

**ASX
ANNOUNCEMENT**

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PINE CREEK URANIUM EXPLORATION UPDATE

- **Diamond drilling has recommenced at Thunderball**
- **Gamma log results for the latest Thunderball holes**
- **Three RC holes completed at Corkscrew**

Thundelarra is pleased to announce that drilling has recommenced at the Thunderball Uranium Prospect in the Pine Creek region of the Northern Territory. The current program is intended to extend and in-fill very high grade uranium mineralisation identified by previous drilling.

A conventional truck mounted diamond drill rig began drilling yesterday and will be joined by a track-mounted diamond rig within the week. It is intended to complete as many holes at Thunderball as possible prior to the onset of the wet season.

Down-hole gamma logging has been carried out for drill holes completed at Thunderball in August and September, including diamond drill hole TPCDD026. Assays are yet to be received for TPCDD026, however as previously reported (ASX 25 September 2009) massive uranium mineralisation was observed in this hole.

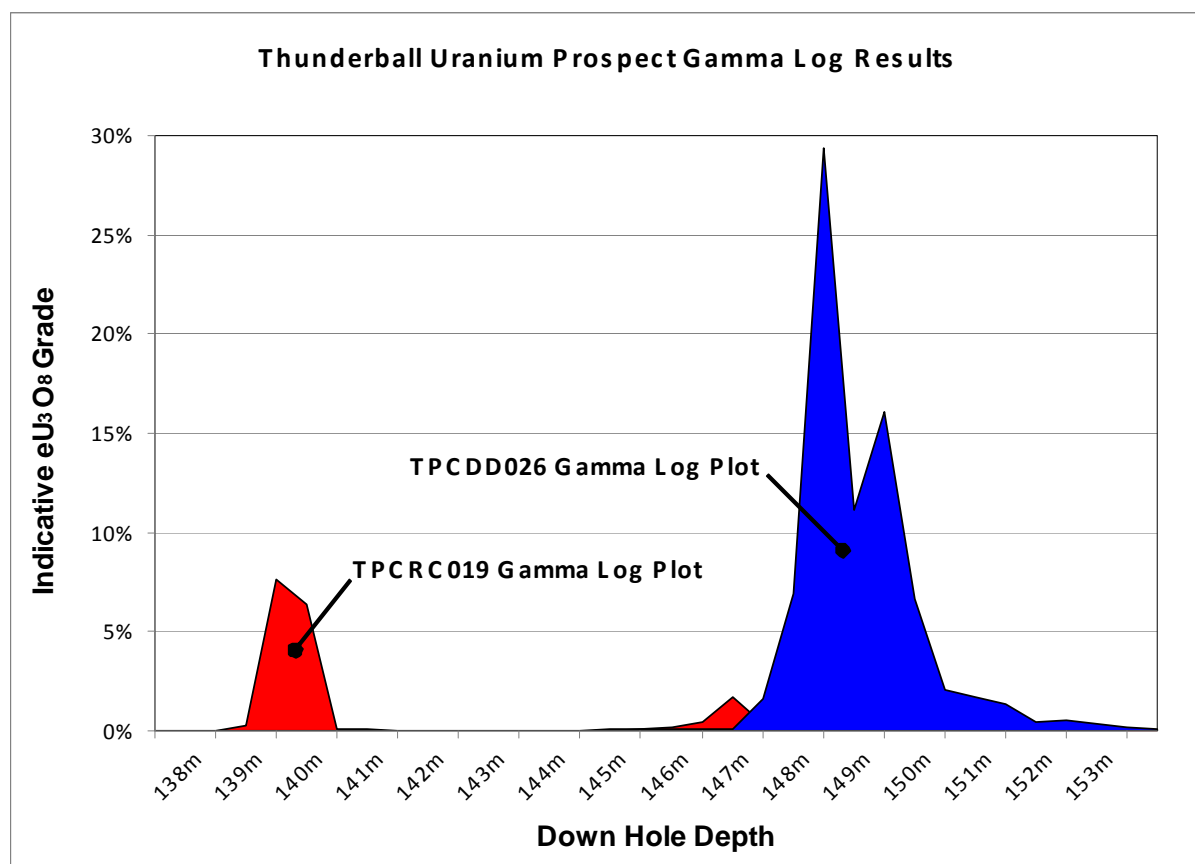
The gamma log results support the visual observations for TPCDD026, but it is not considered appropriate at this stage to estimate intercept grades from the gamma results as there is insufficient data available to reliably calibrate instrument output. However gamma results from a number of holes can be validly compared to provide an indication of relative mineralisation intensity.

The graph over page compares gamma data for TPCDD026 with TPCRC019 which has delivered the highest assay results to date (15 m at 1.5% U₃O₈ inc. 1 m at 20.3% U₃O₈). It is anticipated that assay results will be available for TPCDD026 before month end.

At the Corkscrew prospect, approximately 3 km south west of Thunderball, uranium rich boulders assaying up to 2.3% U₃O₈ were discovered within barren scree cover (ASX 25 June 2009). Results have now been received for three RC holes drilled to test beneath the cover. One hole, TPCRC024, intersected strongly anomalous uranium with associated indicator minerals within a shear zone.

Corkscrew is situated within a very similar geological setting to Thunderball and has produced the highest uranium grades obtained at surface in the region. Fieldwork at Corkscrew is being accelerated immediately with the aim of locating the source of the high grade boulders.

Thunderball is situated on exploration license EL2343, Corkscrew is located on EL23509. Thundelarra holds a 70% interest in the uranium rights on EL23431 in joint venture with Crocodile Gold Australia Pty Ltd and has an option to acquire a 100% interest in EL23509.



Note: Gamma readings were taken at 0.05 m down-hole intervals. Plotted data has been composited into 0.5 m intervals. This graph is solely intended to display the extent of mineralisation in hole TPCDD026 relative to hole TPCRC019, eU_3O_8 grades are indicative only and are not suitable for estimating intercept grades.

Corkscrew Drill Hole Details

Hole Number	East	North	Dip/Az	From - To	Interval	U_3O_8
TPCRC024	769537	8498846	-60°/95°	80-81m	1m	230 ppm

Datum is MGA Zone 52 GDA94

The details contained in this report that pertain to ore and mineralisation are based upon information compiled by Mr Brian Richardson, a full-time employee of the Company. Mr Richardson is a Member of the Australasian Institute of Mining and Metallurgy (AUSIMM) and 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 December 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Richardson consents to the inclusion in this report of the matters based upon his information in the form and context in which it appears.