

UPDATE : CURARA WELL AND RED BORE

Thundelarra is pleased to provide the market with an update on current activities around the Curara Well and Red Bore prospects in the Doolgunna area of Western Australia.

At Curara Well a 5,000m RAB drilling program that commenced in November has not advanced as quickly as was originally hoped. Drilling is continuing but the forecast for inclement weather conditions may necessitate calling an early halt before the full program is complete. Approximately half the planned program has been drilled to date. Given the time of the year we anticipate first assay results may be available for release late in January 2013.

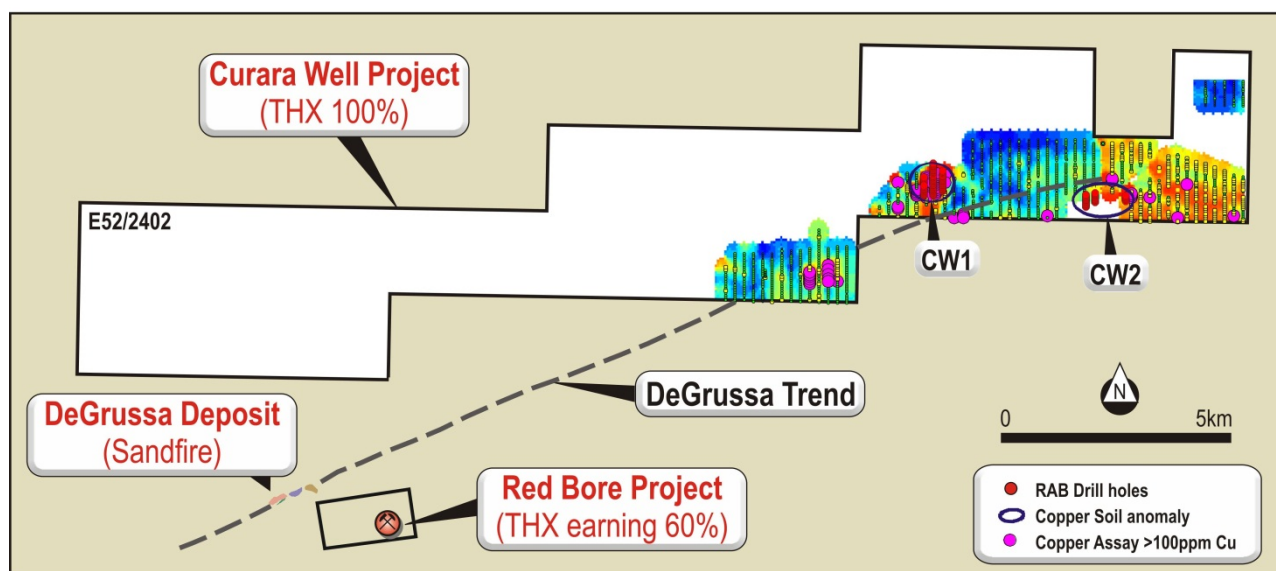


Figure 1. Doolgunna Region of WA : Curara Well and Red Bore projects.

At Red Bore Thundelarra has lodged a notice of earn-in to claim a 60% participating interest after spending more than \$3 million on exploration, resulting in the maiden JORC indicated resource of 48,000t at 3.6% Cu and 0.4gpt Au, announced on 4th May 2012. As subsequently advised in several ASX announcements, our joint venture partner has not lodged the relevant transfer of title paperwork and contends that the agreement under which Thundelarra spent over \$3 million is not valid and legally binding. Thundelarra rejects such contentions in their entirety and will continue to pursue all available avenues to protect its shareholders' interests.

Despite continuing efforts, Thundelarra has not been able to persuade the joint venture partner to engage in discussion towards an equitable and mutually satisfactory resolution. Consequently Thundelarra commenced action in the Supreme Court of Western Australia to try to precipitate a result quickly so that constructive exploration can be undertaken again.

Until such time as there is undisputed clarity regarding the equity that each party holds in the project, Thundelarra believes further exploration expenditure would not be in the best interests of its shareholders. Consequently expenditure will be limited to basic requirements to keep the lease in good standing.



Figure 2. Preparations for Curara Well RAB drilling program.

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THUNDELARRA EXPLORATION LTD
Issued Shares: 231.1M
ASX Codes: THX & THXOA

Competent Person Statement

The details contained in this report that pertain to Exploration Results, Mineral Resources or Ore Reserves, are based upon information compiled by Mr Costica Vieru, a Member of the Australian Institute of Geoscientists and an employee of the Company. Mr Vieru 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 Vieru consents to the inclusion in this report of the matters based upon the information in the form and context in which it appears.