

**FIRST QUARTER ACTIVITY & CASHFLOW REPORT
31 DECEMBER 2018****HIGHLIGHTS****WESTERN AUSTRALIA**

- **Garden Gully Gold Project, Murchison Region (THX 100%)**
 - *Abbotts Project surrounds and abuts the Garden Gully project*
 - *Acquisition increases project from 78 km² to approximately 530 km²*
 - *Thundelarra issued 11 million fully paid ordinary shares at \$0.016 per share deemed issue price as consideration for the acquisition*
 - *Expanded project area captures about 80% of the Abbotts greenstone belt*
 - *Only greenstone belt in the region that is yet to deliver a significant deposit of gold mineralisation*

- **Red Bore Project, Murchison Region (THX 90%; W Richmond 10%)**
 - *JV partner W Richmond has spent more than \$1.5 million on exploration in the period since July 2017*
 - *No significant mineralisation reported from the exploration carried out*
 - *Thundelarra has confirmed that the Minimum Expenditure condition was met*
 - *W Richmond has not elected to withdraw and so will continue to explore and satisfy all requirements needed to keep the tenement in good standing*

CORPORATE

- **Cash position at 31 December 2018: \$1.0 million (excl equity investments)**
- **Current marked to market value of equity investments: \$0.1 million**

SUBSEQUENT EVENTS SINCE 31 DECEMBER

- **Thundelarra adopts new growth strategy to pursue low cost development and cash flow from the Garden Gully Project.**
- **Board and management changes implemented to support the new strategy.**

Thundelarra's Annual General Meeting will be held at the Celtic Club, 48 Ord Street, West Perth on Thursday 28 February 2019 at 10:30 am local time.

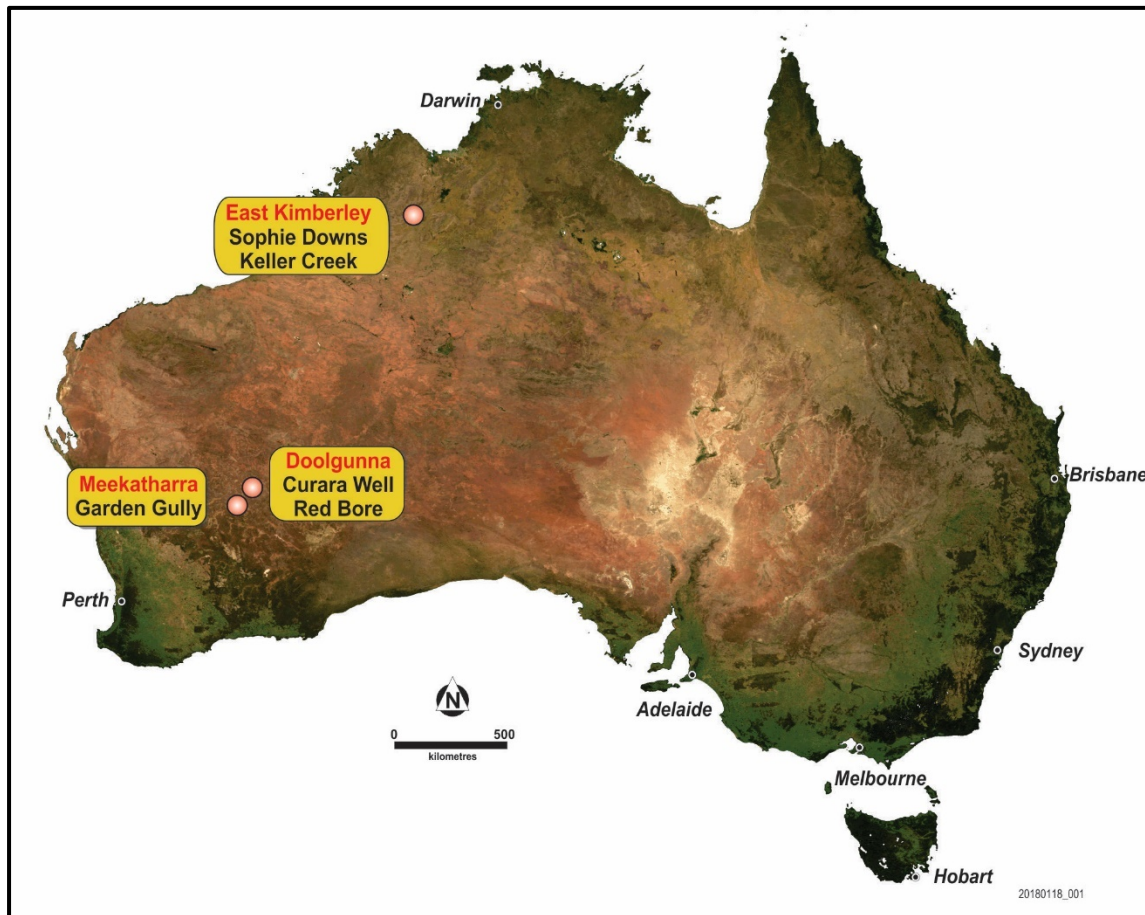


Figure 1. Map showing locations of Thundelarra's Australian projects.

Garden Gully Gold Project, WA (THX 100%)

The Garden Gully Project comprised 2 ELs and 15 PLs totalling approximately 78km², located about 15km north-northwest of Meekatharra (Figure 2). The acquisition, during the Quarter, of the Abbots Project adds 5 ELs, 2 MLs and 6 PLs, increasing the total project footprint to about 530 km², encompassing over 75% of the Abbots Greenstone Belt. This is the only greenstone belt in this highly gold productive region, stretching from beyond Peak Hill in the north to beyond Payne's Find in the south, and from Gidgee in the east to Yalgoo in the west, that is yet to deliver a significant gold discovery. Thundelarra now controls the majority of the prospective parts of this greenstone belt. Results to date provide strong geotechnical support for the prospectivity of the area and for the eventual discovery of significant gold mineralisation.

Excellent local infrastructure includes two operational gold plants nearby: Westgold's ~3.1 Mtpa Bluebird Plant; and the ~300ktpa Andy Well plant (currently on care and maintenance since November 2017). Andy Well, previously owned by Doray Minerals Ltd, was recently also acquired by Westgold, which now holds the dominant position in the Meekatharra area and continues to explore the region actively, including tenements abutting Garden Gully, in the searching for feed for their plants, each of which has available spare capacity.

The project area is characterised by a veneer of transported cover of variable thickness, underlain in places by a subsurface layer of duricrust, explaining why past soil geochemistry surveys failed to identify and locate accurately the underlying primary mineralised structures that our exploration has revealed. Sub-Audio Magnetic ("SAM") geophysical surveys have proved effective in detecting

prospective structures at depth within this terrain. Thus, initial SAM surveys, combined with Air Core (“AC”) drilling traverses, can identify previously undetected structures for follow-up RC drill-testing.

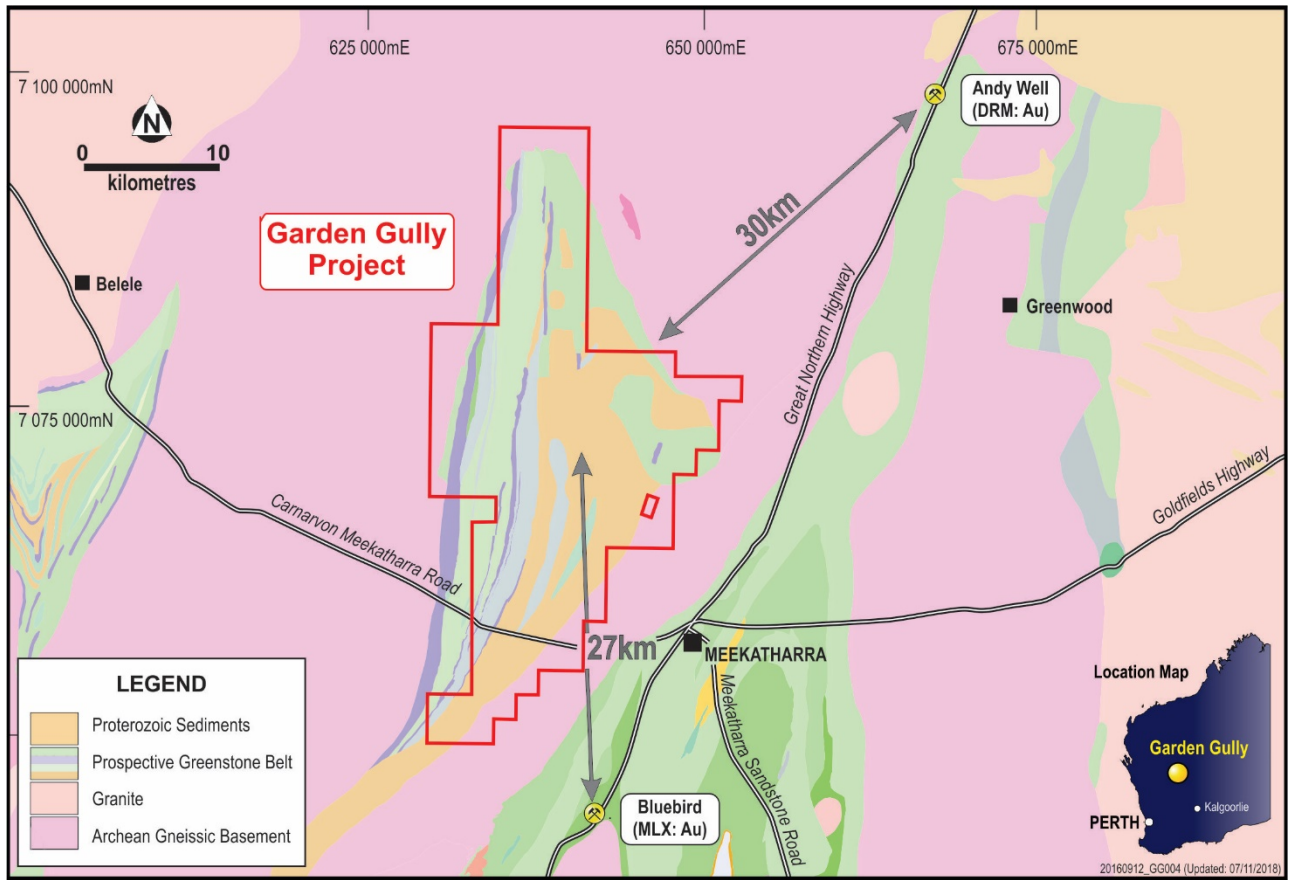


Figure 2. Garden Gully Project covers most of the Abbotts Greenstone Belt. Note proximity to local plant and infrastructure.

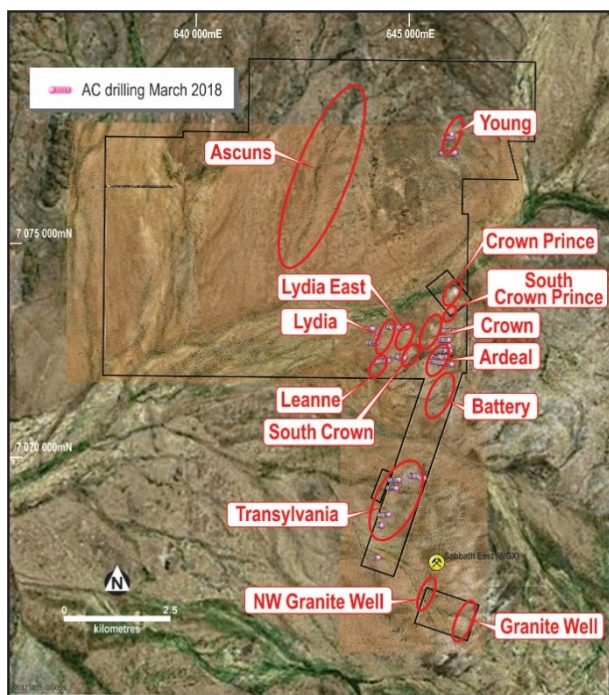


Figure 3. Garden Gully prospects on LandSat image.

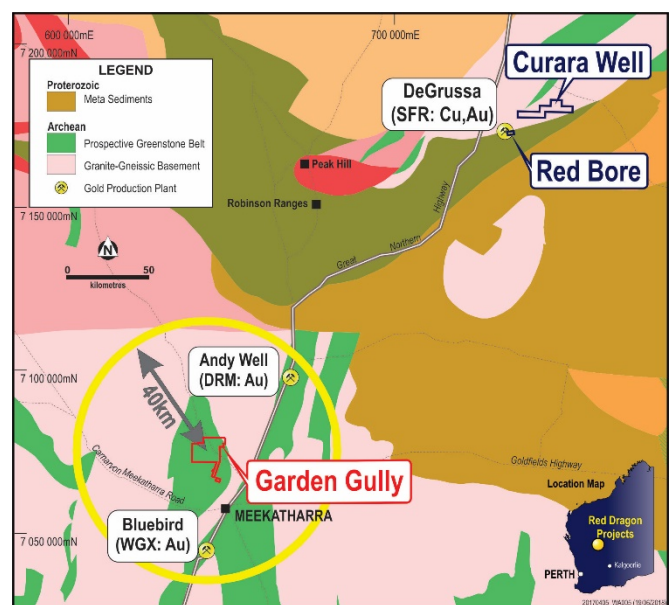


Figure 4. Garden Gully regional location.

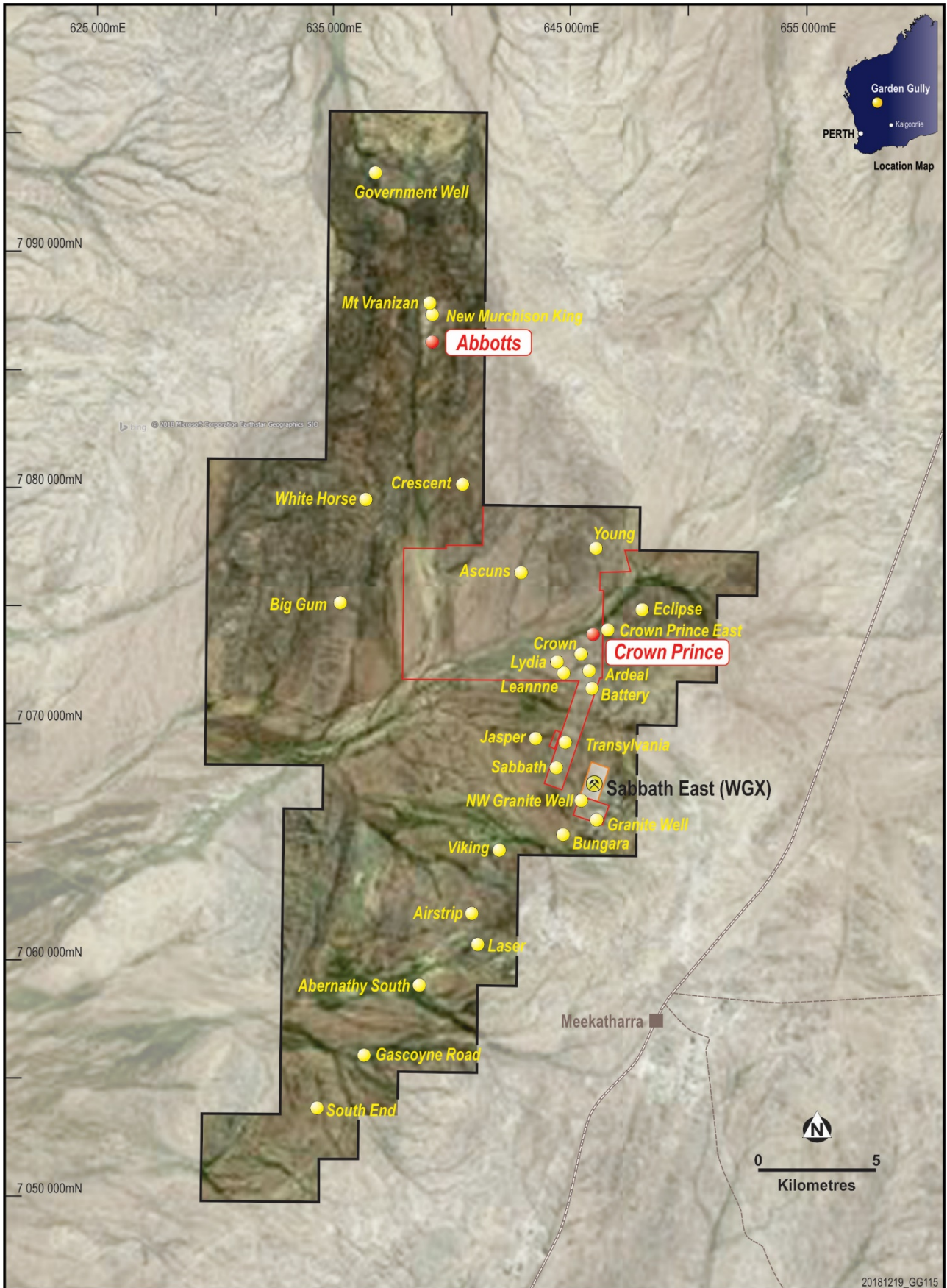


Figure 5. Expanded Garden Gully project area showing the newly acquired prospects on aerial photo image.

As previously reported, SAM surveys carried out at **Crown Prince** defined several NNE/SSW trending bedrock conductive units which have been disrupted by cross-cutting NE/SW and NW/SE structures and have a clear correlation with the known gold mineralisation. Evaluation of these units will form part of the next stage of evaluation.

The acquisition of this ground materially expands the scope of Thundelarra's Garden Gully Project. Significantly, it represents the first recorded time that the majority of this remnant Abbots greenstone belt has been held by a single company, thus opening itself to the use of modern exploration techniques across the entire geological setting. The transaction includes all data on exploration that Doray carried out on the area. These data, when collated with the information and interpretations that Thundelarra is already developing to understand the systems and structures controlling the mineralisation, materially enhances the potential for discovery on this, the only substantial portion of greenstone belt in the immediate Meekatharra region that does not already host a gold mine of significant size.

The results of Thundelarra and Doray drilling to date clearly indicate the presence of a gold-bearing system of significant extent. Review of all the Doray exploration data and its incorporation into the existing data will underpin the new strategy of identifying and mining near surface mineralisation to generate cashflow that can be used to fund the ongoing exploration efforts in 2019 and beyond.

Doolgunna Projects, WA **Red Bore (THX 90%); and Curara Well (THX 90%)**

Red Bore is a granted Mining Licence (M52/597), two square kilometres in area, located about 900km NNE of Perth in the Doolgunna region of Western Australia. Its western boundary is less than 600m from the operating DeGrussa copper-gold mine's processing plant.

During the Quarter our Joint Venture partner W Richmond conducted RC and diamond drilling and reported to Thundelarra as summarised below:

"An RC drilling program of 15 holes for a total of 3,140 total metres was carried out, including drilling of 1 HQ core diamond tail to one of the RC holes from 406-901m for an additional 495m. The drillholes were planned to follow up weak Cu-Au and other geochemical anomalism from recent air-core drilling, weak EM anomalies, and a conceptual hole to test for sedimentary host rocks and VMS mineralisation sitting below a large outcropping post-mineralisation dolerite dike, which was thought to represent the outcropping axis of an antiformal structure. Drilling was planned to set depths, with holes oriented to the north at a dip of 60 degrees, and some holes extended deeper where deemed necessary (Figure 6). Twelve holes were cased with 50mm PVC and surveyed using downhole EM and downhole magnetics to try and identify off-hole VMS targets.

Drill collars were positioned using a handheld GPS, and a nominal flat RL of 500m was recorded for the collar elevation over the relatively flat project area, and will be used until there is a requirement for accurate elevation survey pick-ups for the drill collars. Drilling data were entered and administered by Resource Potentials, and then validated and edited by external drilling database consultants Rock Solid. Drilling collar information, geological drill-log information and resulting assays have been entered into a drilling database and supplied to THX, along with copies of original assay data files supplied by ALS.

The RC drilling program was carried out by Orlando Drilling Pty Ltd. Drillhole collars and drill sites will not be rehabilitated until after all assay and downhole survey data have been finally analysed during the next Quarter.

All RC drill samples were geologically logged at 1m intervals, and washed drill chips were placed into storage trays from all 1m intervals. RC samples were routinely collected at 1m intervals in numbered calico bags collecting drill spoil from a rotary cone splitter mounted on the drill rig, and these bags were left on top of the 1m sample piles laid out in rows. Preliminary composite samples were collected for assaying at a systematic sampling interval of 4m (or less at end of hole) using a scoop. Some of the 1m interval sample bags were collected as re-split samples where they corresponded to an anomalous Cu oxide mineralised zone detected in RBC002 (see Figure 8).

Samples for assay were sent to ALS laboratory in Wangara, and assayed for Au, Cu and a wide range of major and minor elements.

Three shallow extension RC holes (RBC013, -14, and -15) were drilled on existing cleared tracks as follow up around the anomalous interval identified in RBC002 (refer chip trays in Figure 8).

The diamond drilling program was carried out by DDH1 Drilling Pty Ltd in late October 2018 for a total of 495 metres as an NQ diamond tail drilled below RBC001 (now RBCD001) (Figure 6). The completed hole ended at 901m, was cased with 50mm PVC pipe to the bottom of hole, and surveyed using a north seeking gyro.

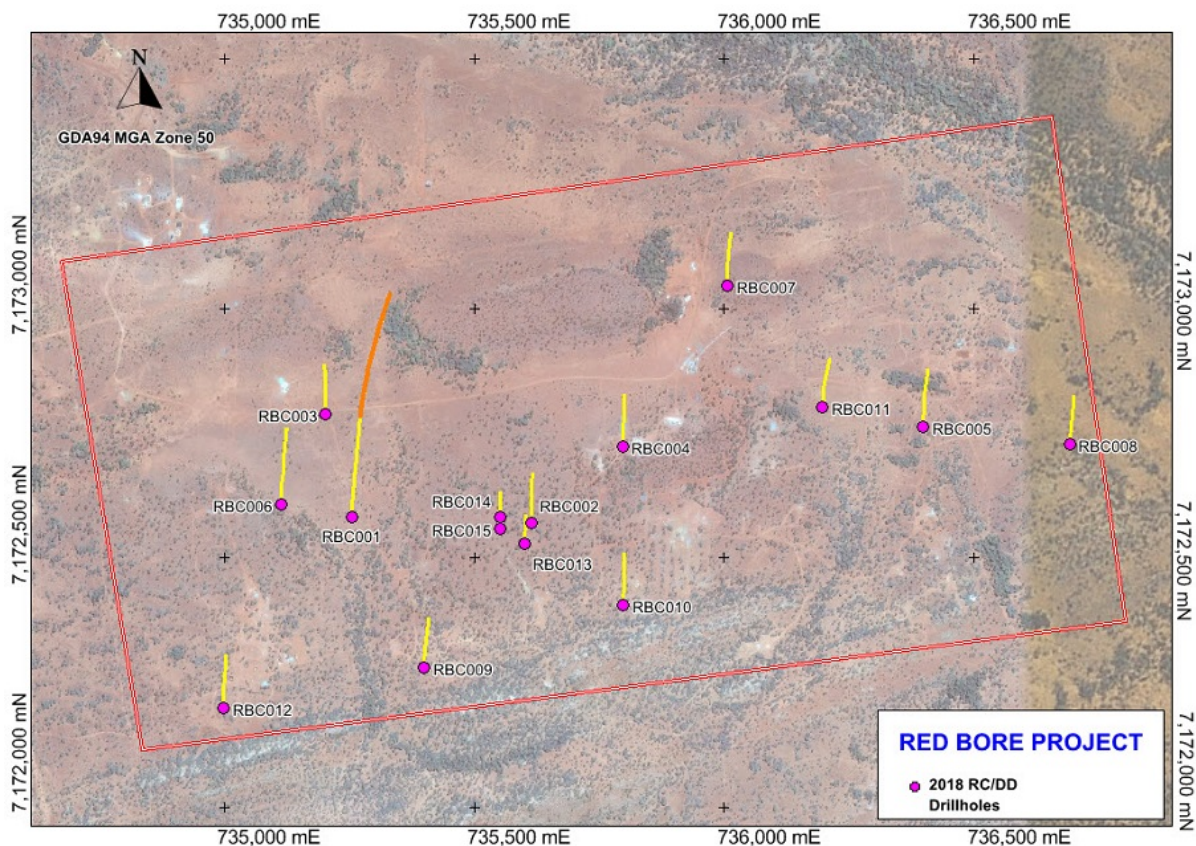


Figure 6. Red Bore Mining Lease (red outline). RC collars and projected drilling traces (yellow) and diamond tail drill trace (orange) shown on Google air photo image. Datum is GDA94 and projection is MGA50.

The oriented NQ core was quickly reviewed for simplified lithology and to look for any significant massive sulphide mineralised intervals, which were not intercepted. The core trays were loaded onto a truck and trailers, and shipped to a facility in Perth for temporary storage, mark-up, detailed logging, cutting and sampling to be carried out in the next Quarter.

The RC and diamond drilling results, including downhole survey data, will be analysed for detailed geology, structure, geochemical anomalism and geophysical anomalism in the next Quarter.

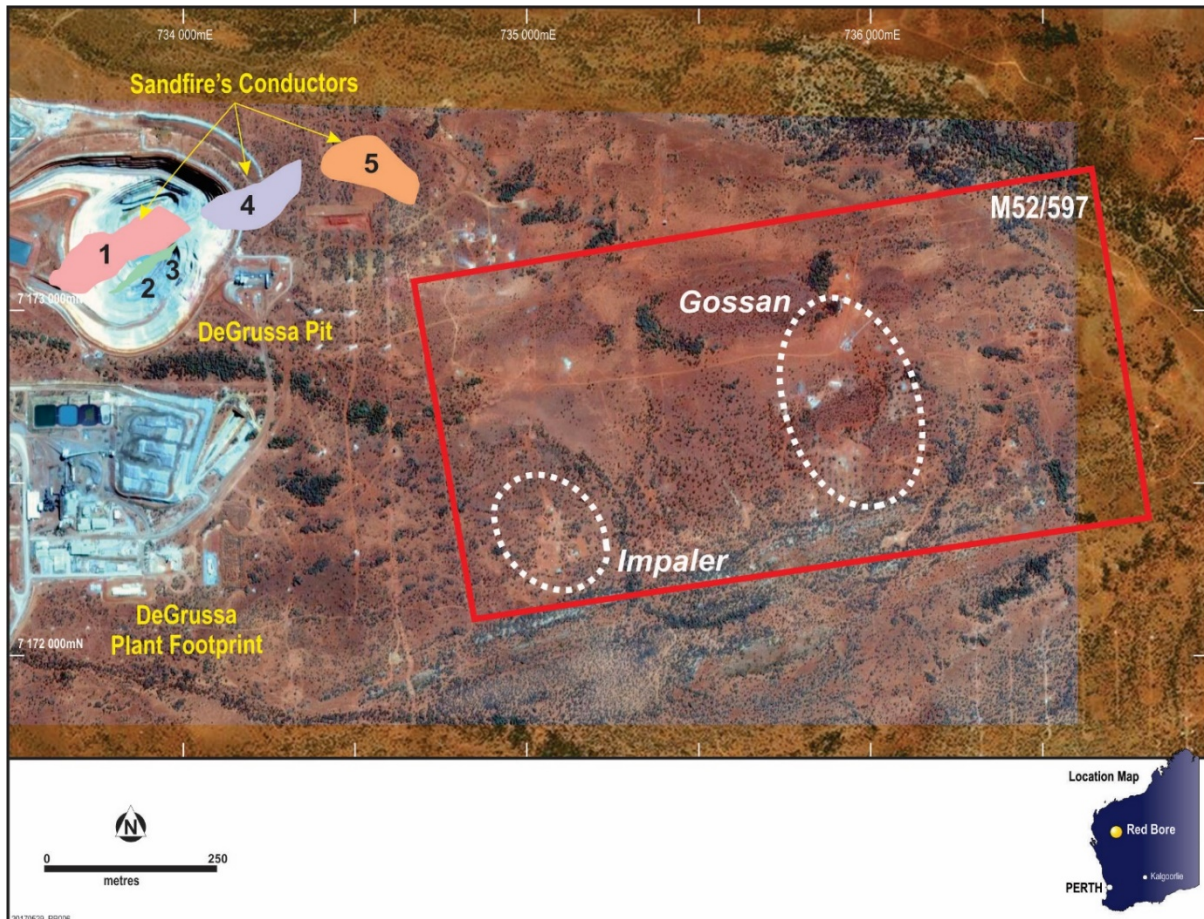


Figure 7. Red Bore mining lease on Landsat image with Gossan and Impaler prospects. Surface trace of the DeGrussa Mine's "Conductor" orebodies (to scale) and location of the DeGrussa mine pit and plant showing close proximity to Red Bore.

Downhole electromagnetic (DHEM) surveys, which also collected downhole magnetic data, were conducted in October-November 2018 by Vortex Geophysics on all of the new RC and diamond drillholes, except for shallow infill holes RBC013, -14, and -15 (Figure 6). The aims of the DHEM surveying were to detect offhole conductors and magnetic anomalies indicative of VMS mineralisation, similar to the DeGrussa orebodies, which are located just to the northwest of the ML, and to the Gossan and Impaler VMS deposits located within the ML. The twelve new DHEM surveyed drillholes were first cased with PVC pipe (RBCD001 and RBC002-012), and then surveyed by Vortex Geophysics using their VTX-100 transmitter and an Electromagnetic Imaging Technology (EMIT) DigiAtlantis B-field probe. A transmitter current of 96A was generated into large wire loops, varying in size from 400m x 400m to 1000m x 600m. All holes were surveyed at a base frequency of 1Hz, although the lower 500m of RBCD001 was also surveyed a second time at a base frequency of 0.5Hz to enhance the detection of strong off-hole conductors.

Analysis of the DHEM and downhole magnetic data was not completed during the Quarter, and it will be reported on in the next Quarter.

Most of the air-core drillhole tracks and sample piles at drill sites were rehabilitated. Final rehabilitation of the remaining air-core tracks and drill sites will be carried out at the same time as when the RC and diamond drilling sites are rehabilitated, and this likely to occur in the second or third quarter of 2019.

The core trays from RBCD001 were removed from site and are in storage at a property near Perth. The core will be geologically logged in detail, and interesting intervals will be cut and sampled for assaying. This work is expected to be completed in the next Quarter.”

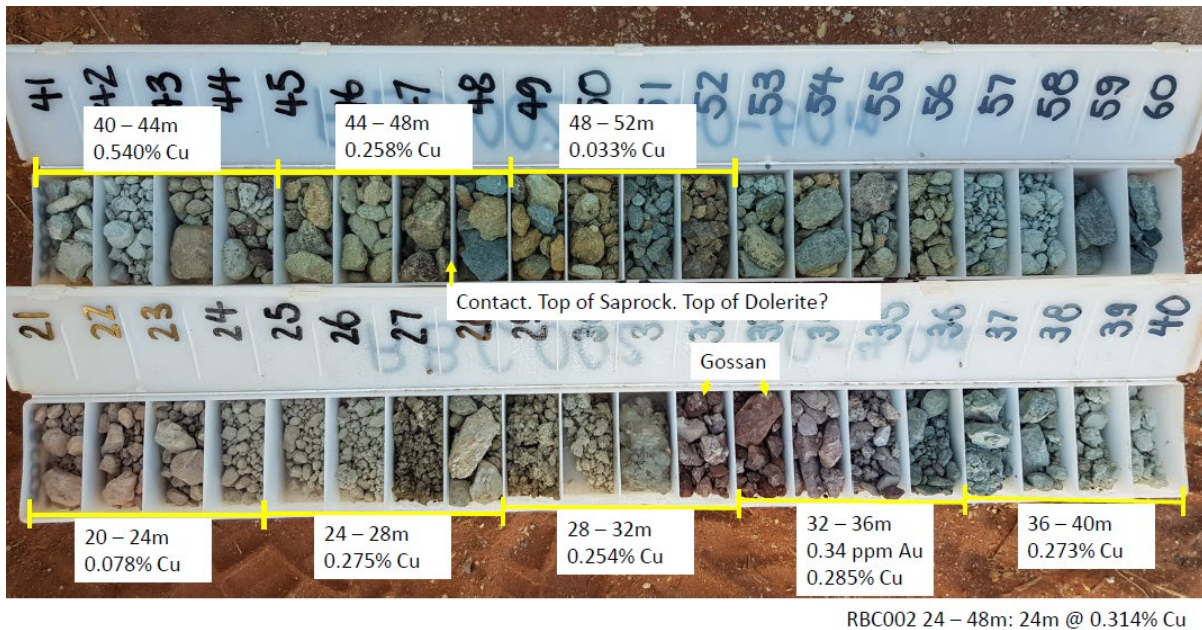


Figure 8. Photograph of RC chip trays for hole RBC002 (21-60m), showing Cu assay information from 4m composite sample intervals. A broad zone of low grade Cu oxide mineralisation was discovered in the hole, which is located to the northwest of the Gossan prospect. Three additional shallow RC holes were drilled around this hole to explore for extensions to this Cu mineralisation, but no significant Cu-mineralised intervals were intercepted.

Samples returning a copper (Cu) assay value of 300ppm or greater are reported in Appendix 1. Drill hole details are given in Appendix 2. Drilling and sampling are described in Appendix 3.

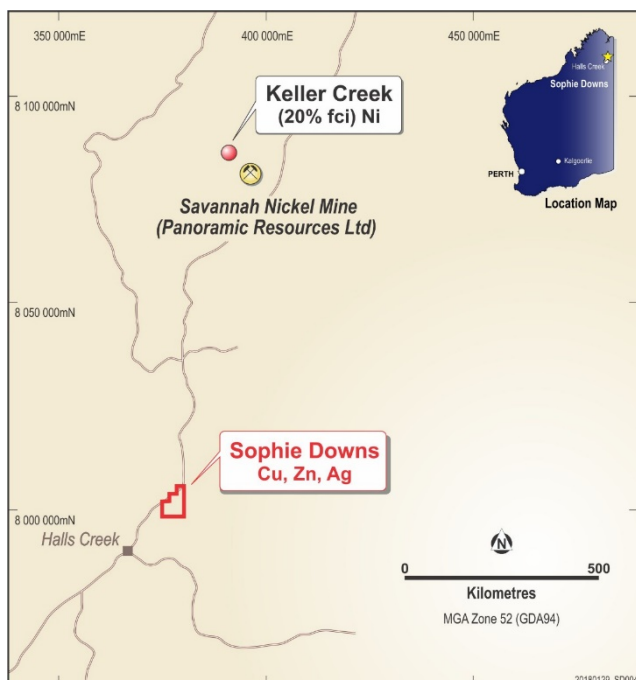
The work outlined above, together with the earlier work completed on Mr Richmond’s behalf since July 2017, incurred sufficient expenditure to satisfy Mr Richmond’s commitment to sole fund at least \$1.5 million on exploration at Red Bore by late January 2019. Thundelarra issued formal notification that the Minimum Expenditure Commitment had been satisfied. This expenditure does not change the equity interests in the project, which stay at Thundelarra 90% and Mr Richmond 10%. To increase his equity interest in the licence W Richmond must define at least 30,000 tonnes of copper or copper equivalent that comply with JORC 2012 resource guidelines, to earn an extra 75%. Red Bore would then be Thundelarra 15% free carried and W Richmond 85%.

Mr Richmond now has the option to continue to carry out work at Red Bore until such time as he elects to withdraw or defines the mineralisation necessary to earn the additional 75% interest. The ongoing costs of further exploration and of keeping the tenement in good standing are all to be borne by Mr Richmond.

As previously advised, studies confirm the interpretation that the Gossan mineralisation is remobilised and therefore that a possible source remains to be discovered at depth.

No field work was carried out at the **Curara Well** project during the Quarter.

Sophie Downs, East Kimberley, WA (THX 100%)



Sophie Downs is approximately 30km to the north-east of Halls Creek in the East Kimberley region of Western Australia on Thundelarra's 100%-owned exploration license EL 80/3673.

No field work was conducted at Sophie Downs during the Quarter. Detailed geological mapping and ground reconnaissance carried out previously had identified a number of targets with potential for gold mineralisation. These will be tested in future exploration programmes.

Halls Creek was the location of the first gold discovered in Western Australia in 1885 – before the Coolgardie gold rush that started in 1892, to be followed by Kalgoorlie's Golden Mile discoveries the following year.

Figure 9. Sophie Downs and Keller Creek regional location map.

Geophysical targets that could be graphitic horizons or possibly massive sulphides were not drill tested satisfactorily in the last programme and these remain valid targets that warrant follow-up. Continued strength in the graphite and zinc markets mean that these targets will be revisited when ground access conditions permit a new drilling programme.

CORPORATE

At 31 December 2018, cash was \$1.018 million. The marked to market valuation of equity investments held by Thundelarra at the date of this report was \$0.128 million and is additional to the reported cash balance.

Thundelarra continues to evaluate opportunities consistent with our core commodity focus of gold. Of interest in the December quarter was the news that the preferred bidder for the Andy Well gold mine assets, a TSX-listed Canadian gold miner, had withdrawn from the transaction and that Westgold had stepped in instead, consolidating its position in the region.

SUBSEQUENT EVENTS

Since the end of the December Quarter, the following subsequent events are noted:

- Thundelarra is implementing a new growth strategy accompanied by changes to Board and Management. Chief Executive Officer Tony Lofthouse's tenure will come to an end on 30 April 2019 and experienced mining engineer Philip Bruce will join the board as a non-executive director on 01 March 2019. His consultancy services will help deliver the new strategy, which aims to develop the near-surface gold mineralisation known to exist at Garden Gully. Small, focused developments will generate cash flow to fund future exploration.

SCHEDULE OF TENEMENTS

Project / Tenement		Interest at Start of Quarter	Interest at End of Quarter	Acquired During the Quarter	Disposed During the Quarter	Joint Venture Partner/Farm-in Party
Western Australia						
Sophie Downs	E80/3673	100%	100%	-	-	-
Keller Creek	E80/4834	20% fci	20% fci	-	-	Panoramic (PAN)
Red Bore	M52/597	90%	90%	-	-	WR Richmond
Curara Well	E52/2402	90%	90%	-	-	WR Richmond
Garden Gully Project						
Garden Gully	E51/1661	100%	100%	-	-	-
Garden Gully	E51/1737	100%	100%	-	-	-
Garden Gully Meeka NW	P51/2760	100%	100%	-	-	-
Garden Gully Meeka NW	P51/2761	100%	100%	-	-	-
Garden Gully Meeka NW	P51/2762	100%	100%	-	-	-
Garden Gully Meeka NW	P51/2763	100%	100%	-	-	-
Garden Gully Meeka NW	P51/2764	100%	100%	-	-	-
Garden Gully Meeka NW	P51/2765	100%	100%	-	-	-
Garden Gully South	P51/2909	100%	100%	-	-	-
Garden Gully South	P51/2910	100%	100%	-	-	-
Garden Gully South	P51/2911	100%	100%	-	-	-
Garden Gully South	P51/2912	100%	100%	-	-	-
Garden Gully South	P51/2913	100%	100%	-	-	-
Garden Gully South	P51/2914	100%	100%	-	-	-
Garden Gully North	P51/2941	100%	100%	-	-	-
Garden Gully North	P51/2948	100%	100%	-	-	-
Crown Prince	P51/3009	100%	100%	-	-	-
Abbotts Project						
Abbotts	E51/1609	0%	100%	100%	-	-
Abbotts	E51/1708	0%	100%	100%	-	-
Abbotts	E51/1757	0%	100%	100%	-	-
Abbotts	E51/1790	0%	100%	100%	-	-
Abbotts	E51/1791	0%	100%	100%	-	-
Abbotts	M51/390	0%	100%	100%	-	-
Abbotts	M51/567	0%	100%	100%	-	-
Abbotts	P51/2958	0%	100%	100%	-	-
Abbotts	P51/2959	0%	100%	100%	-	-
Abbotts	P51/2960	0%	100%	100%	-	-
Abbotts	P51/2961	0%	100%	100%	-	-
Abbotts	P51/2962	0%	100%	100%	-	-
Abbotts	P51/2963	0%	100%	100%	-	-

Table 1. Schedule of Tenements showing changes during the December 2018 Quarter.

PRODUCTION AND DEVELOPMENT

None of Thundelarra's projects are at a production or development stage and consequently there were no activities during the quarter relating to production or development.

Tony Lofthouse
Chief Executive Officer

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ASX CODE: THX

Issued Shares: 646.1M

ASX CODE: THXOB (ex \$0.05 30-Sep-2019)

Quoted Options: 109.3M

Twitter: @thundelarra

Market Capitalisation: \$ 8.6M (at 31 December 2018)

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.

Competent Person Statement

The information in this announcement that relates to Red Bore Project Exploration Results is based on information compiled by Dr Jayson Meyers, who is a Fellow of the Australian Institute of Geoscientists. Dr Meyers is a consultant to Mr William Richmond. Dr Meyers has sufficient experience which is relevant to the style of mineralisation and type 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'. Dr Meyers consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Appendix 1: Laboratory assay results: Cu, Au only. Cu by four-acid digest with ICP-AES analysis; Au by Fire Assay using 25g charge. Table only presents intervals reporting Cu assay values >300ppm.

Hole No	From (m)	To (m)	Width (m)	Au (ppm)	Cu (ppm)
RBC001	88	92	4	0.01	437
RBC001	92	96	4	<0.01	381
RBC001	164	168	4	<0.01	319
RBC001	316	320	4	<0.01	307
RBC001	320	324	4	<0.01	339
RBC001	324	328	4	<0.01	360
RBC001	328	332	4	<0.01	461
RBC001	332	336	4	<0.01	481
RBC001	336	340	4	<0.01	484
RBC001	340	344	4	<0.01	476
RBC001	344	348	4	<0.01	447
RBC001	348	352	4	<0.01	333
RBC002	20	24	4	<0.01	775
RBC002	21	22	1	<0.01	438
RBC002	22	23	1	<0.01	1,170
RBC002	23	24	1	0.01	1,680
RBC002	24	25	1	<0.01	2,330
RBC002	24	28	4	0.01	2,750
RBC002	25	26	1	<0.01	2,400
RBC002	26	27	1	0.05	3,250
RBC002	27	28	1	0.01	3,820
RBC002	28	29	1	<0.01	1,400
RBC002	28	32	4	0.02	2,540
RBC002	29	30	1	0.01	1,240
RBC002	30	31	1	0.01	2,680
RBC002	31	32	1	0.05	3,570
RBC002	32	36	4	0.34	2,850
RBC002	32	33	1	0.96	3,950
RBC002	33	34	1	0.01	1,760
RBC002	34	35	1	0.01	1,170
RBC002	35	36	1	<0.01	1,150
RBC002	36	37	1	0.01	1,360
RBC002	36	40	4	<0.01	2,730
RBC002	37	38	1	<0.01	3,270
RBC002	38	39	1	<0.01	4,280
RBC002	39	40	1	<0.01	3,390
RBC002	40	41	1	0.01	3,090
RBC002	40	44	4	0.01	5,400
RBC002	41	42	1	0.01	5,030
RBC002	42	43	1	0.03	7,990
RBC002	43	44	1	0.01	6,990
RBC002	44	45	1	0.01	2,130
RBC002	44	48	4	0.01	2,390
RBC002	45	46	1	0.01	2,140
RBC002	46	47	1	0.01	3,550
RBC002	47	48	1	0.01	1,220

Hole No	From (m)	To (m)	Width (m)	Au (ppm)	Cu (ppm)
RBC002	48	52	4	<0.01	325
RBC002	51	52	1	0.02	382
RBC003	112	116	4	<0.01	360
RBC003	116	120	4	<0.01	373
RBC003	120	124	4	<0.01	345
RBC003	124	128	4	<0.01	438
RBC003	128	132	4	<0.01	460
RBC003	132	136	4	<0.01	364
RBC004	0	4	4	0.04	355
RBC005	148	152	4	0.03	512
RBC006	148	152	4	0.01	686
RBC006	280	284	4	<0.01	311
RBC006	284	288	4	<0.01	321
RBC006	288	292	4	<0.01	320
RBC006	292	296	4	0.01	301
RBC006	296	300	4	<0.01	345
RBC006	300	304	4	0.01	335
RBC006	304	306	2	0.01	384
RBC007	84	88	4	0.01	559
RBC008	104	108	4	<0.01	367
RBC011	160	164	4	0.01	428
RBC013	56	60	4	0.03	722
RBC013	64	68	4	<0.01	359
RBC013	72	76	4	<0.01	1,310
RBC014	20	24	4	<0.01	416
RBC014	24	28	4	<0.01	315
RBC015	32	36	4	<0.01	483

Appendix 2. Reverse Circulation (“RC”) and diamond tail drill hole details. All holes drilled on Grid MGA94-50. Ground is sufficiently flat to allow consistent use of RL500m. RBC = RC. RBCD = RC with diamond tail.

Hole No	Easting	Northing	RL (m)	Azimuth	Dip	Depth (m)
RBCD001	735255	7172583	500	1.58 ⁰	-59.81 ⁰	901
RBC002	735614	7172571	500	0 ⁰	-60 ⁰	208
RBC003	735203	7172788	500	360 ⁰	-60 ⁰	208
RBC004	735797	7172723	500	0 ⁰	-60 ⁰	208
RBC005	736398	7172763	500	0 ⁰	-60 ⁰	208
RBC006	735114	7172608	500	0 ⁰	-60 ⁰	306
RBC007	736006	7173046	500	0 ⁰	-60 ⁰	208
RBC008	736691	7172728	500	4.5 ⁰	-59.9 ⁰	208
RBC009	735399	7172280	500	5 ⁰	-60.9 ⁰	244
RBC010	735798	7172405	500	1.9 ⁰	-60.1 ⁰	208
RBC011	736197	7172803	500	2.6 ⁰	-60 ⁰	208
RBC012	734998	7172199	500	1.2 ⁰	-60.6 ⁰	208
RBC013	735600	7172529	500	3.1 ⁰	-59.6 ⁰	106
RBC014	735551	7172581	500	1.8 ⁰	-59.7 ⁰	100
RBC015	735551	7172560	500	1.8 ⁰	-60.7 ⁰	106

Appendix 3: 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	<ul style="list-style-type: none"> 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 representativity 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. 	<ul style="list-style-type: none"> This was an exploration reverse circulation (RC) drilling programme with holes drilled to set depths. RC samples consist of 1m samples from a rotary cone splitter for re-assay of anomalous intervals, and routine sampling and assay of 4m composite scoop samples from 1m sample piles, or less at end of hole intervals, with scoops taken at the apex of the piles down to the base, while avoiding the underlying soil, to fill a pre-numbered and tagged calico sample bag with approximately 1kg of sample. The sampling intervals are primarily based on systematic 4m composites and 1m intervals from anomalous 4m composite intervals, to be assayed for Au, Ag, Al, As, Ba, Be, Bi, Ca, Cd, Co, Cr, Cu, Fe, Ga, K, La, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Sc, Sr, Th, Ti, Tl, U, V, W, Zn. All AC samples were dry, with limited wet samples encountered. RC drill chips from 1m metre intervals were examined visually, logged by the geologist and representative drill chips were systematically stored in sample chip trays for every 1m interval. Any alteration or mineralisation observed was noted on the drill logs. Duplicate samples were taken at a rate of one for every 48 samples, and laboratory standards from a similar style of geological and mineral target setting were also interested at a rate of 1 standard per 48 drill samples. 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. Most drillholes were cased with 50mm PVC, and then surveyed using downhole electromagnetic and magnetic survey methods. The data will be processed and analysed in the next quarter, and details on the survey method and any significant results will be presented during the next quarter.
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).	<ul style="list-style-type: none"> All RC holes were drilled by an Orlando Drilling Schramm T685WS Rotadrill RC rig and Hurricane 6.7-276-41B - booster compressor. RC drill collars were surveyed using a handheld GPS, and downhole surveys were taken in the RC rods using a single shot gyro at a down hole sample rate of 50m.
Drill sample recovery	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> All measures have been taken to maximise sample recovery and representative nature of the samples. Majority of the samples collected were of good quality. Where moisture was encountered the sample recovery was still excellent, estimated at >80%. No evidence has been observed of a relationship between sample recovery and grade, nor has such analysis been carried out. The excellent sample recoveries obtained preclude any assumption of grain size bias.
Logging	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> RC drill chips were logged visually by experienced and competent geologists using sieved and washed drill chips at 1m intervals. Selected geological intervals were washed and stored in chip trays as 1m intervals. Logging is both qualitative and quantitative and includes details on lithology, weathering, alteration, vein percentage, mineralisation (sulphide mineral) percentage, and any other observations worth noting. The entire length of each drillhole is logged and evaluated.
Sub-sampling techniques	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. 	<ul style="list-style-type: none"> Diamond drill core was drilled but at the time of this report had not yet been analysed.

and sample preparation	<ul style="list-style-type: none"> • 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 representativity 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. 	<ul style="list-style-type: none"> • RC samples consisted of scooped material from 1m sample piles; sample composites vary from 1m to 4m depending of the available interval of 4m or less. • The entire ~1kg RC sample was pulverised 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 composite samples were taken every 48th sample. Laboratory standards packets were also submitted to check laboratory accuracy at the same frequency. • Sample size is industry standard and is appropriate for grain size of the material sampled.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • Fire assay for Au is a total digest technique and is considered appropriate for gold. The remaining multi-element suite listed under "sampling techniques" was assayed using ICP-AES after 4 acid digest. • Certified references material standards as 1 to every 48 assayed samples and sample duplicates were taken 1 to every 48 assayed samples. • Laboratory 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	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • All sampling is routinely inspected by senior geological staff. Significant intersections are inspected by senior geological staff, and will be reviewed by joint venture parties. • The program included no twin holes. • Data is collected and recorded initially on hand-written logs with summary data subsequently transcribed in the office to electronic files, and databased were verified by external database consultants. • No adjustment to assay data has been needed or applied.
Location of data points	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • Collar locations were located and recorded using handheld GPS with typical accuracy of ±3m. • The grid system applicable to the area is Australian Geodetic Grid GDA94, and Map Grid of Australia Zone 50. • Topographic control is based on using a local RL of 500m, because the handheld GPS are not considered accurate enough and the drilling data are of an exploratory nature and will not be used for resource modelling. Local topography is relatively flat across the project area. Detailed altimetry (and thus the reporting of RLs for each drill collar) is not warranted.
Data spacing and distribution	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • 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 were taken on a 1m to 4m interval basis subject to available intervals for acquiring 4m composite samples, and as 1m rotary cone split samples taken for more detailed assay information following identification of anomalous intervals based on composite sample analysis.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • 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.

		<ul style="list-style-type: none"> Data collected so far presents no suggestion that any sampling bias has been introduced.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> When all relevant intervals have been sampled, the samples are stored on site in 500kg bulk bags, which were sealed, and transported to a secure locked storage facility in Meekatharra before final delivery by a transport company to the ALS laboratory for assay in Wangara, WA.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The Red Bore Project comprises one granted Mining Licence, M52/597, totalling approximately 200 hectares in area. Thundelarra Limited (THX) holds a 90% interest in the lease, with the remaining 10% held by William Robert Richmond. The project is located in the Doolgunna pastoral lease, 130km north of Meekatharra, in the Murchison Province of WA. The licence is in good standing and there are no known impediments to obtaining a licence to operate.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Previous exploration has been carried out by Western Mining Corporation and THX, with THX carrying out extensive programmes of geochemical surveying, geophysical surveying and deep RC and diamond drilling since 2010, which as identified advanced high-grade Cu-Au prospects at Gossan and Impaler.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The Red Bore project is located in the Proterozoic Bryah Basin of WA, where the local geology in the mining lease is comprised of the Karalundi formation, containing volcanoclastic deposits, siliciclastic deposits, mafic-intermediate lava flows and dolerite dykes, which all have been tightly folded, where fold limbs are steeply dipping, the geological units are also faulted and metamorphosed to lower greenschist facies. Some sedimentary rocks of quartz arenite, siltstone and black shale, forming the base of the Proterozoic Padbury Group, occur along the southern margin of project mining lease boundary, these are younger rocks than the Karalundi Formation and are not targeted for exploration. Most of the tenement has thin colluvial cover sitting over outcropping and sub-cropping fresh to weathered bedrock. The main mineralisation target is Cu-sulphide minerals, with accessory mineralisation containing Au and Ag, which would have formed in a volcanic massive sulphide style mineralisation system, similar to the mineralisation at the DeGrussa Copper deposit, which sits within 1km to the NW of the Red Bore lease boundary, and is currently being mined by Sandfire Resources NL (ASX: SFR), as well as similar styles of mineralisation within the project mining lease at the Gossan and Impaler prospects.
Drill hole Information	<ul style="list-style-type: none"> Summarise all information material to the understanding of the exploration results including a tabulation of the following information for all material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar 	<ul style="list-style-type: none"> All relevant drill hole details are presented in Appendix 2. 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 of 500m is used for the time being.

	<ul style="list-style-type: none"> 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. 	
Data aggregation methods	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Assays are reported in Appendix 1 for all samples where copper returned >300ppm. No weighted averaging has been applied, nor any cut-off grades. There has not been any data aggregation other than compositing of samples over 4m intervals, or less near the end of hole. No metal equivalent values are used.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> 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'). 	<ul style="list-style-type: none"> 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 to target zones of shallow geochemical anomalism for deeper drilling below anomalies. True widths are unknown. 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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Figure 6 shows the RC collar locations and Figure 7 shows the location of the tenement relative to the operating DeGrussa copper-gold mine. The data collected to date form the basis for target identification for subsequent drill testing. Sectional views are not yet relevant or warranted.
Balanced reporting	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Assay information provided in Appendix 1 is presented on a 300 ppm Cu cut-off, which is considered a low enough value for identifying anomalous zones in the drilling data and consequently represents balanced reporting.
Other substantive exploration data	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Following this reporting quarter, NQ diamond core collected as a tail to one of the RC holes will be geologically logged, and intervals of interested will be selectively sampled and assayed. Downhole electromagnetic and downhole magnetic survey data collected during the quarter will be processed and analysed during the next quarter. Upon evaluation of the recent drill programme results, follow-up deep drilling programmes using RC and DD will be planned and PoWs submitted. It is hoped that the interpretation will warrant deeper drilling below targets that will be identified from the recent RC drilling results as part of the next stage of exploration at greater depth to try and discover high grade Cu sulphide mineralisation. Anomalous Cu-Au zones and other anomalous geochemical zones identified by the RC drilling program are in the process of being identified and follow up drilling targets are being generated from these results.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

THUNDELARRA LIMITED

ABN

74 950 465 654

Quarter ended ("current quarter")

31 DECEMBER 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(205)	(205)
(b) development	-	-
(c) production	-	-
(d) staff costs	(159)	(159)
(e) administration and corporate costs	(88)	(88)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	13	13
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other	-	-
1.9 Net cash from / (used in) operating activities	(439)	(439)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(13)	(13)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.4	Dividends received (see note 3)	-	-
2.5	Other	-	-
2.6	Net cash from / (used in) investing activities	(13)	(13)
3. Cash flows from financing activities			
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other – share issue costs	(2)	(2)
3.10	Net cash from / (used in) financing activities	(2)	(2)
4. Net increase / (decrease) in cash and cash equivalents for the period			
34.1	Cash and cash equivalents at beginning of period	1,472	1,472
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(439)	(439)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(13)	(13)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(2)	(2)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,018	1,018

Explanation necessary to understand the transactions included in items 3.1.

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	112	169
5.2 Call deposits	906	1,303
5.3 Bank overdrafts		
5.4 Other (provide details)		
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,018	1,472

6. Payments to directors of the entity and their associates

	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	44
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Thundelarra's financial year is from 1 October 2017 to 30 September 2018.

7. Payments to related entities of the entity and their associates

	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

8. Financing facilities available

Add notes as necessary for an understanding of the position

	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

9. Estimated cash outflows for next quarter		\$A'000
9.1	Exploration and evaluation	150
9.2	Development	-
9.3	Production	-
9.4	Staff costs	163
9.5	Administration and corporate costs	140
9.6	Other (provide details if material)	-
9.7	Total estimated cash outflows	453

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	E51/1609	-	0%	100%
		E51/1708		0%	100%
		E51/1757		0%	100%
		E51/1790		0%	100%
		E51/1791		0%	100%
		M51/390		0%	100%
		M51/567		0%	100%
		P51/2958		0%	100%
		P51/2959		0%	100%
		P51/2960		0%	100%
		P51/2961		0%	100%
		P51/2962		0%	100%
	P51/2963		0%	100%	
		[Abbotts Project]			
10.2	Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:

Date: 31 January 2019

Print name: Frank DeMarte
Company Secretary

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.