

NON RENOUNCEABLE RIGHTS ISSUE

The Directors of Thundelarra Exploration Ltd ACN 085 782 994 ("**Company**") are pleased to announce a pro-rata non renounceable rights issue to eligible shareholders of up to approximately 89 million fully paid ordinary shares in the capital of the Company ("**Shares**") on the basis of one (1) Share for every two (2) Shares held on the record date, at an issue price of 5 cents per Share, to raise up to approximately \$4.45 million (before costs) ("**Rights Issue**" or "**Offer**").

The record date for determining entitlements under the Rights Issue is Monday, 10 September 2012 ("**Record Date**").

Existing optionholders may participate in the Rights Issue by exercising their options prior to the Record Date. A letter to optionholders outlining the steps they will need to follow to participate in the Rights Issue will be sent on 27 August 2012.

The Rights Issue is not underwritten and there are no Brokers to the Issue.

The Company is undertaking the Rights Issue to raise funds for ongoing exploration and evaluation activities on the Company's base metal projects in Western Australia; uranium and base metal projects in the Northern Territory; administration expenses; and for general working capital.

It is the current intention of the Directors to subscribe for some or all of their respective entitlements. They encourage all shareholders to participate in the Rights Issue.

Full details of the Rights Issue, including the indicative timetable and details for how to accept the Offer, are set out in a prospectus ("**Prospectus**") which the Company has today lodged with the Australian Securities and Investments Commission and released to ASX contemporaneously with this announcement.

The Company has determined, pursuant to Listing Rule 7.7.1(a) of the Listing Rules of ASX Limited, that it would be unreasonable to make the Offer to any person located in any country or jurisdiction outside of Australia and New Zealand. Accordingly, the Company will not be extending the Offer to shareholders located in any country or jurisdiction outside of Australia and New Zealand.

It is anticipated that the Prospectus, together with a personalised Entitlement and Acceptance Form, will be sent to all Eligible Shareholders on or about 13 September 2012. The Entitlement and Acceptance Form will also allow all Eligible Shareholders the opportunity to apply to participate in the allocation of any shortfall that may result if the Rights Issue is not fully subscribed.

For further information please contact:

Mr Tony Lofthouse
Chief Executive Officer
+61 8 9321 9680

ASX CODES: THX & THXOA