reported at Lydia and Crown Prince in ASX announcements dated 17 January 2018 and 08 February 2018) are given in Table 1 and Figures 3 and 4. These 20 RC holes and 1 DD tail tested targets at the **Transylvania, Battery, South Crown and Granite Well** prospects (Table 1, Figures 3 and 4). Three of the RC holes had to be abandoned before reaching the target zones due to difficult ground conditions.

The latest exploration drilling programme at Thundelarra's Garden Gully Project delivered a total advance of 11,648.9m in 55 holes, comprising 9,710m advance in 44 RC holes, of which eight were pre-collars finished with diamond tails; and 1,938.90m advance in the 11 DD holes.

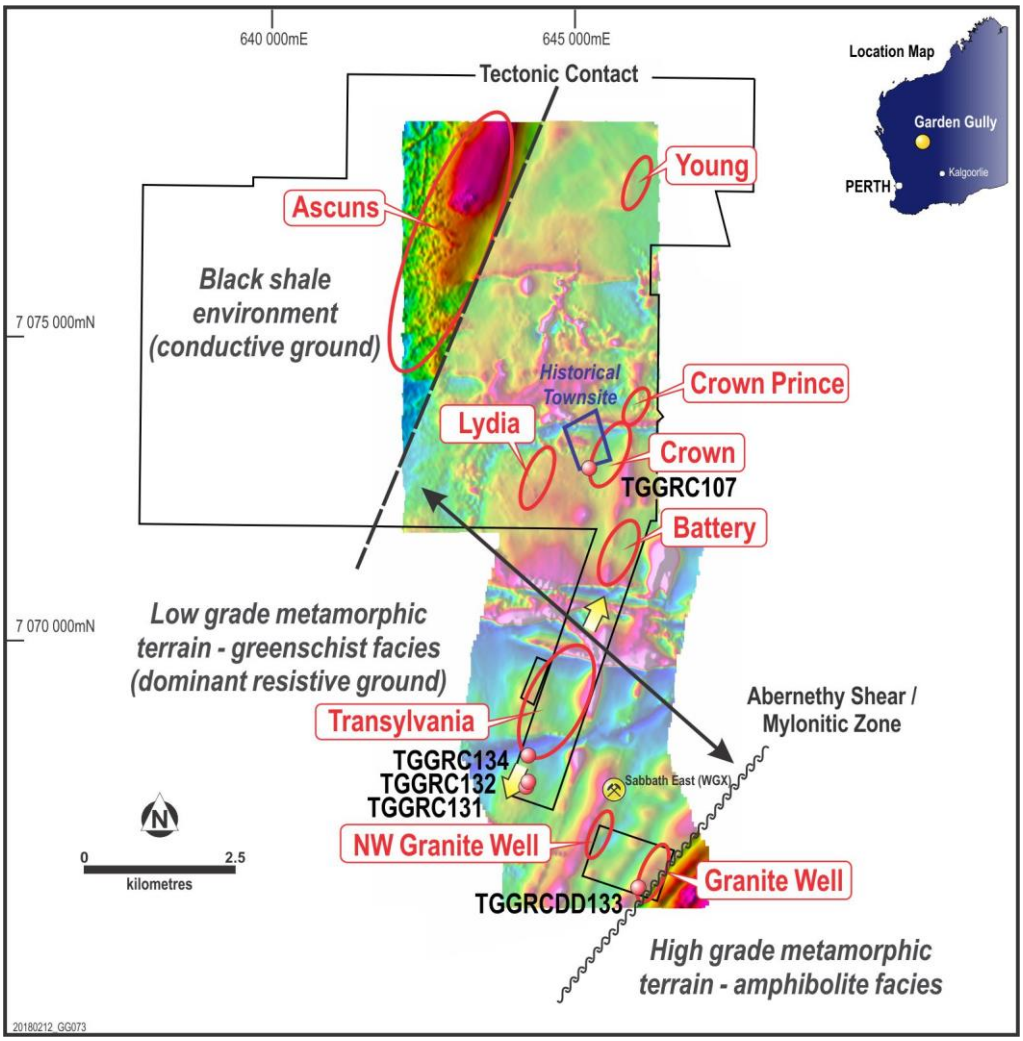

Figure 3. Prospect locations; and locations and distribution of collars for holes drilled at South Crown, southern Transylvania, and Granite Well shown on TMI image.

TGGRC107 targeted southern extensions of a narrow gold intersection reported from a historical air core drill line drilled within the currently excised townsite area at the **South Crown** prospect. Low level of gold anomalism was intersected: 6m at 0.3 g/t Au from 145-151m. The hole was abandoned due to broken ground and water ingress before the target depth could be reached.

At the **Battery** prospect (Table 1, Figures 3, 4) **TGGRC119** targeted the south/south-westerly steep plunging mineralised shoots within the main shear zone. It intersected wide zones of arsenic and gold anomalism. Best intersections were **1m at 3.5 g/t Au** from 107m within 7m at 1.0 g/t Au from 101m; and 2m at 1.2 g/t Au from 36m down hole. (Table 2, Appendix 1).

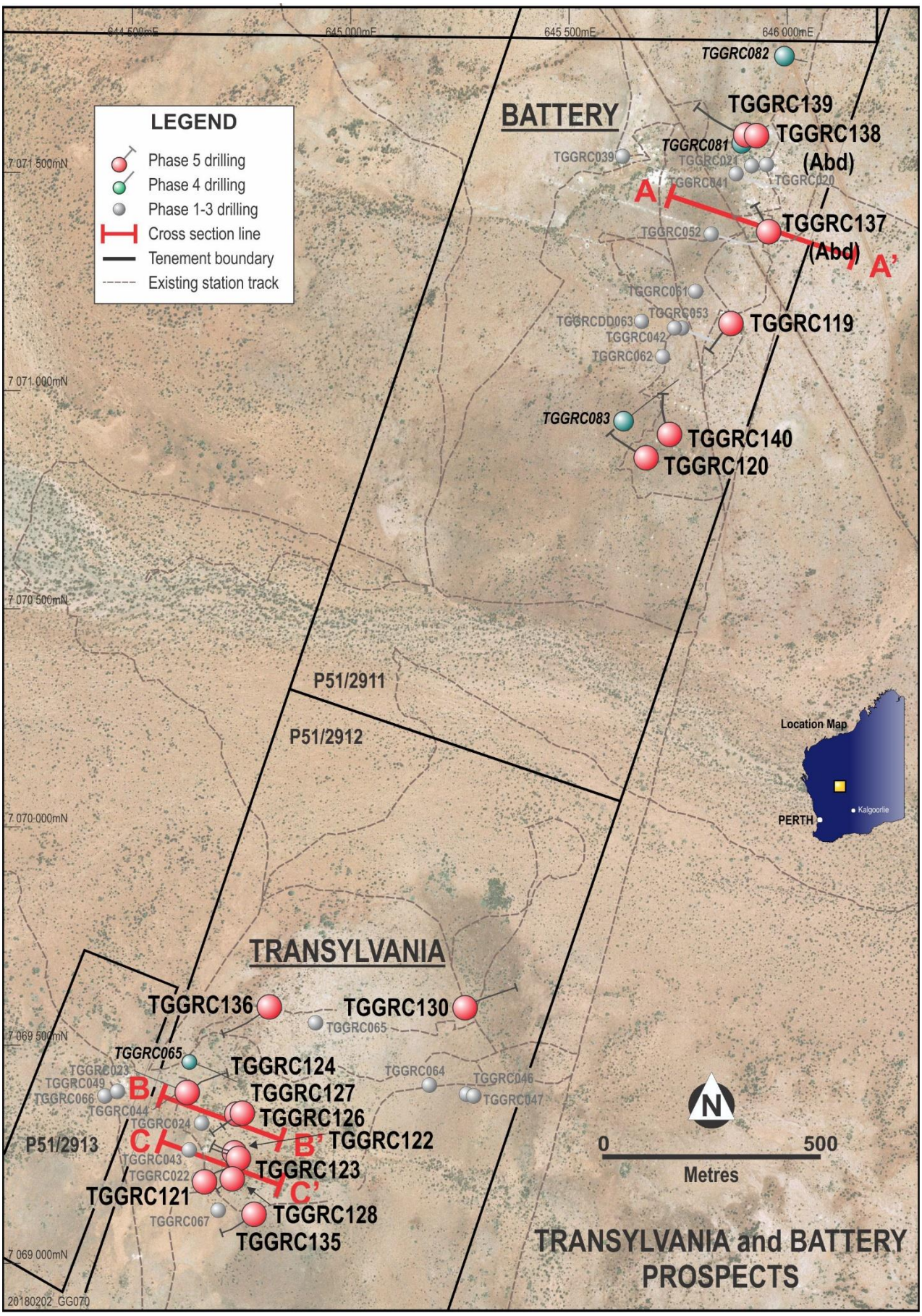

Figure 4. Distribution and surface projection of drill hole traces at Transylvania and Battery prospects.

TGGRC120 was drilled to close off the arsenic trend at the south-western end of the **Battery** trend (Figure 5). The hole intersected a magnetic Proterozoic gabbro dyke before transecting a strongly deformed ultramafic sequence, but no indications of potential gold anomalism were observed and consequently no samples were submitted for assay.

Hole No	From	To	Interval	Au (g/t)	Comments
TGGRC119	36m	38m	2m	**1.2**	**Battery**
	101m	103m	2m	**1.2**	
and	107m	108m	**1m**	**3.5**	
within	101m	108m	7m	**1.0**	
TGGRC122	27m	30m	**3m**	**2.3**	**Transylvania**
TGGRC123	68m	71m	**3m**	**8.3**	**Transylvania**
within	67m	75m	**8m**	**3.3**	
TGGRC126	28m	32m	**4m**	**2.1**	**Transylvania**
within	28m	36m	8m	**1.5**	
TGGRC127	32m	35m	3m	**1.2**	**Transylvania**
within	32m	40m	8m	**0.8**	
TGGRC137	52m	56m	**4m**	**2.6**	**Battery**
within	52m	58m	6m	**1.9**	

Table 2. Significant intercepts from drillholes at Battery and Transylvania prospects. Full assay data are presented in Appendix 1.

TGGRC121 at **Transylvania** was drilled at a steeper angle behind previous hole TGGRC022 to follow up the down dip extension of gold mineralisation intersected in that hole (**6m at 2.8 g/t A**u from 103-109m, including **2m at 6.2 g/t Au** from 106-108m: ASX report dated 14 September 2016). The hole did not intersect any geological or structural features indicating the possible presence of gold anomalism and so no samples were submitted for assay.

Evaluation of the findings from TGGRC121 led to the decision to drill north-westerly instead and **TGGRC122** successfully intersected gold mineralisation hosted by sheared mafic schists within the weathering profile (**3m at 2.3 g/t Au** from 27-30m down hole). Hole **TGGRC123** was then drilled behind TGGRC122 and intersected high-grade gold mineralisation down dip: **3m at 8.3 g/t Au** from 68-71m within **8m at 3.3 g/t Au** from 67-75m down hole. This mineralisation defined a new sub-vertical mineralised shear (Figure 6).

TGGRC124 was drilled north-easterly on the northern end of the **Transylvania** mineralised shear (Figure 5). It targeted the potential for along-strike extensions of the mineralisation intersected in the previous TGGRC024 and TGGRC044 (ASX reports 14 September 2016, 08 February 2017). Low grade primary gold mineralisation was intersected between 154-163m (Appendix 1).

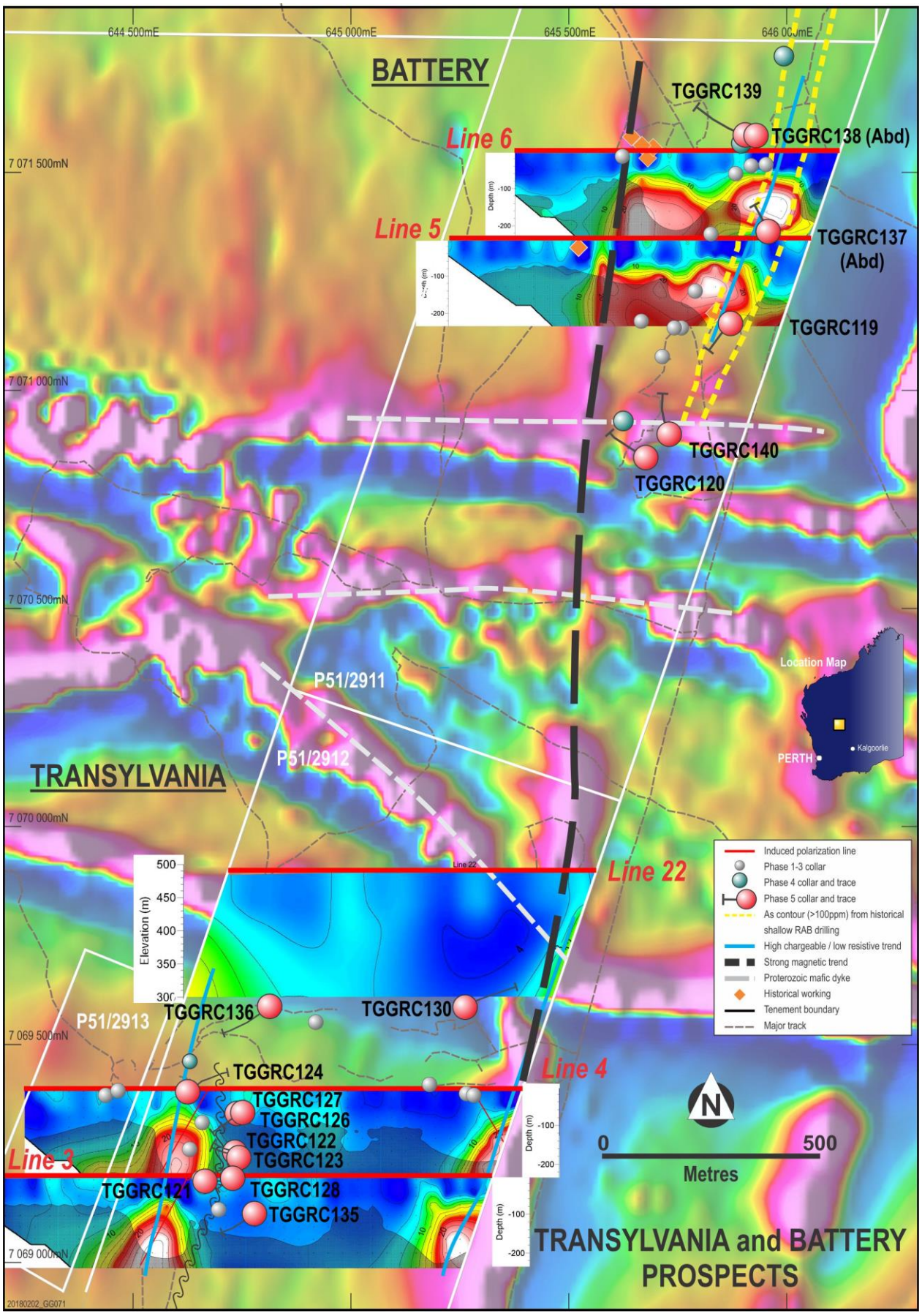

Figure 5. Distribution and surface projection of drill hole traces at Transylvania and Battery prospects shown on TMI, including the chargeable features from E-W Induced Polarisation traverses.

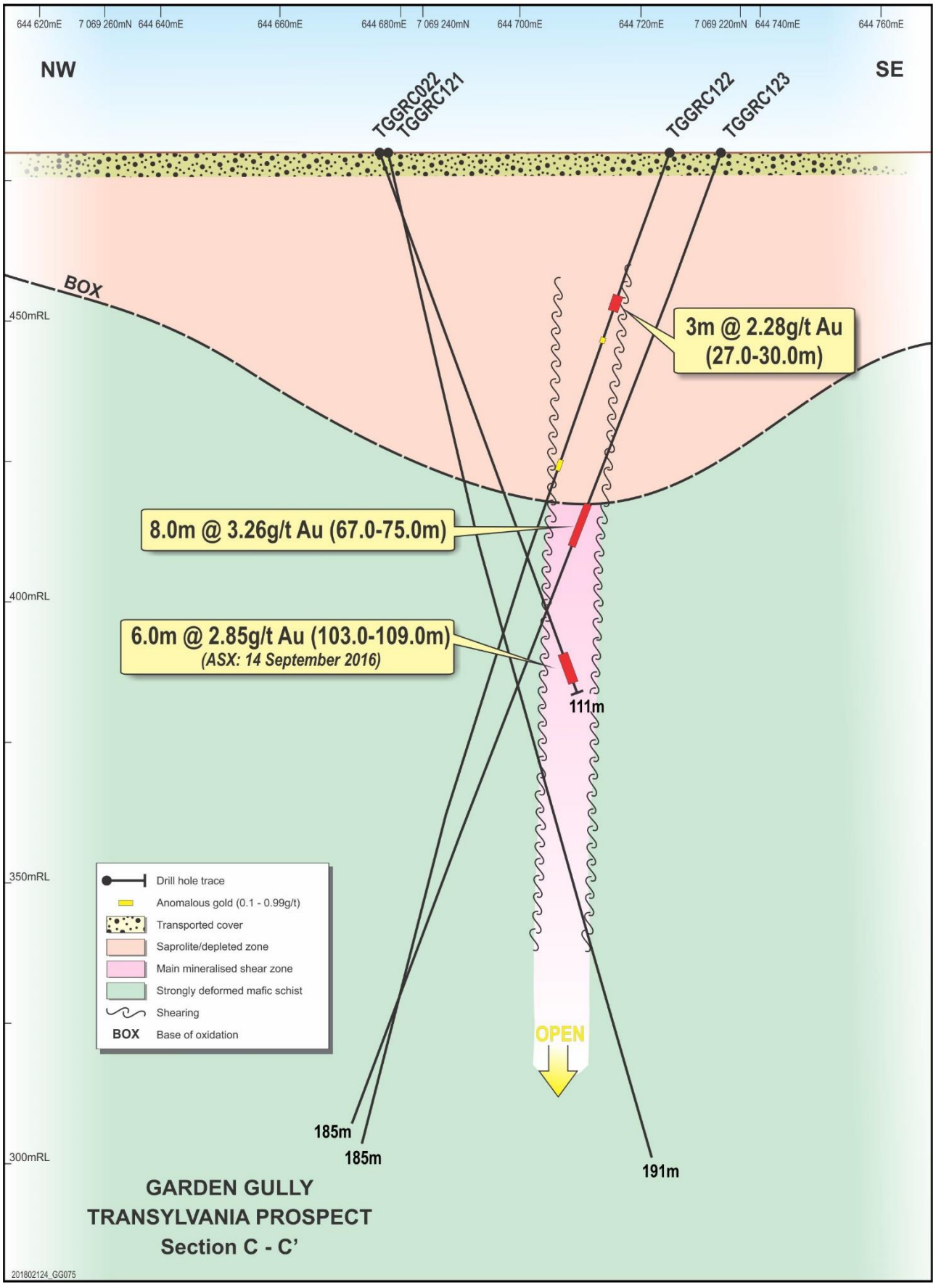

Figure 6. Cross section C-C' through the southern part of the Transylvania mineralised zone (refer Figure 4).

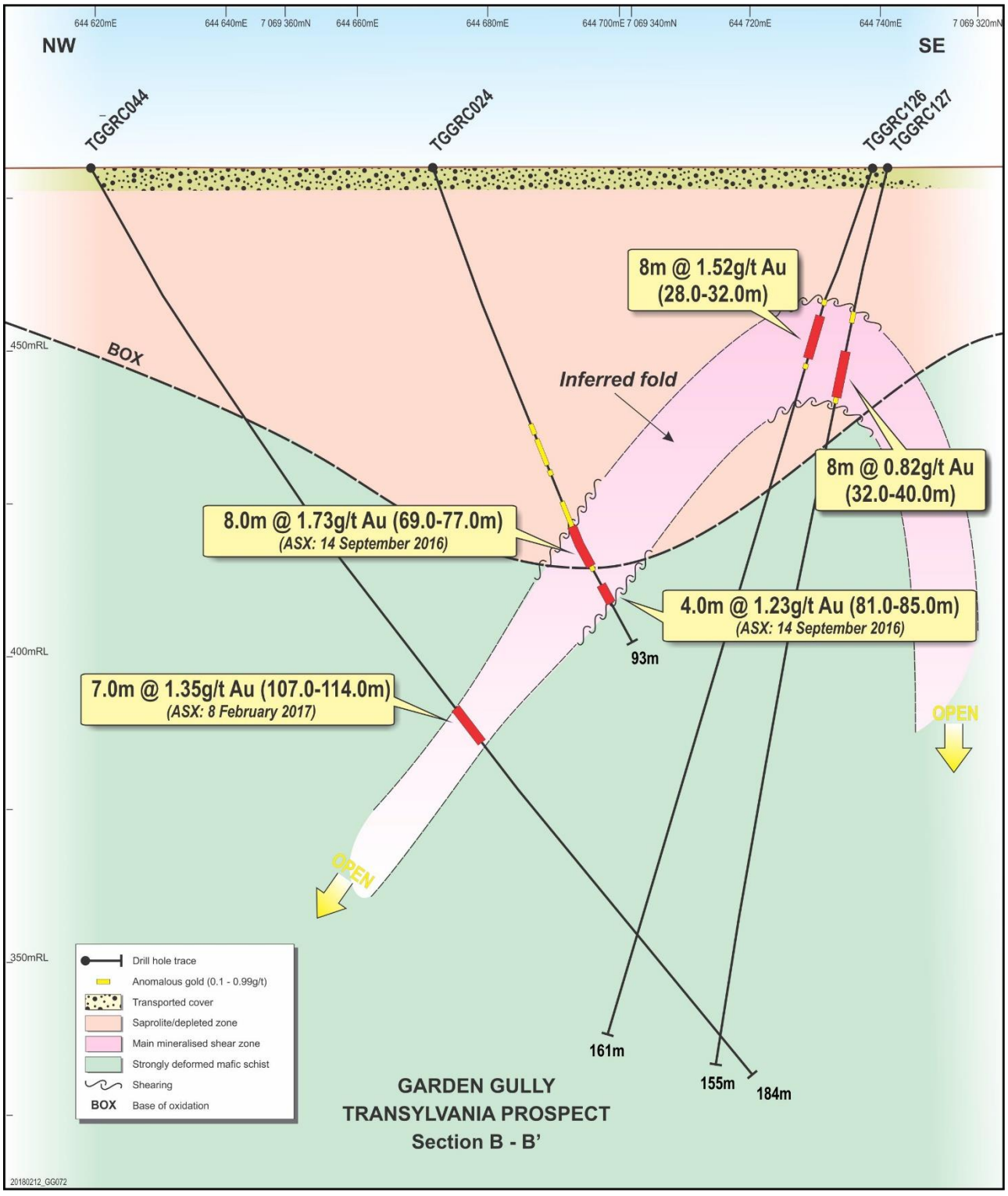

Figure 7. Cross section B-B' through the northern part of the Transylvania mineralised zone (refer Figure 4).

Two other holes drilled south-westerly within the same area at **Transylvania** (Figures 4, 5) both intersected surficial gold mineralisation: 8m at 1.5 g/t Au from 28-36m down hole in **TGGRC126** and 8m at 0.8 g/t Au from 32-40m in **TGGRC127**.

These results at **Transylvania** suggest an easterly dip of this new mineralised shear or most likely an inferred fold nose structure (Figure 7).

TGGRC128 was drilled on the southern part of the shear and returned only narrow, low grade gold values from 36-38m (Appendix 1). **TGGRC130** (Figures 4, 5) was drilled on the north-eastern border of the Transylvania prospect and tested a strong chargeable feature. It intersected a sulphidic black shale package with no significant gold or base metals anomalism.

TGGRC135 and **TGGRC136** were drilled on the southern and northern extremities of the inferred shear zone (Figures 4, 5). Neither hole intersected any geological or structural features indicating the possible presence of gold anomalism and so no samples were submitted for assay.

On the southern border of the Transylvania tenement, two scissor holes were drilled under a high arsenic ferruginous breccia outcrop (**TGGRC132** and **TGGRC133**). Both holes intersected low arsenic levels, but no elevated gold values were encountered.

TGGRC134 (Figure 3) targeted a low resistive zone identified during an earlier IP survey. A package of black shales was intersected but returned no significant gold anomalism.

Several holes were drilled north-westerly along the main mineralised trend at **Battery** Prospect, testing for potential high gold grades (Figures 4, 5). **TGGRC137** intersected good gold grades in the weathering profile, including **4m at 2.6 g/t Au** from 52-56m down hole within **6m at 1.9 g/t Au** from 52m-58m down hole (Table 2). However, the hole was abandoned at 137m due to difficult ground conditions – very high clay content was continually clogging the hammer.

TGGRC138 collapsed at 11m and was abandoned. It was re-collared several metres away and re-drilled as **TGGRC139**, targeting at depth a potential VHMS mineralised system which has an anomalous base metals gossan outcrop. The hole was terminated at 275m after encountering no geological indications of gold or base metal anomalism, and it intersected no black shales. The hole was not sampled for formal assay

TGGRC140 was drilled on the southern part of the **Battery** shear. It did not intersect the inferred shear, encountering no mineralisation to the depth of 207m. Visual logs and on site interpretation suggests that the hole may have been drilled within the hanging wall of the main structure.

At the **Granite Well** prospect, a 178.6m diamond tail was drilled from a 257m RC pre-collar to a total depth of 435.6m (**TGGRCDD133**: Figure 3). The main target was to test the deep, westerly dipping conductor which previous RC drilling attempts had not been able to reach. The RC pre-collar deviated slightly and the diamond tail followed a similar trend. A mixture of felsic and mafic volcaniclastic rocks was intersected, but no reasonable explanation of the geophysical feature was found. The hole was cased and a DHTEM survey will be undertaken to investigate the possible presence of the potential off-hole mineralised conductor indicated from geophysical surveys.

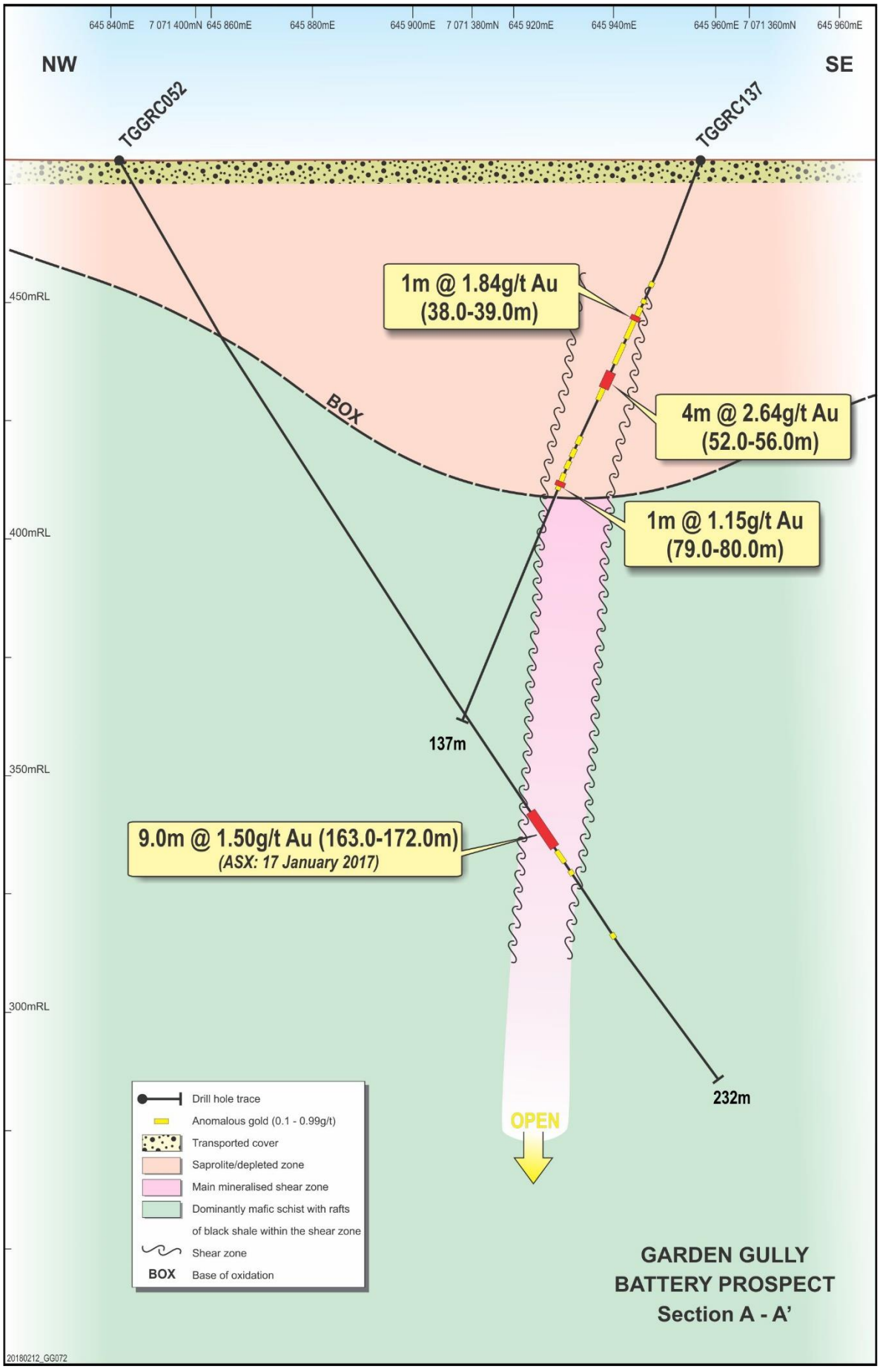

Figure 8. Cross section A-A' through the northern part of the Battery mineralised shear (refer Figure 4).

Conclusions.

This Garden Gully drilling programme has tested multiple targets and concepts and improved our understanding of the mineralisation at Crown Prince, Lydia, Transylvania, Battery and Granite Well prospects. It has extended known mineralisation and identified new mineralised structures. Lydia continues to grow and remains open at depth and to the north and south. Our first exploration of Crown Prince has confirmed the presence of high grade gold mineralisation at least 130m vertically below the deepest previously demonstrated mineralisation and it remains open. Transylvania is giving indications of possible repetitions of the mineralisation styles and structural settings now identified at Crown Prince and at Lydia.

The Garden Gully results to date are an unqualified success and continue to demonstrate that the project holds the potential for a significant new body of gold mineralisation in this proven gold province around Meekatharra.

The next phases of work will focus on advancing the Lydia and Crown Prince prospects towards the definition of maiden resources. We will also continue to evaluate the as yet untested parts of the extensive Garden Gully project area for further repetitions of the structures and mineralisation settings we have identified to date. The evidence so far continues to point towards these individual prospects comprising elements of a much larger mineralising system at depth.

Thundelarra began exploration at Garden Gully in mid-2016 and continues to explore the project aggressively. To date over 26,000m of drilling has been completed in 141 holes, comprising 23,556m of RC and 2,522.6m of diamond as we test the unquestioned potential of the exciting Garden Gully project, located in one of Western Australia's most productive gold provinces.

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.

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

Any intervals reporting gold content below 0.2 ppm (0.2 gpt) are not recorded in the following table, except as part of a longer interval of consecutive samples, where relevant.

Hole No	From	To	Width (m)	Au (ppm)	As (ppm)	Ag (ppm)
TGGRC107	146	147	1	0.65	85	BLD
TGGRC107	147	148	1	0.60	775	0.7
TGGRC107	148	149	1	0.06	270	BLD
TGGRC107	149	150	1	0.29	375	BLD
TGGRC119	29	30	1	0.29	750	0.6
TGGRC119	30	31	1	0.39	450	BLD
TGGRC119	36	37	1	1.30	200	1.0
TGGRC119	37	38	1	1.05	100	1.0
TGGRC119	38	39	1	0.52	250	BLD
TGGRC119	53	54	1	0.24	250	0.2
TGGRC119	54	55	1	0.12	350	0.8
TGGRC119	55	56	1	0.35	875	0.4
TGGRC119	56	57	1	0.20	500	1.3
TGGRC119	61	62	1	0.21	500	1.0
TGGRC119	62	63	1	0.30	700	0.1
TGGRC119	63	64	1	0.24	550	1.2
TGGRC119	70	71	1	0.44	250	BLD
TGGRC119	100	101	1	0.37	1,900	0.9
TGGRC119	101	102	1	0.81	5,700	BLD
TGGRC119	102	103	1	1.52	9,000	0.8
TGGRC119	103	104	1	0.20	1,100	0.1
TGGRC119	104	105	1	0.24	500	0.4
TGGRC119	105	106	1	0.27	250	0.2
TGGRC119	106	107	1	0.10	150	BLD
TGGRC119	107	108	1	3.51	450	0.3
TGGRC119	119	120	1	0.25	300	BLD
TGGRC119	194	195	1	0.34	100	0.9
TGGRC122	27	28	1	5.19	1,200	0.8
TGGRC122	28	29	1	1.33	1,150	0.5
TGGRC122	29	30	1	0.32	900	0.7
TGGRC122	58	59	1	0.43	350	BLD
TGGRC123	67	68	1	0.21	500	0.7
TGGRC123	68	69	1	10.14	1,250	BLD
TGGRC123	69	70	1	6.81	1,200	0.6
TGGRC123	70	71	1	8.02	2,300	BLD
TGGRC123	71	72	1	0.43	400	0.5
TGGRC123	72	73	1	0.30	300	0.5
TGGRC123	73	74	1	0.33	150	1.7
TGGRC123	74	75	1	0.22	100	0.3
TGGRC124	154	155	1	0.29	100	0.4
TGGRC124	158	159	1	0.48	350	0.4
TGGRC124	159	160	1	0.22	-50	BLD
TGGRC124	160	161	1	0.48	125	0.6
TGGRC124	161	162	1	0.04	100	BLD
TGGRC124	162	163	1	0.22	750	BLD

Hole No	From	To	Width (m)	Au (ppm)	As (ppm)	Ag (ppm)
TGGRC126	28	29	1	1.23	1,200	BLD
TGGRC126	29	30	1	4.85	1,100	BLD
TGGRC126	30	31	1	1.02	2,450	BLD
TGGRC126	31	32	1	1.39	1,700	BLD
TGGRC126	32	33	1	0.47	700	1.0
TGGRC126	33	34	1	0.89	600	1.0
TGGRC126	34	35	1	1.10	700	1.0
TGGRC126	35	36	1	1.17	400	2.0
TGGRC127	26	27	1	0.77	5,300	BLD
TGGRC127	32	33	1	1.95	900	BLD
TGGRC127	33	34	1	0.53	800	BLD
TGGRC127	34	35	1	1.03	1,050	BLD
TGGRC127	35	36	1	0.24	550	BLD
TGGRC127	36	37	1	0.39	650	1.0
TGGRC127	37	38	1	0.51	500	1.0
TGGRC127	38	39	1	0.82	500	BLD
TGGRC127	39	40	1	1.06	700	BLD
TGGRC127	43	44	1	0.70	350	5.0
TGGRC128	36	37	1	0.48	600	BLD
TGGRC128	37	38	1	0.65	300	BLD
TGGRC137	30	31	1	0.24	100	0.2
TGGRC137	34	35	1	0.25	300	BLD
TGGRC137	35	36	1	0.08	350	0.4
TGGRC137	36	37	1	0.62	100	0.9
TGGRC137	37	38	1	0.66	100	2.1
TGGRC137	38	39	1	1.84	200	2.1
TGGRC137	39	40	1	0.21	100	1.2
TGGRC137	40	41	1	0.90	50	1.1
TGGRC137	41	42	1	0.83	150	1.9
TGGRC137	45	46	1	0.24	300	0.3
TGGRC137	46	47	1	0.46	350	BLD
TGGRC137	47	48	1	0.43	250	BLD
TGGRC137	48	49	1	0.55	300	BLD
TGGRC137	49	50	1	0.69	225	BLD
TGGRC137	52	53	1	2.05	650	0.9
TGGRC137	53	54	1	6.70	600	0.3
TGGRC137	54	55	1	0.83	300	0.4
TGGRC137	55	56	1	1.00	150	0.2
TGGRC137	56	57	1	0.37	100	0.1
TGGRC137	57	58	1	0.26	100	1.3
TGGRC137	68	69	1	0.58	100	1.2
TGGRC137	69	70	1	0.22	150	0.3
TGGRC137	75	76	1	0.53	350	BLD
TGGRC137	78	79	1	0.22	500	BLD
TGGRC137	79	80	1	1.15	1,150	BLD
TGGRC137	80	81	1	0.21	300	1.4

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. • 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 was a combination reverse circulation (RC) and diamond drilling (DD) programme. 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, core was sampled at intervals dictated by the geology observed, 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. Where considered appropriate, intervals were tested by hand-held XRF to assist in identifying zones to be sampled for laboratory analysis. • 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. • 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) and NQ2 size (50.6mm 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.	• Recovered core is inspected visually and recovery is recorded on blocks after each run. 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%. • Triple tube coring on HQ used to maximise core recovery. RC samples 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. • No evidence has been observed of a relationship between sample recovery and grade. The excellent sample recoveries obtained preclude any assumption of grain size bias.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged.	• Core and chips are logged visually by experienced and competent geologists. • Each interval of core is photographed and recorded prior to sampling and assay. Qualitative parameters include lithology, alteration, structure; quantitative include vein percentage; mineralisation (sulphide / visible gold) percentage; structural orientation. • 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.	• Core was sawn with an Almonte automatic core saw. Half core was taken for samples. • RC material was cone split, sampled dry where possible and wet when excess ground water could not be prevented. Sample condition (wet, dry or damp) is recorded at the time of logging. • The entire ~3kg RC sample is pulverized to 75µm (85% passing). This is considered best practice and is standard throughout the industry. • Pulp duplicates are taken at the pulverising stage and selective repeats conducted as per the laboratory's normal standard QA/QC practices. • Duplicate samples taken every 25th sample. Standards also submitted to check laboratory accuracy. •Sample size is industry standard and is appropriate for grain size of the material sampled.
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.	• Fire assay is a total digest technique and is considered appropriate for gold. Other elements were assayed using ICP-MS after 4 acid digest. • Handheld XRF equipment, where used, is an Olympus Delta XRF Analyser Thundelarra follows the manufacturer's recommended calibration protocols and usage practices. Magnetic susceptibility measurements are taken on each 1m interval downhole • Certified references material standards as 1 every 20 samples, duplicates 1 every 25 samples. • Lab using random pulp duplicates and certified reference material standards. •Accuracy and precision levels have been determined to be satisfactory after analysis of these QA/QC samples.
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 sampling is routinely inspected by senior geological staff. Significant intersections are inspected by senior geological staff and THX corporate staff. • The program included no twin holes. • Data is collected and recorded initially on hand-written logs with summary data subsequently transcribed in the field to electronic files that are then copied to head office. • No adjustment to assay data has been needed.
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • 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 in RC hole and every 18m to 30m in diamond holes, using a Reflex EZ-track tool or Champ gyro as applicable. • The grid system applicable to the area is Australian Geodetic Grid 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. • Samples taken on a 1m basis, unless otherwise specified.
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.	• Current drilling aims to ascertain the details of the complex structural regime hosting the mineralisation. To date there is still insufficient data to confirm true widths, consistent orientation of lithologies, relationships between lithologies, and the nature, orientation and movement direction on controlling structures and faulting. The drilling programmes continue to generate geological data to develop an understanding of these parameters.

		• 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 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 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 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.	• Workings at Garden Gully began with the Crown gold mine (1895 – 1901: 264 tonnes at 1.99 oz/t (~56 g/t) Au average). The Kyarra mine followed (1909 – 1917): 18,790 oz gold from quartz veins in "strongly sheared, decomposed, sericite rich country rock". From 1977 to 2009, several exploration companies conducted exploration work over the area with aircore, RAB and RC drilling. Better intersections included Dominion's (1988) 15m at 2.38g/t from 5m at Crown Prince and Julia Mines' (1989) 12m at 5.16 g/t Au from 18m; 6m at 3.04 g/t Au from 18m at Lydia.
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. 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 typically massive and unaltered dolerite. 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, within anastomosing ductile dextral shear zones. Mineralised bodies show sigmoidal shapes, plunging toward the SW at a steep angle along the lineation. 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 is noted at depth in 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 it is the case.	• All relevant drillhole details are presented in Table 1 and in Figures 1 to 5. The RL is not recorded against each individual drill hole as the project areas is relatively flat and so detailed altimetric measurements are not required. For data evaluation and plotting, the regional RL (480m) is used.
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, 52m to 56m in TGGRC137 is reported as 4m at 2.6 gpt Au. This comprised 4 samples, each of 1m interval, for a total of 4m, calculated as follows: [1*2.05)+(1*6.70)+(1*0.83)+(1*1.00)] = [10.57/4.0] = 2.64 = 2.6 gpt Au to one decimal place. • 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. The current drilling programmes aim to confirm our interpretation and afford greater certainty. • True widths are as yet unknown with any certainty. The information available to date is advancing our interpretation of geometry but requires further investigation. Reported intercepts are downhole intercepts and are noted as such.
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 5). Cross-sections are presented in Figures 6, 7 and 8.
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 assay results for holes drilled at various Garden Gully prospects including Battery, Transylvania, South Crown and Granite Well. The reporting is comprehensive and thus by definition balanced.
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 data relating to interpretations and potential significance of geological observations from the recent drilling programme. Additional relevant information will be reported and announced as and when it becomes available 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.	• Upon completion of the evaluation of the recent drill programmes, follow-up work programmes will be planned and PoWs submitted. It is hoped that the interpretation will warrant infill drilling as part of the next stage of exploration to move towards definition of a maiden resource. • 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.

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