

THIRD QUARTER ACTIVITY & CASHFLOW REPORT 30 JUNE 2011

HIGHLIGHTS

URANIUM EXPLORATION

NGALIA BASIN URANIUM

- Drilling delivers high grade paleochannel intercepts including:
 - Hole TNG061RC – 7.1 metres at 1,405 ppm eU₃O₈
 - Hole TNG095RC – 1.6 metres at 1,174 ppm eU₃O₈
- Paleochannel uranium mineralisation now intersected over a 15 kilometre extent at the Afghan Swan Prospect
- Drilling of areas outside Afghan Swan to commence this quarter – approximately 400 linear kilometres of paleochannel remain untested

PINE CREEK URANIUM

- Drilling underway at Hayes Creek after delays due to extraordinary wet season rains
- Highly prospective deformation zone identified at the Thunderball Prospect
 - linked to very high grade mineralisation in existing resource
 - provides scope for resource expansion
 - diamond drill testing to commence in current quarter
- Equity in the Allamber uranium/copper project increased to 100%

BASE METALS

DOOLGUNNA BASE METALS

- DHEM survey at Red Bore indicates sulphide mineralisation continues at depth
- Deep diamond drilling underway at the Red Bore Prospect and North-West Gossan
- Curara Well Project cleared for drilling – initial program to commence in current quarter
- 2,300 line kilometre airborne magnetic survey completed at the Bluebush Project
- 3,000 station gravity survey completed at the Yerrida Project

EAST KIMBERLEY BASE METALS

- Interpretation of airborne gravity and VTEM data identifies multiple targets
- Drill testing of a strong EM conductor at the Jenner Prospect underway
- 330 metre pre-collar completed for deep testing of a large residual gravity anomaly at the Savannah West Prospect

CORPORATE

- Cash position at the end of the quarter – \$11.9 million.

URANIUM NORTHERN TERRITORY

During the June 2011 quarter, uranium exploration commenced at the Ngalia Basin and Pine Creek Projects with the initial holes at Ngalia returning significant results. Drilling is continuing on both projects and the results of the work done during the quarter are presented below:

Ngalia Basin Project

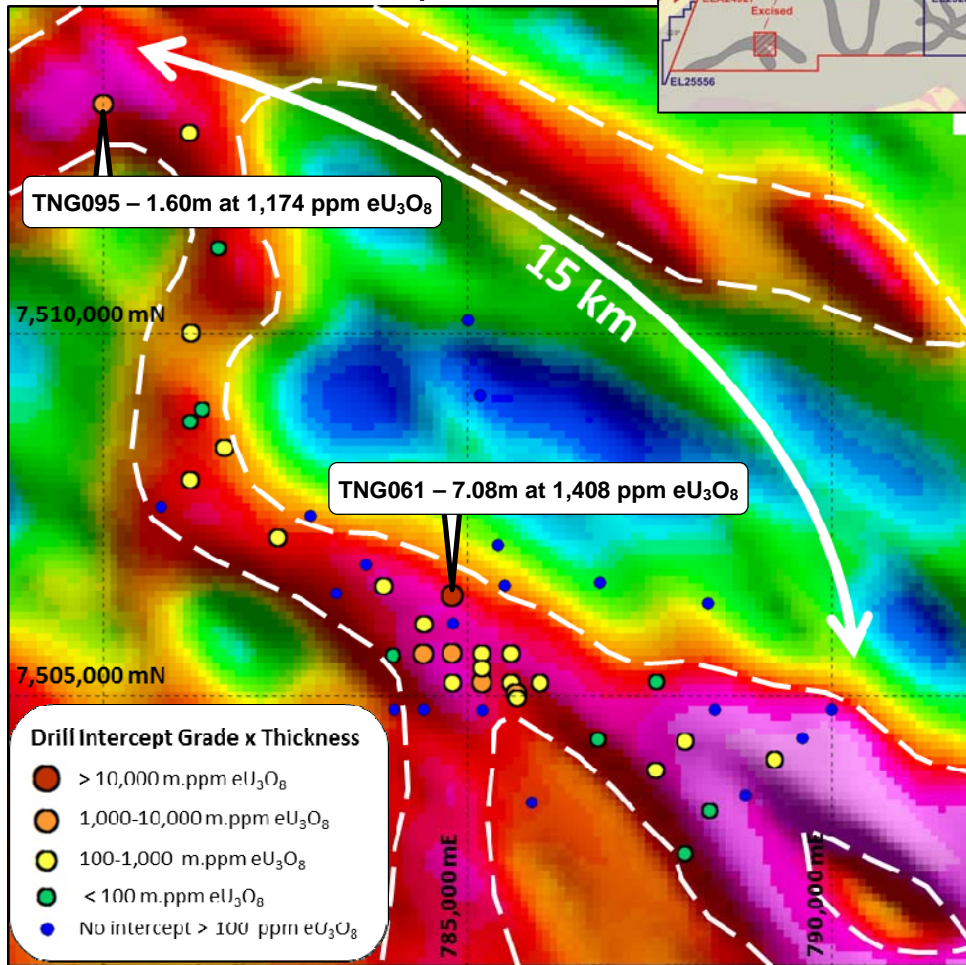
Thundelarra has over 6,000 square kilometres of tenure in and around the Ngalia Basin, located approximately 320 kilometres north-west of Alice Springs in the Northern Territory. Exploration conducted by Thundelarra in 2010 involving ground gravity, airborne electromagnetic surveying (Tempest) and drilling identified over 400 kilometres of paleovalleys systems within the Lower Tertiary sequence of the basin. These systems are highly prospective as evidenced by Thundelarra's discovery of significant uranium mineralisation within basal channel sands at the Afghan Swan prospect (ASX 28 October 2010).

During the June quarter 2011, Thundelarra commenced the systematic drill assessment of the Afghan Swan prospect with 41 reverse circulation and mud rotary holes completed for a total of 7,779 metres. Hole TNG061RC, intersected 7.08 metres of Tertiary palaeochannel mineralisation grading 1,405 ppm eU_3O_8 at a depth of 135 metres below surface. The intercept included 0.85 metres at 5,179 ppm eU_3O_8 . This is the highest grade and broadest width of uranium mineralisation intersected in the project so far. Hole TNG095RC located approximately 8 kilometres north west of TNG061RC returned an intercept of 1.6 metres at 1,174 ppm eU_3O_8 indicating the wide spread nature of the mineralisation within the Afghan Swan prospect.

Drilling has now identified significant uranium mineralisation (greater than 100 ppm eU_3O_8) over a 15 kilometre strike extent within the one paleovalley system tested to date. A drill hole location plan displaying the magnitude of mineralised intercepts is included along with a Table of Significant Intercepts. A second phase of mud rotary drilling (5,000 metres) has just commenced on the Ngalia Project designed primarily to test a number of other paleovalleys within Thundelarra's extensive Ngalia Basin Project.

Thundelarra Ngalia Basin Tenement Plan

Drill Hole Locations Over Tempest EM Data



Ngalia Basin 2011 Significant Drill Intercepts (grade x thickness >100 m.ppm eU₃O₈)

Hole	Easting (metres)	Northing (metres)	From (metres)	To (metres)	Interval (metres)	Grade (ppm eU ₃ O ₈)	Gr x t'nness (m.ppm eU ₃ O ₈)
TNG061RC	784797	7506399	135.14	142.22	7.08	1,408	9,965
	including		135.64	137.34	1.70	2,213	3,762
	and		140.92	141.77	0.85	5,179	4,402
TNG062RC	784406	7506005	108.37	109.57	1.20	267	320
	and		129.90	130.35	0.45	239	107
TNG069MR	789214	7504130	134.16	135.11	0.95	146	138
TNG073RC	782405	7507202	112.36	113.10	0.75	211	158
	and		117.09	117.89	80	220	176
TNG077RC	781201	7507997	117.53	118.08	0.55	208	114

Hole	Easting (metres)	Northing (metres)	From (metres)	To metres)	Interval (metres)	Grade (ppm eU ₃ O ₈)	Gr x t'ness (m.ppm eU ₃ O ₈)
TNG079RC	781682	7508445	118.05	119.10	1.05	251	262
TNG081MR	787585	7503986	139.33	139.98	0.65	204	132
TNG085RC	781213	7510038	117.00	118.34	1.35	169	227
TNG092RC	781195	7512794	158.95	160.44	1.50	228	341
and			165.47	166.47	1.00	277	276
TNG095RC	780005	7513195	143.09	144.69	1.60	1,174	1,872

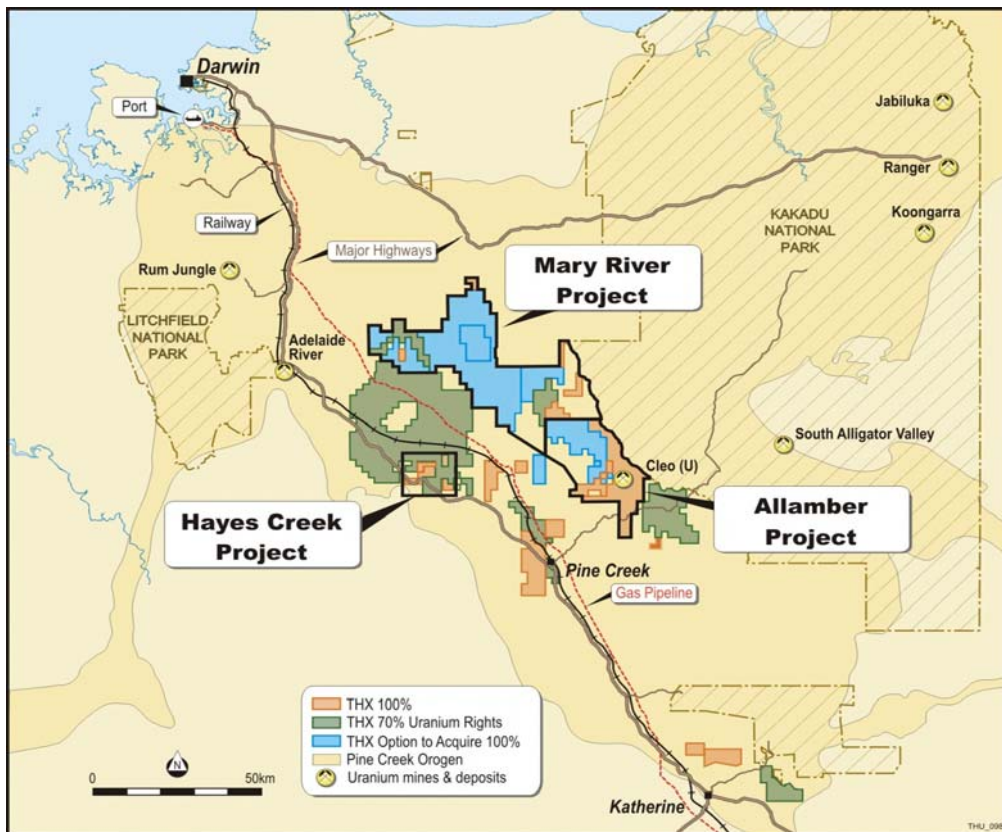
Grid:GDA94 Z52
 All holes are vertical
 Primary intervals calculated on 100 ppm eU₃O₈ lower cut off

Equivalent U₃O₈ grades are being measured using a Mt Sopris down-hole gamma logger that has been independently calibrated. Readings are taken at 50 millimetre intervals from within the drill rods. Factors to correct for the effects of the drill rods are applied in accordance with the equipment manufacturer's specifications.

All drilling carried out to date is located on exploration licence EL25334, which is wholly owned by Thundelarra.

Pine Creek Region

Pine Creek Project Areas

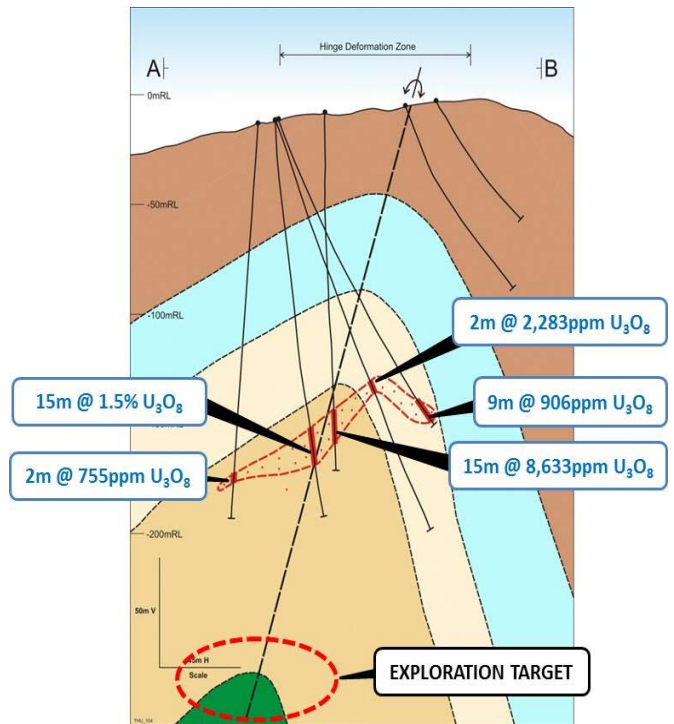


Hayes Creek Project

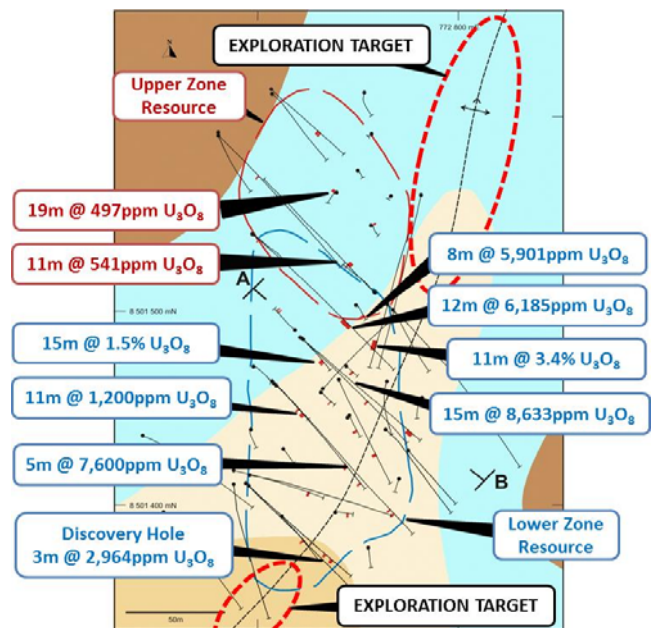
In June drilling commenced at the Thunderball uranium prospect within the Hayes Creek project in the Northern Territory. This current RC and diamond drilling represents the start of a program aimed at expanding high grade uranium resources at Thunderball and the testing of a number of uranium prospects discovered at the end of 2010.

Further interpretation of existing drill data from Thunderball has identified that the highest grade mineralisation occurs in close proximity to the hinge axis of the Thunderball anticline, as shown on the cross-section to the right. Drill hole logging has revealed a brittle-ductile deformation zone associated with the hinge, with favourable stratigraphic horizons within the Mt Bonnie Formation and Gerowie Tuff hosting uranium mineralisation. Importantly, the majority of drilling carried out to date is situated on the flank of the anticline, well west of the prospective hinge zone, as shown on the drill plan and section.

Thunderball Cross-Section



Thunderball Drill Plan



Drilling is currently targeting the deformation zone to the south of the existing resource. A combination of RC and diamond drilling will be used to test the deformation zone as it plunges to the north.

A third exploration target at Thunderball is the intersection of the hinge axis with the Gerowie Tuff/Zamu Dolerite contact beneath the existing resource, as marked on the cross-section. The deformation zone and stratigraphic contact present good structural traps for mineralisation and the dolerite is a geochemically favourable host for uranium. This target will also be tested during the diamond drilling phase of the current program. Drilling is continuing with the first assays results due in August.

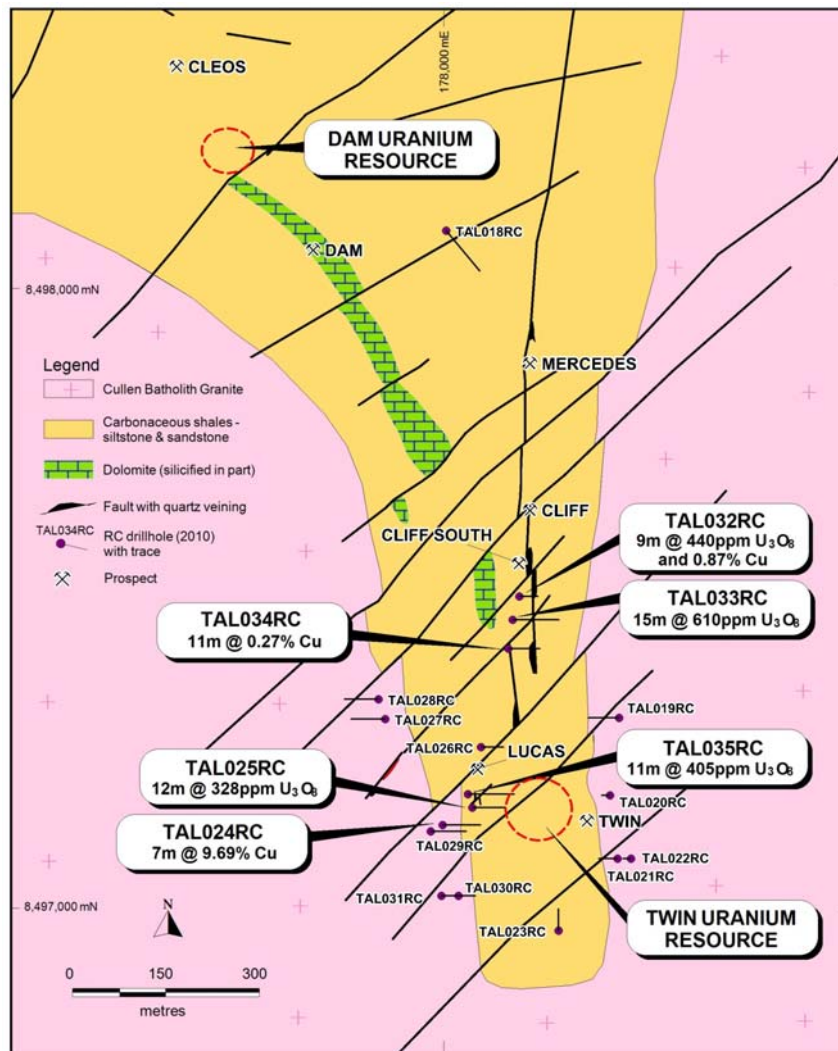
The Thunderball prospect is located on exploration license EL23431. Thundelarra has a 70% interest in the uranium rights on this tenement in joint venture with Crocodile Gold Australia Pty Ltd.

Allamber Project

At the Allamber Project, located on the eastern side of regional Pine Creek Project, drill pads are currently being cleared in preparation for the initial RC drilling program scheduled to commence early August. The drilling is planned to follow up significant uranium (up to 15 metres at 610ppm U₃O₈ including 1 metre at 3,926 ppm U₃O₈) and copper (up to 7 metres at 9.69% Cu) intersections achieved in late 2010 (see ASX 6 December 2010). Due to the exceptional rains during the 2010/2011 wet season much of the Pine Creek project area is still not accessible to heavy vehicles delaying all planned drilling programs.

On the 24 June Thundelarra reported that it had executed a binding agreement with Excelsior Gold Limited to acquire Excelsior's 30% interest in the Allamber Joint Venture. Thundelarra's equity in the Allamber project has increased to 100%.

Allamber Project Drill Hole Location Map



Copperfield Project

Drilling is also scheduled to commence at the Copperfield project located near the township of Pine Creek. Recent field work including mapping, sampling and a ground IP survey defined a number of copper-gold targets associated with a suite of felsic intrusive rocks.

URANIUM WESTERN AUSTRALIA

During the quarter Resource Star Limited (ASX: RSL) carried out a reconnaissance mapping and sampling program over the Spinifex Joint Venture tenement in preparation for a diamond drilling program scheduled to commence during the September 2011 quarter. The Spinifex Project is located approximately 50 kilometres south of Kununurra and contains the prospective unconformity between the Meso-Proterozoic Hensman Sandstone and the underlying Palaeo-Proterozoic Revolver Creek Formation. Limited exploration by Thundelarra in 2009/2010 returned rock sample assays up to 4.2% U₃O₈ from the historic Spinifex prospect and 0.58% U₃O₈ from the newly discovered A1 prospect. No drilling has ever been undertaken on the tenement.

Under the terms of the Spinifex exploration joint venture (see ASX 4 April 2011) Resource Star will earn a 20% equity in the project through the completion of 1,000 metres of drilling prior to April 2012 and a further 31% by completing a total expenditure of \$500,000. Thundelarra may then opt to contribute to project expenditure on an equity basis or dilute further to a 30% share on the completion of a JORC-compliant Mineral Resource Estimate, and again may elect to contribute or dilute to a 10% share on the completion of a feasibility study. Spinifex is an exciting undrilled project that has the potential to host significant high grade unconformity related uranium mineralisation.

Thundelarra and U3O8 Limited (ASX: UTO) executed the Saltwater Pool Joint Venture Heads of Agreement on the 31 March 2011. Under the terms of the joint venture U3O8 Limited is farming into three of Thundelarra's tenements in the Kunderong Project in the Ashburton district. One tenement (E52/1940) is held 100% by Thundelarra, whilst the other two tenements (E52/1890, 1892) are held by Cullen Resources Limited (ASX: CUL) and managed by Thundelarra under the Kunderong Joint Venture. U3O8 Limited can earn 51% equity in each tenement by spending a combined total of \$1.1 million over a three year period.

During the quarter U3O8 Limited announced high-grade gold and silver assays from rock chip sampling carried out on the Saltwater Joint Venture tenement E52/1892 (see ASX release 17 June 2011). Assaying returned a best result of 8.8 g/t gold and 150 g/t silver and 1.1% antimony. Samples were from a complex, brecciated quartz vein system and were collected from a small area over various parts of the veins. The vein can be traced for several kilometres within the tenement and follow up sampling is proposed during the September quarter.

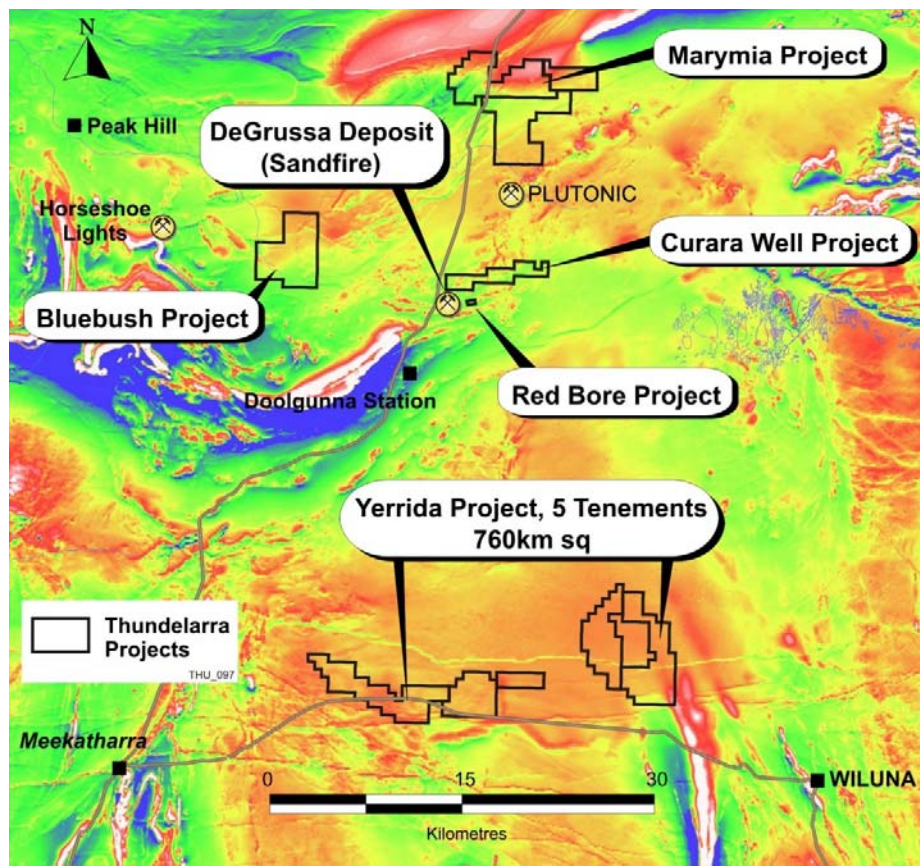
BASE METALS

Doolgunna Region

The Doolgunna region of Western Australia continued to be the focus for Thundelarra’s base metal exploration during the quarter, with work directed at finding copper-gold sulphide mineralisation similar to that of the DeGrussa deposit. This spectacular discovery by Sandfire Resources NL hosts a resource of 14.3 million tonnes grading 4.6% copper and 1.6 g/t gold (652,000t contained copper, 742,000 oz contained gold) and is currently undergoing mine development. Thundelarra’s tenure directly abuts Sandfire’s mining lease and exploration license.

Thundelarra’s most detailed programs, including commencement of deep diamond drilling, have been carried out at the Red Bore project. However, exploration has also been advanced at other projects within the Company’s 1,500 square kilometre tenement holding in the Doolgunna region, shown in the figure below.

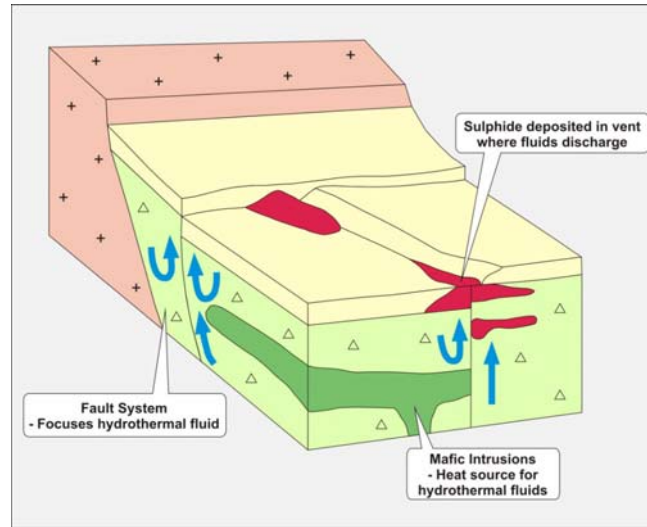
Doolgunna Regional Projects and Tenement Map



Sandfire’s DeGrussa deposit is widely described as being volcanogenic massive sulphide (VMS) in style, and displays unusually high copper and gold tenor. Thundelarra considers the DeGrussa mineralisation to be analogous to Besshi style VMS occurrences. These are typically developed within mafic rocks in rift environments such as at Besshi, Japan and the Matchless belt, Namibia. In each of these areas heat from mafic volcanism drives hydrothermal fluid systems which then deposit sulphide and metals at or close to the sea floor. Importantly, many worldwide VMS deposits occur in

clusters underpinning the prospectivity of the Doolgunna region for further discovery. A schematic diagram of this style of mineralisation is displayed below.

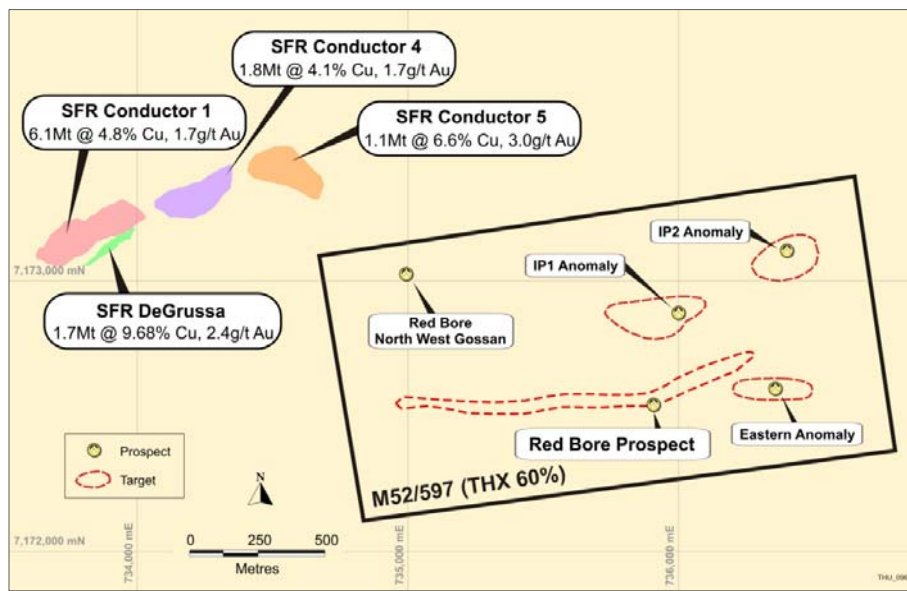
Red Bore Geological Setting



Red Bore Project

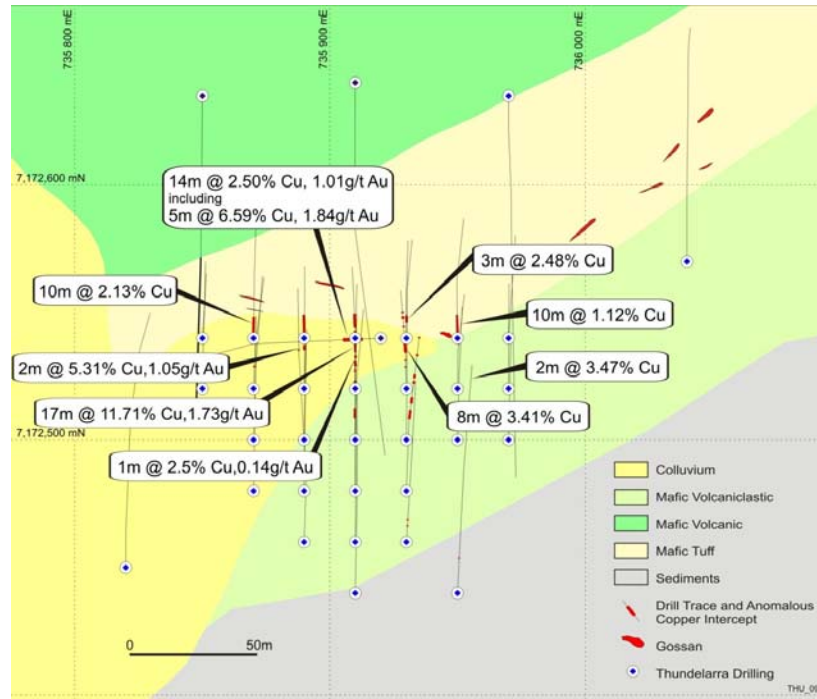
The Red Bore project comprises granted mining lease M52/597 where the Company has the right to earn 60% equity. The licence is situated 500 metres south-east of Sandfire’s DeGrussa deposit, and approximately 200 metres from the Conductor 5 ore body, displayed in the figure below.

Red Bore Project and the Nearby Sandfire DeGrussa Deposits



The Red Bore lease has a number of prospect areas, identified by geophysical and geochemical anomalies and prospective horizons or surfaces within the underlying Narracoota Volcanics.

The Red Bore prospect area has been the main focus of Thundelarra’s drilling to date, which has returned up to 17m at 11.7% copper & 1.73g/t gold from 29 metres in TBRC005. The mineralisation has a strong gold-copper-silver and Sn-Mo-Se-Co-As-Te association and has a striking visual and geochemical similarity to the nearby DeGrussa deposit. The area of main drilling is displayed in the figure below.



During the quarter down hole electro-magnetic (DHEM) surveying was carried out at the Red Bore prospect on five drill holes along a 150 metre strike extent, with all returning DHEM anomalies. The DHEM anomalies indicate that sulphide mineralisation extends at depth beneath previously reported copper/gold drill intercepts.

Details of the anomalies are presented in the table over page with locations shown on an accompanying long-section of the Red Bore Prospect.

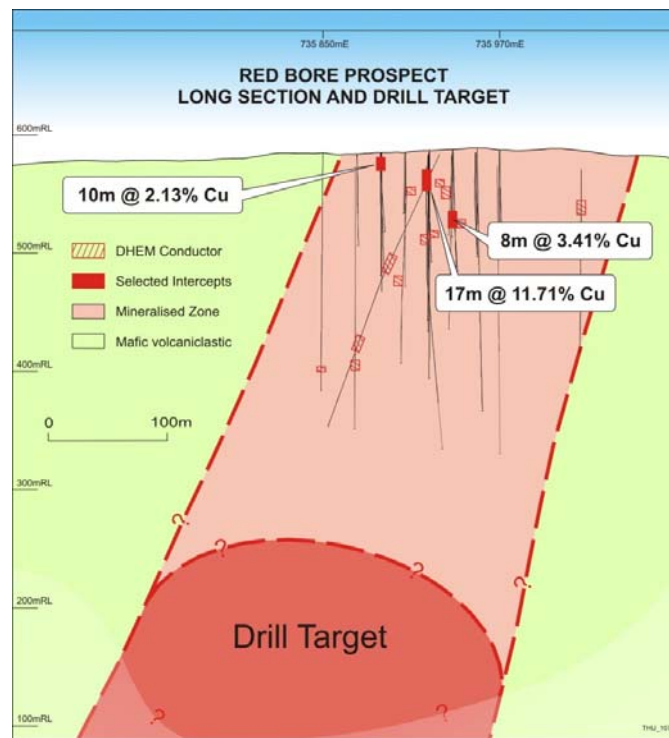
Hole	Azimuth/dip	Metres East	Metres North	Depth of DHEM Anomaly	Comment
TRBC032	270°/-60°	735920	7172540	25-35m	Strong anomaly, mineralisation in hole
				100-125m	Moderate anomaly of limited extent, sub parallel to hole
				190-195m	Weak anomaly, small conductor parallel to hole
TRBC033	180°/-60°	735850	7172635	205m	Minor early time anomaly
TRBC051	360°/-60°	735820	7172450	200m	Weak anomaly, above and east of hole
TRBC052	360°/-60°	736040	7172520	45m	Broad but weak anomaly
TRBC053	360°/-60°	735970	7172635	170-200m	Large low conductance anomaly, south of hole

Note – readings taken at 5m intervals down hole

The DHEM anomalies in holes TRBC032, TRB033 and TRBC051 have been interpreted to relate to sulphide stringer and vein mineralisation. The source of anomalism in holes TRBC052 and TRBC053 remains unclear. All the anomalies require further evaluation.

The DHEM survey results combined with shallow drill results indicate sulphide mineralisation occurs within a broad envelope which extends at depth and may plunge to the west.

Red Bore Prospect DHEM



In response to the positive DHEM results, a program of deep diamond drilling has been implemented at Red Bore.

Three deep holes are planned spaced 100 metres apart under the Red Bore prospect mineralisation. The first of these holes, TRBCD058 was completed to a downhole depth of 553 metres and intersected a thick package of Narracoota Volcanics, dominated by dolerite and mafic volcanics. Fine grained sulphide, including chalcopyrite, has been observed in core, but full logging and processing of the drill hole is still underway. Whilst the observed mineralisation is not of economic tenor it provides encouraging evidence that the Red Bore Prospect persists to depth and DHEM will be carried out to identify if nearby massive sulphide is present in this system.

A second hole, TRBCD059 is underway at the Northwest Gossan prospect. This hole is planned to a 600 metres downhole depth and is sited to test for extensions to the Sandfire Conductor 5 deposit (1.1Mt at 6.6% copper and 3.0g/t gold) which is located approximately 400 metres north west of the planned hole termination. To date TRBCD059 has intersected mafic volcanics of the Narracoota Formation, including mafic volcanoclastic rock, as shown in the photograph below.

Drill Core from Hole TRBCD059

Results from the deep diamond drilling program will be used to plan further work, which may include ongoing diamond drilling. DHEM will be carried out after completion of the first two holes in order to expedite planning of potential additional holes.

DHEM surveys were also carried out at the IP1 and IP2 prospects, where chargeable induced polarisation (IP) targets have been identified, however no EM anomalies were detected and the IP results remain unexplained. Further evaluation of these prospects is planned.

Curara Well Project

Curara Well is located 2.5 kilometres north and eastwards from the Sandfire's DeGrussa deposits on exploration license E52/2402. This tenement has an area of 83 square kilometres and is owned 100% by Thundelarra.

The tenement area has poor outcrop and has seen very little past exploration, but work to date by Thundelarra has confirmed that it contains prospective structures that may channel fluid into a VMS occurrence. This is supported by petrology which has identified prospective volcanic and epiclastic rocks displaying VMS style alteration. Further, a versatile time domain electro-magnetic (VTEM) survey has identified a trend line or marker horizon of conductive features interpreted to be the eastern extension to the DeGrussa stratigraphy. The VTEM survey also defined eight high priority geophysical targets. A large untested copper geochemical soil anomaly, coincident with one of the VTEM anomalies, has also been identified.

The powerful combination of prospective structure, host rocks, conductive anomalies and copper anomalism has made drill testing the Curara Well tenement a high priority.

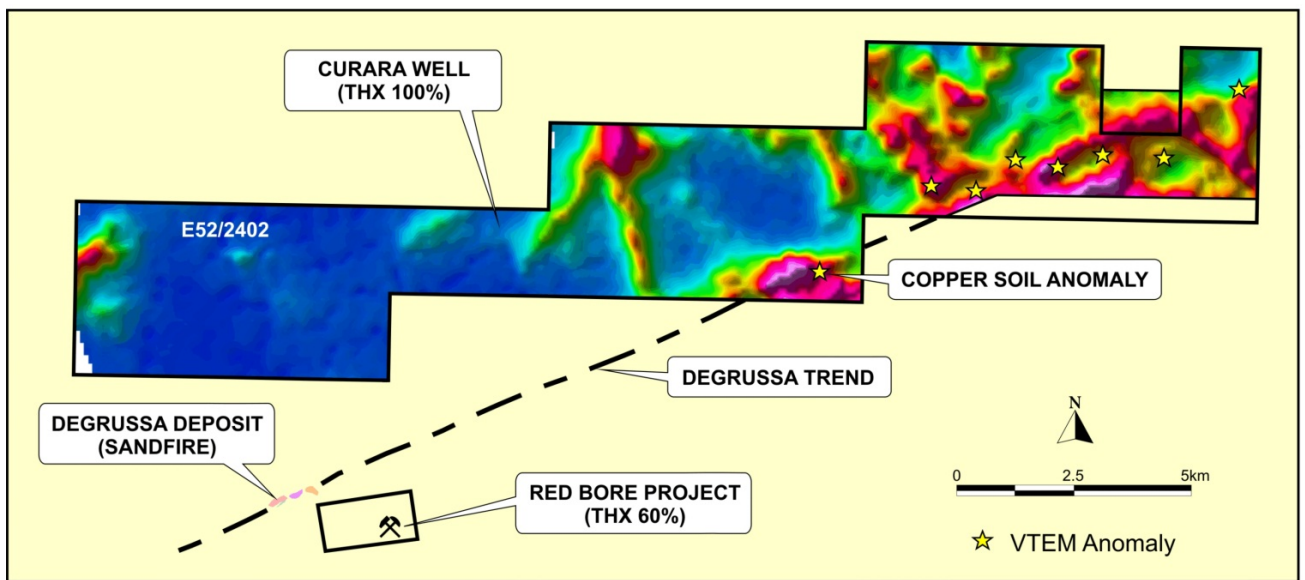
A heritage survey has been undertaken by members of the Yugunga Nya, Traditional Owners of the area, and in July statutory approvals enabling drilling to proceed were granted.

An initial reverse circulation drill program has been designed to test four of the VTEM anomalies and the central part of the geochemical anomaly. Drilling is scheduled to commence at the end of July.

Results from this first pass drilling will provide important geological information for the design of further drill programs that are being planned at Curara Well. These programs are anticipated to become a key part of the Doolgunna exploration effort.

VTEM imagery and anomalies are displayed in the figure below.

Curara Well Project VTEM Channel 25 B Field



Bluebush Project

The Bluebush tenement is located 40 kilometres west of Red Bore, and overlies a 200 square kilometres area of Proterozoic sediments largely obscured by sand cover.

A 2,300 line kilometre airborne magnetic survey was completed in the quarter and data is currently being interpreted. Work to date suggests that Narracoota Volcanics may extend into the tenement at shallow depth and be prospective for VMS occurrences similar to the Horseshoe Lights deposit to the west. Geological reconnaissance by Thundelarra has identified anomalous mineralisation within mafic rock of up to 0.22% copper. No previous exploration has been carried out over these areas and they present as an attractive exploration target.

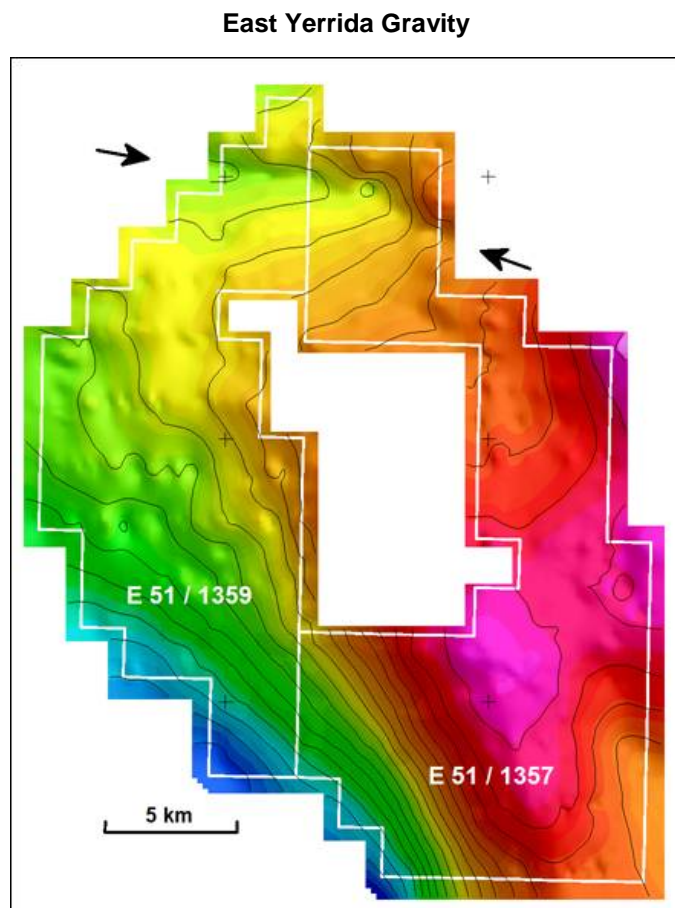
Yerrida Project

The Yerrida project comprises five tenements covering an area of 759 square kilometres, located 85 kilometres south of Red Bore. Thundelarra has rights to earn an 80% interest in the project.

The tenements secure shale units of the Mooloogool Group of the Yerrida Basin which are underlain at shallow depth by Killara Volcanics, which are geologically analogous to the Narracoota Volcanics of the Bryah Basin.

A 3,000 station gravity survey has been completed over the eastern tenement areas. Results are still being processed, but outline a large gravity anomaly in the south east of the survey area. This broad response in the south of the area probably arises from deep Archaean greenstones beneath the

Yerrida Basin sediments. A clear, west north-west trend in the north of the survey area (marked by arrows in the image below) could represent a significant structure with implications for SEDEX style base metal mineralisation.



Data is being compiled to outline the scope of drilling required over this project.

Marymia Project

This project, located 35 kilometres to the north of Red Bore and 33 kilometres south of copper mineralisation at Kumarina, comprises three tenements totalling 498 square kilometres. The project is grass roots in nature, but covers major basin bounding structures prospective for base metal mineralisation under cover.

An airborne magnetics survey is being planned to further evaluate the area.

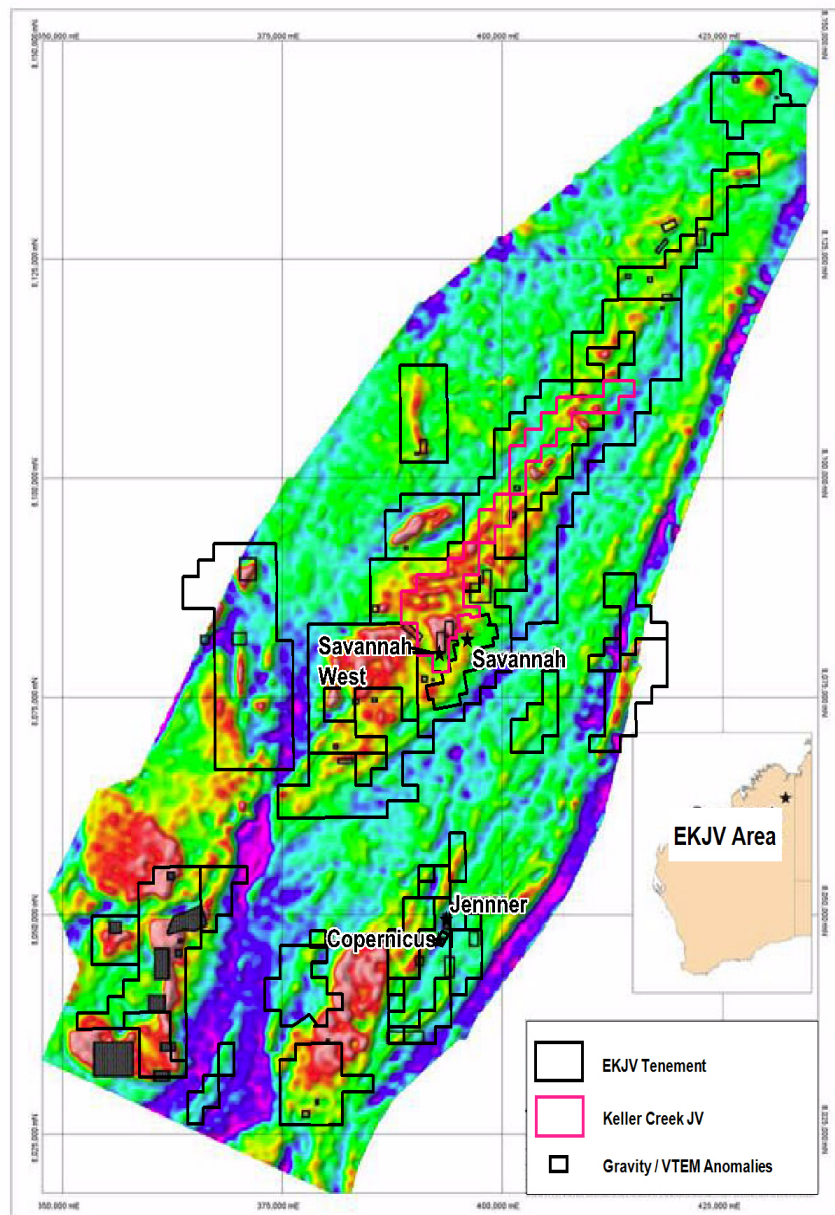
East Kimberley Region

Thundelarra holds interests in several projects in the East Kimberley region with a copper and nickel-copper focus. Project areas include the 100% owned Rosewood and Sophie Downs projects and the 80% owned Lamboo JV. The Copernicus, Keller Creek JV and East Kimberley Regional JV are managed by Panoramic Resources, as detailed below.

East Kimberley - Panoramic Resources Regional JV

Panoramic Resources Limited has earned a 61% interest in a number of Thundelarra’s regional tenements in the East Kimberley by funding \$3 million of exploration expenditure. Exploration is targeting nickel-copper-cobalt sulphide mineralisation associated with mafic and ultramafic intrusions. The region hosts two such deposits, the operating Savannah mine (PAN) and the Copernicus mine (THX 40%). Tenements are shown below.

East Kimberley Joint Venture Tenements, Gravity Imagery and Anomalies



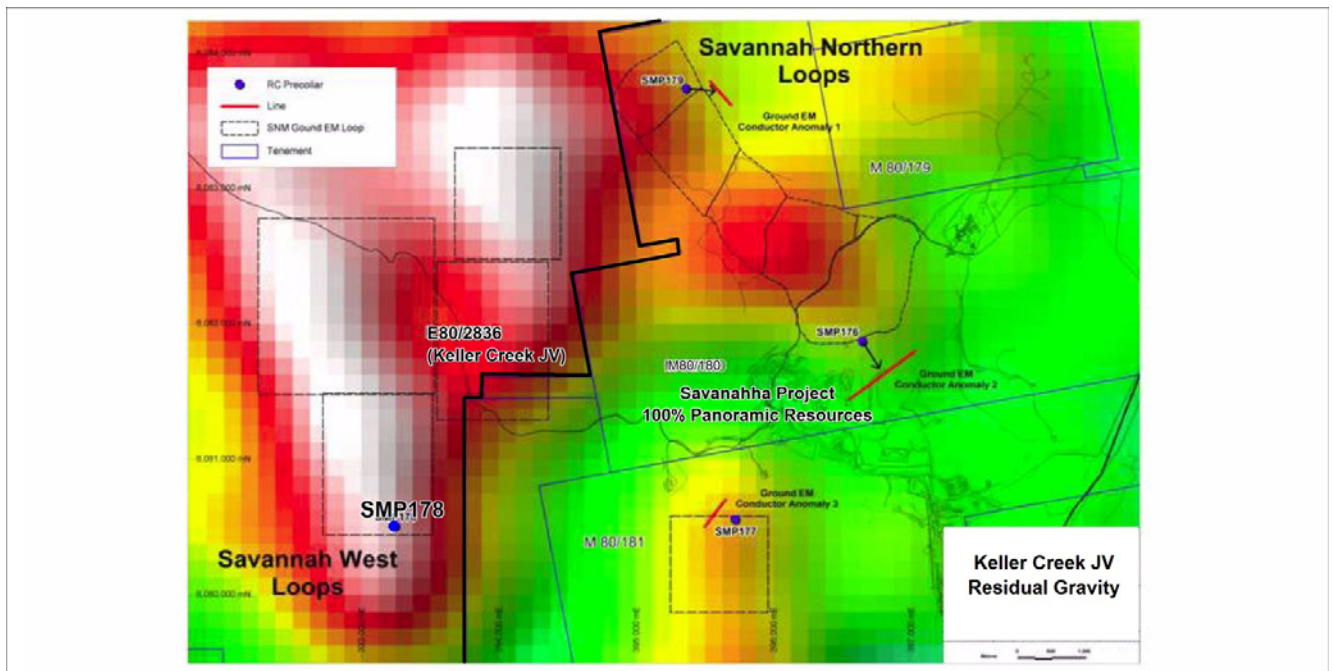
Processing and interpretation of the East Kimberley JV regional airborne gravity and airborne electromagnetic (VTEM) surveys data is now complete and numerous target areas were identified for

follow-up testing (see figure above). During the quarter a follow-up program of ground EM surveying was commenced to refine these target areas and define potential drill targets.

Drill targets have been defined at most of these locations and Heritage Clearance surveys are underway to gain access to the areas. At Jenner, which is located just to the north of the Copernicus orebody, a strong EM conductor associated with a pyroxenite ultramafic body similar to Copernicus is currently being drill tested.

At the Savannah West prospect (THX 20% free carried) a large buried residual gravity anomaly has been modelled to come close to the surface (see figure below). During the quarter a 330m deep RC pre-collar (SMP178) was completed. The planned diamond core tail is designed to test the residual gravity anomaly. Gravity anomalies within mafic – ultramafic intrusions identify those rocks most likely to host nickel – copper sulphide mineralisation. .

Keller Creek JV – West Savannah Gravity



Copernicus Nickel Mine (Thundelarra 40%)

The open pit mine remains on care and maintenance. No activity was carried out.

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: 154.8M

Market Cap: \$60M

Competent Person's Statement

The details contained in this report that pertains to ore and mineralisations 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.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

THUNDELARRA EXPLORATION LTD

ABN

74 950 465 654

Quarter ended ("current quarter")

30 JUNE 2011

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'ooo	Year to date (9 months) \$A'ooo
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(2,828)	(6,925)
(b) development	-	-
(c) production	-	-
(d) administration	(348)	(1,218)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	212	816
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – R & D Refund	85	85
Net Operating Cash Flows	(2,879)	(7,242)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	(17)	(235)
(b) equity investments	-	-
(c) other fixed assets	(100)	(233)
1.9 Proceeds from sale of:		
(a) prospects	-	40
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other – Redemption of security deposits	-	5
- Placement of security deposits	(41)	(320)
- Payment for intangibles	(27)	(110)
Net investing cash flows	(185)	(853)
1.13 Total operating and investing cash flows (carried forward)	(3,064)	(8,095)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(3,064)	(8,095)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	47	780
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (share issue costs)	-	-
	Net financing cash flows	47	780
	Net increase (decrease) in cash held	(3,017)	(7,315)
1.20	Cash at beginning of quarter/year to date	14,903	19,201
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	11,886	11,886

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	269
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Thundelarra's financial year is from the period 1 October 2010 to 30 September 2011.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Not Applicable

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Not Applicable

Financing facilities available

Add notes as necessary for an understanding of the position.

+ See chapter 19 for defined terms.

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	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	2,000
4.2 Development	-
4.3 Production	-
4.4 Administration	400
Total	2,400

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	320	313
5.2 Deposits at call	11,566	14,590
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	11,886	14,903

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	EL25478	-	100%	Nil
	E80/4049	-	100%	Nil
6.2 Interests in mining tenements acquired or increased	EL28857	-	Nil	100%
	EL28858	-	Nil	100%

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Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>	-	-	-	-
7.2 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 +Ordinary securities	154,828,927	154,828,927	-	-
7.4 Changes during quarter				
(a) Increases through issues	120,000 1,250,000	120,000 1,250,000	\$0.39 \$0.275	- -
(b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>	-	-	-	-
7.6 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through securities matured, converted	-	-	-	-

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				<i>Exercise price</i>	<i>Expiry date</i>
7.7	Options <i>(description and conversion factor)</i>	6,778,130	6,778,133	\$0.20	29/03/2013
		350,000	-	\$0.47	31/12/2011
		4,250,000	-	\$0.50	28/02/2013
		260,000	-	\$0.52	30/06/2012
		4,250,000	-	\$0.20	26/02/2014
		280,000	-	\$0.32	30/09/2012
		6,750,000	-	\$0.64	25/02/2015
		1,720,000	-	\$0.96	20/09/2013
		6,750,000	-	\$0.84	27/02/2015
		-	-	-	-
		-	-	-	-
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	120,000	-	\$0.39	03/04/2011
7.10	Expired during quarter	80,000	-	\$0.39	03/04/2011
		1,000,000	-	\$0.68	31/05/2011
		110,000	-	\$0.52	30/06/2011
7.11	Debentures <i>(totals only)</i>	-	-		
7.12	Unsecured notes <i>(totals only)</i>	-	-		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: _____
(Director/Company secretary)

Date: 29 July 2011

Print name: FRANK DE MARTE

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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions

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precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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