

NEW GROWTH STRATEGY WITH BOARD AND MANGEMENT CHANGES

Thundelarra Limited (**Thundelarra** or **the Company**) (ASX: THX) wishes to announce its new growth strategy and changes to its board and management.

Following the acquisition of the Abbots Gold project¹ and the completion of an independent review of the Company's assets, the board has made a decision to change the near-term focus of the Company's growth strategy from exploration for a large resource to one of low cost development and cash flow from the Company's recently expanded tenements on the Garden Gully and Abbots greenstone belt. The board has further unanimously agreed that the implementation of this strategy will be best achieved under new leadership with the appropriate mine development skill sets.

Accordingly, the Company has agreed with its Chief Executive Officer, Tony Lofthouse that his Executive Services Agreement with the Company will come to an end on 30 April 2019. This period prior to his departure will enable orderly transition as work on focusing on the new strategy progresses. Mr Lofthouse, who has been Chief Executive Officer of the Company since 2 April 2012, will receive a payment equal to six months' remuneration pursuant to the terms of his Executive Service Agreement together with accrued statutory entitlements.

Notwithstanding that Mr Lofthouse will remain with the Company for some months yet, the Company would like to take this opportunity to thank Mr Lofthouse for not only for his dedicated service over the past almost 7 years which have seen very challenging times for the junior exploration sector but also for his support and co-operation during this period of refocus by the Company.

When Mr Lofthouse joined the Company, he inherited a large portfolio of about 40 prospects with exposure to multiple commodities. He rationalised those prospects extensively and refocused the Company's exploration efforts onto copper and gold. He delivered sustainable cost savings and engineered the sale of non-core assets for cash and/or equities, generating funds to explore the core projects. Mr Lofthouse coordinated the acquisition of 90% of Red Bore, the Company's flagship project for several years and recently the acquisition of the Abbots Project, which constitutes 85% of the Company's current flagship Garden Gully Gold Project."

There will also be changes to the board.

Mr Philip Bruce, Non-Executive Director

The Company is pleased to announce the appointment of Mr Philip Bruce as an additional Non-executive Director with effect from 1 March 2019. Mr Bruce will be paid director fees of \$50,000 per annum.

Mr Bruce has a successful track record in the global minerals industry in exploration, evaluation, development, acquisitions, operations and senior corporate management. He is a mining engineer with extensive experience in Australia and overseas and has been instrumental in the growth of

¹ Refer to ASX announcements of 17 October 2018 and 21 December 2018.

small and large resource companies including Plutonic Resources Limited in its growth from \$30 million to over \$1 billion market capitalisation.

Mr Bruce graduated with a Bachelor of Engineering (Mining)(Hons) from the University of New South Wales. He is a Fellow of the Australasian Institute of Mining and Metallurgy and a member of the Australian Institute of Company Directors.

Mr Bruce is a past and present Director of several Australian publicly listed companies.

Mr Bruce will perform an important role in guiding and advising the technical team undertaking the work to identify resources to JORC 2012 standards on the Company's extensive landholding at Garden Gully and Abbots and the feasibility of low-cost mining.

Mr Bruce has entered into a Consultancy Agreement with Thundelarra under which Mr Bruce will provide technical and management services as required (approximately 3 days per week for the next three months) prior to his appointment as a director. Under the Consultancy Agreement, Mr Bruce will be paid \$1,100 per day plus GST. The Consultancy Agreement is terminable by either party giving one months' notice. The Company has also agreed, subject to shareholder approval, to issue Mr Bruce (or his nominee) 10,000,000 unquoted incentive options exercisable at \$0.015 per option with an expiry date that is three years from the date of issue and with various exercise prices and on the vesting conditions set out in the Schedule.

Chairman

Mr Philip G Crabb will step down as Chairman of the Company at the close of the Company's upcoming Annual General Meeting, but will remain as a Non-executive Director. Mr PG Crabb's director fees will reduce to \$15,000 per annum. Existing Non-executive Independent Director. Mr Rick Crabb, will be appointed a Chairman of the Company and will be paid director fees of \$35,000 per annum.

Mr Phil Crabb, as Chairman, was instrumental in the Company's acquisition of the Garden Gully Gold Project, which will be central to the Company's strategy to identify low-cost mining opportunities. He remains as the largest shareholder and will continue to apply his experience to assist in the new strategy.

Other Board members

Existing Executive Director, Mr Frank DeMarte will remain as director, Company Secretary and Chief Financial Officer.

Existing Non-executive Independent Director, Mr Malcolm Randall, will remain as a director and his director fees will be reduced to \$35,000 per annum.

The Board will consider the appointment of a new Chief Executive Officer at the appropriate time whilst progressing the Company's growth strategy as outlined above.

For Further Information Contact:
Mr Tony Lofthouse - Chief Executive Officer
+61 8 9389 6927

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| THUNDELARRA LIMITED | ASX Code |
| Quoted Shares: 646.1M | THX |
| Quoted Options: 109.3M | THXOB |

Schedule – Philip Bruce - Incentive Option vesting conditions

Tranche 1: 2,500,000 of the Options will vest when the Company's VWAP for 15 Trading Days exceeds \$0.0225, being the price which is 50% greater than the Company's closing market price of Shares on ASX on the day immediately preceding this announcement.

Tranche 2: 2,500,000 of the Options will vest when the Company's VWAP for 15 Trading Days exceeds \$0.0263, being the price which is 75% greater than the Company's closing market price of Shares on ASX on the day immediately preceding this announcement.

Tranche 3: 2,500,000 of the Options will vest when the Company's VWAP for 15 Trading Days exceeds \$0.030, being the price which is 100% greater than the Company's closing market price of Shares on ASX on the day immediately preceding this announcement.

Tranche 4: 2,500,000 of the Options will vest when the Company's VWAP for 15 Trading Days exceeds \$0.045, being the price which is 150% greater than the Company's closing market price of Shares on ASX on the day immediately preceding this announcement.

For the avoidance of doubt, the vesting conditions for multiple tranches can be met at the same time, for example if the vesting condition for Tranche 3 is met, and the vesting conditions for Tranche 1 and Tranche 2 have not previously been met, the vesting conditions for Tranches 1 and 2 would also be met at the same time.