

EXPLORATION UPDATE – DOOLGUNNA REGION

- **Deep diamond drilling underway at Red Bore**
- **Heritage survey carried out at Curara Well – drilling to follow**
- **Gravity survey completed at Yerrida**

Thundelarra is pleased to report that exploration is successfully ramping up at the Company's copper-gold projects in the Doolgunna region of Western Australia.

Red Bore Project – Four 250 metre pre-collars have been completed and diamond drilling has now commenced to extend each hole to a depth of approximately 600 metres. Three of these holes are targeting depth extensions at the Red Bore prospect where previous drilling by Thundelarra intersected significant DeGrussa style copper-gold sulphide mineralisation, including 17 metres at 11.7% copper and 1.73g/t gold in hole TRBC005 (see ASX 25 August 2010). Recent down-hole electro-magnetics indicate the mineralising system is present beyond the extent of current drilling (see ASX 11 May 2011).

Deep diamond drilling is also planned at the North West Gossan prospect, which lies to the south of Sandfire Resources NL's Conductor 5 deposit (1.1Mt at 6.6% copper and 3.0g/t gold). This hole is targeting repetitions and fault displacements of Conductor 5, which lies some 250 metres to the north.

The initial program of four deep holes is anticipated to take six weeks to complete, however the results will be used to aid design of additional holes to be carried out as appropriate.

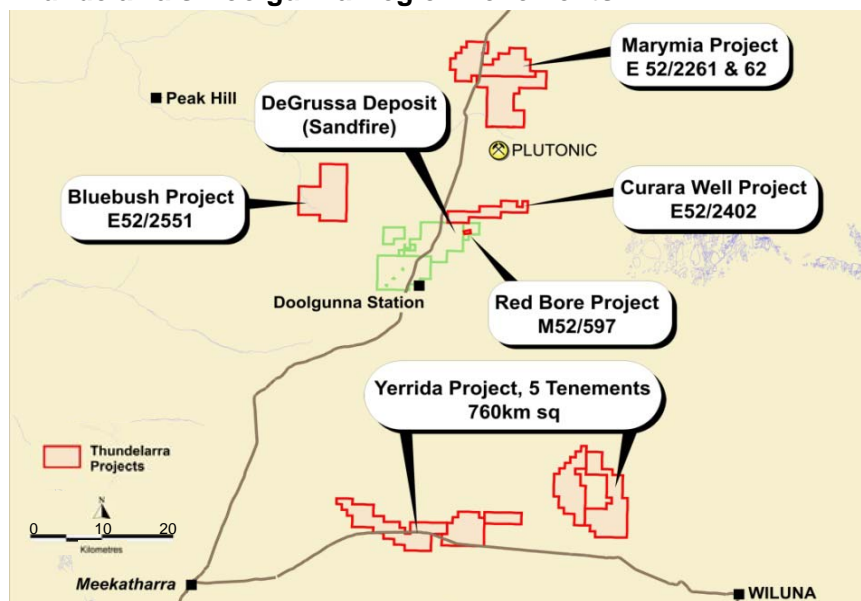
Curara Well Project – A Heritage Survey has been undertaken by members of the Yugunga Nya, Traditional Owners of the area, clearing the way for drilling to commence. Reverse circulation drilling is anticipated to begin by early July, pending the grant of final statutory approvals. Priority targets include a significant and extensive copper soil geochemical anomaly and a series of VTEM electro-magnetic anomalies that may represent DeGrussa/Red Bore style VMS copper-gold mineralisation at depth. Thundelarra's petrology has identified prospective volcanic and epiclastic rocks displaying VMS style alteration.

Yerrida Project – A 3,000 station gravity survey has just been completed. This work is part of a program to identify targets on the Company's earlier stage regional projects for subsequent drill testing. Results are anticipated by mid-July.

The Red Bore Project is situated on granted Mining Lease M52/597, in which Thundelarra is earning a 60% interest. The Curara Well project is situated on granted exploration license E52/2402, which is 100% owned by Thundelarra. The Yerrida project consists of four granted exploration licenses, E51/1357, E51/1358, E51/1359, E51/1418 in which Thundelarra is earning an 80% interest and exploration license application E51/1437 in which Thundelarra has an 80% interest.

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Thundelarra's Doolgunna Region Tenements



ABOUT THUNDELARRA

Thundelarra controls in excess of 8,000 square kilometres of tenure in the Northern Territory's Pine Creek and Ngalia Basin uranium provinces. The Company has made a number of significant uranium discoveries in both regions and has JORC compliant resources at both the Hayes Creek and Allamber Projects. Exceptionally high grade mineralisation has been identified at Hayes Creek with drilling returning assays of up to 20.3% U₃O₈. In the Ngalia Basin Thundelarra has discovered a major uranium bearing paleochannel system demonstrating potential to host significant scale deposits and characteristics favourable for in-situ recovery (ISR).

In Western Australia Thundelarra controls 11 tenements in the Doolgunna region totalling 1,500 square kilometres, including ground immediately along strike from Sandfire Resources' DeGrussa deposit. Recent drilling by Thundelarra has intersected significant high grade copper-gold mineralisation. The Company also retains substantial base metals exploration tenure in the East Kimberly and a 40% interest in the Copernicus nickel sulphide mine.

Thundelarra is very well funded and is aggressively exploring its key projects with the aim of progressing its discoveries through to commercial production.

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ASX CODES: THX & THXOA

Issued Shares: 153.5M

Market Cap: \$65M

Competent Person's Statement

The details contained in this report that pertain to ore and mineralisation are based upon information compiled by Mr Simon Attwell, a full-time employee of the Company. Mr Attwell 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 Attwell consents to the inclusion in this report of the matters based upon his information in the form and context in which it appears.