



DRILLING UNDERWAY AT RED BORE

Thundelarra is pleased to announce the continuation of exploration at the 90%-owned Red Bore prospect (M52/597) in Western Australia's Doolgunna region. Drilling has recommenced.

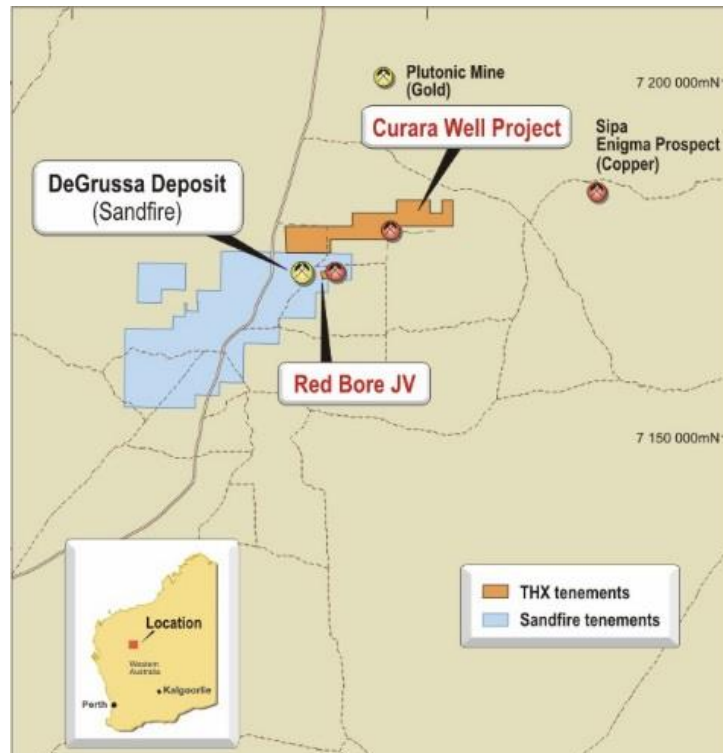


Figure 1. Location map of Red Bore and Curara Well Projects showing proximity to DeGrussa copper-gold mine (Sandfire Resources NL). Scale: grid spacing is 30 km.

The first diamond hole of a planned programme of reverse circulation (RC) and diamond drillholes (DD) was collared at the Impaler prospect (located approx.900 metres west of the Gossan) on Monday 7 December. The exact number of holes and the total aggregate metres drilled will depend on the geology intersected in each hole. The on-site geologists will evaluate the data recovered from each hole and will exercise appropriate judgement when collaring subsequent holes to make each drillhole as effective and as informative as possible.

The programme has three main objectives:

- To improve the understanding, and extent, of the Impaler mineralisation;
- To test the extensions of the mineralisation at Gossan, particularly the off-hole DHEM anomaly previously announced and its apparent coincidence with the interpreted position of the downhole magnetic anomaly that we consider to be the extension of the “pipe”; and
- To re-test the magnetic anomaly to the south-east of Gossan. Initial drilling of that anomaly encountered jaspilitic units containing disseminated magnetite. The presence of magnetite was interpreted at the time as explaining the magnetic anomaly. The subsequent Monty discovery, with the interpreted association of jaspilites with the VMS mineralisation there, means that we need to re-examine this anomaly.

Given the time of the year, we do not anticipate first assay results before February 2016.

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