

FURTHER HIGH GRADE URANIUM AT CLIFF SOUTH, NT

Thundelarra is pleased to report that assays from recent drilling at the **Cliff South** prospect have confirmed the presence of further high-grade uranium intercepts. All three holes drilled at the prospect in the most recent program have intersected significant uranium intervals.

Highlights:

- 23m @ 1,304ppm (2.9lb/t) U_3O_8 from 86m to 109m in TAL079RC
- 19m @ 821ppm (1.8lb/t) U_3O_8 from 98m to 117m in TAL078RC

The Cliff South prospect is located in the south-eastern part of the Allamber Project, about 180km south-east of Darwin in the Pine Creek Region of the Northern Territory (**Figure 1**).

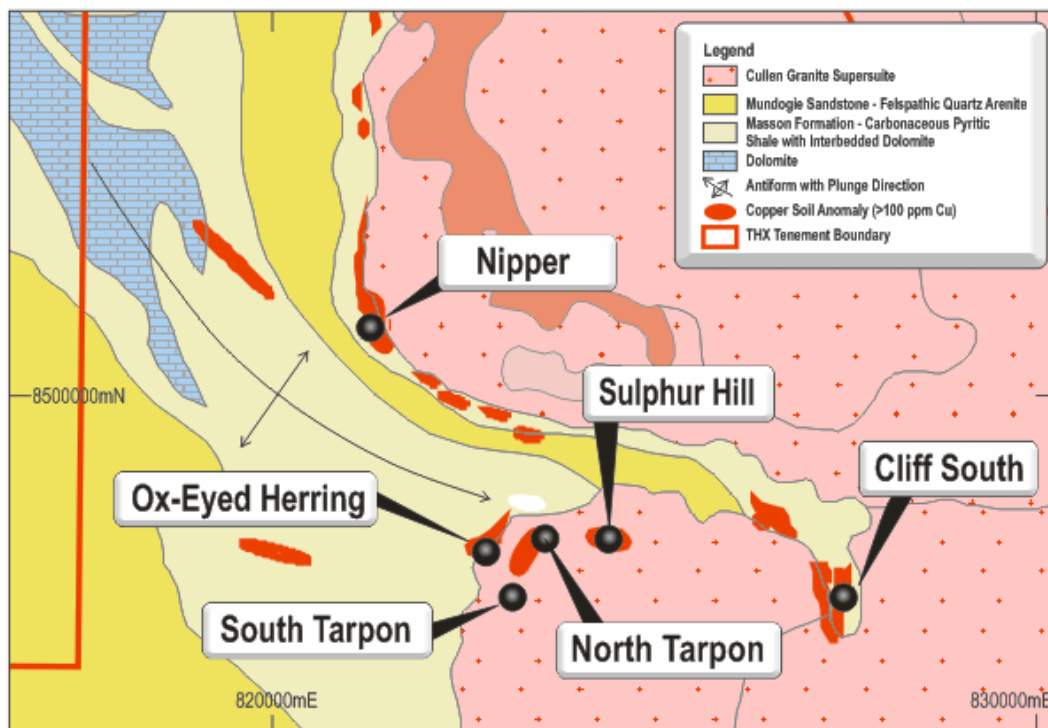


Figure 1. Southern part of Allamber Project Area: Simplified Geology and Prospect Locations.

The assay results for the mineralised intervals are recorded in **Table 1**. Uranium mineralisation is hosted by metapelites/graphitic schists and the mineralised zone trends north-easterly. It remains open down-dip and to the north-east towards the granitic contact. The recent drilling has extended the previously known mineralisation at least 70m towards the north-east and has also demonstrated that the grade increases down-dip and to the north-east.

The collar locations for holes drilled to date at Cliff South are shown on **Figure 2**. The new results complement the previously announced drill intersections (*ASX Release: 07 December 2011*).

These included:

- 42m @ 611ppm (1.4lb/t) U₃O₈ from 97m to 139m in TAL062RC;
- 21m @ 682ppm (1.5lb/t) U₃O₈ from 77m to 98m in TAL063RC;
- 36m @ 234ppm (0.5lb/t) U₃O₈ from 50m to 86m in TAL064RC.

Table 1: Uranium mineralised intervals from recent Cliff South drillholes.

Hole ID	Easting	Northing	Depth	Dip	Azimuth	From	To	Interval	U ₃ O ₈ ppm	Cu ppm
TAL078RC	178252	8497571	174m	-60°	303°	98m	117m	19m	821	686
TAL079RC	178226	8497590	109m	-60°	303°	86m	109m	23m	1,304	919
TAL080RC	178224	8497563	144m	-60°	300°	96m	103m	7m	550	409

The cross section (**Figure 3**) shows that TAL079RC was abandoned in mineralisation at 109m due to drilling difficulties. High copper anomalism is also present within the high grade uranium intercepts. This is consistent with the regional exploration program for copper mineralisation.

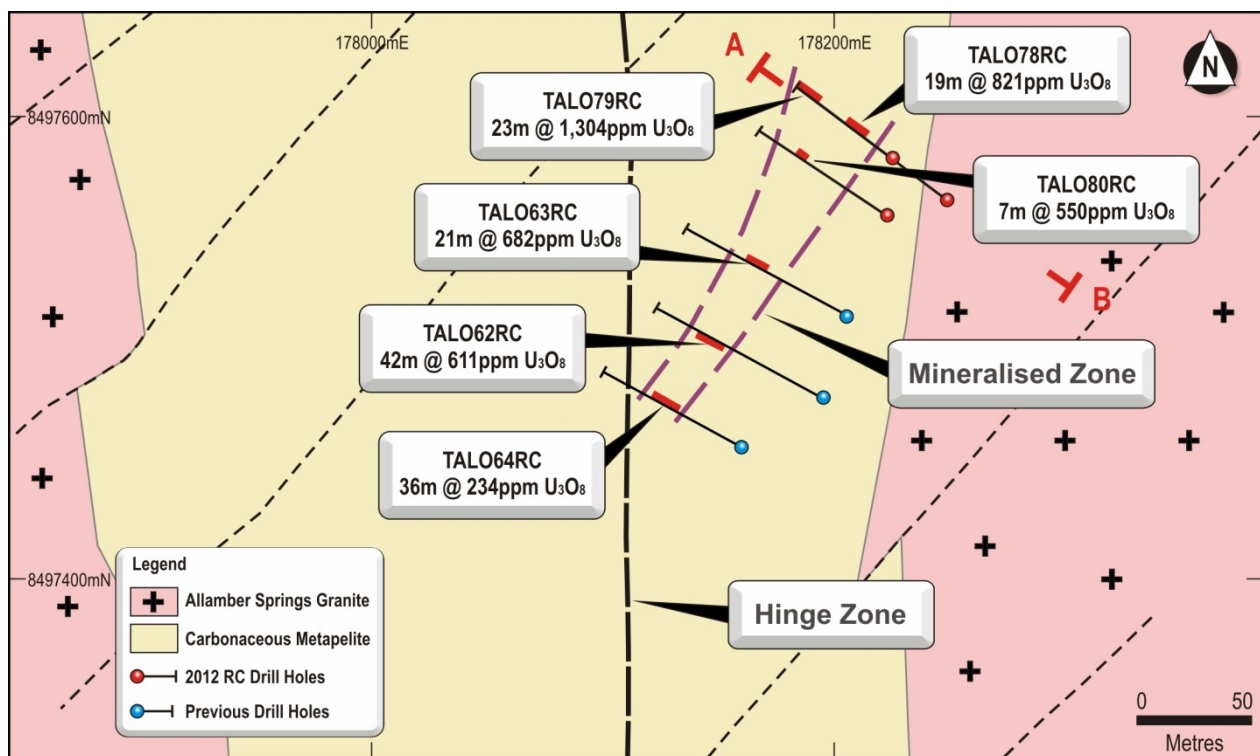


Figure 2. Drill Hole Locations and Local Geology at Cliff South Prospect

The main mineralised zone is located on the eastern flank of a southerly plunging antiform of metasediments. To the south-west, the mineralisation loses its intensity as it approaches the hinge zone of the anticlinal structure (**Figure 2**). Copper anomalism increases towards the hinge zone where the uranium content decreases. Ground gravity over the area shows a prominent low density feature under the Cliff Hill topographic high located immediately north-west. A hydrothermal alteration system is inferred at depth and it could be related to a late-stage, more differentiated granitic intrusion, emplaced within the hinge zone of the antiform.

Such intrusions have recently been identified to the west within the Tarpon area where they are associated with copper, gold, tin and tungsten mineralisation. Multiple pink alkaline granitic dykes were intersected in all the holes drilled to date into the Cliff South area, but the relationship with the mineralisation remains unknown due to the lack of diamond drilling to date.

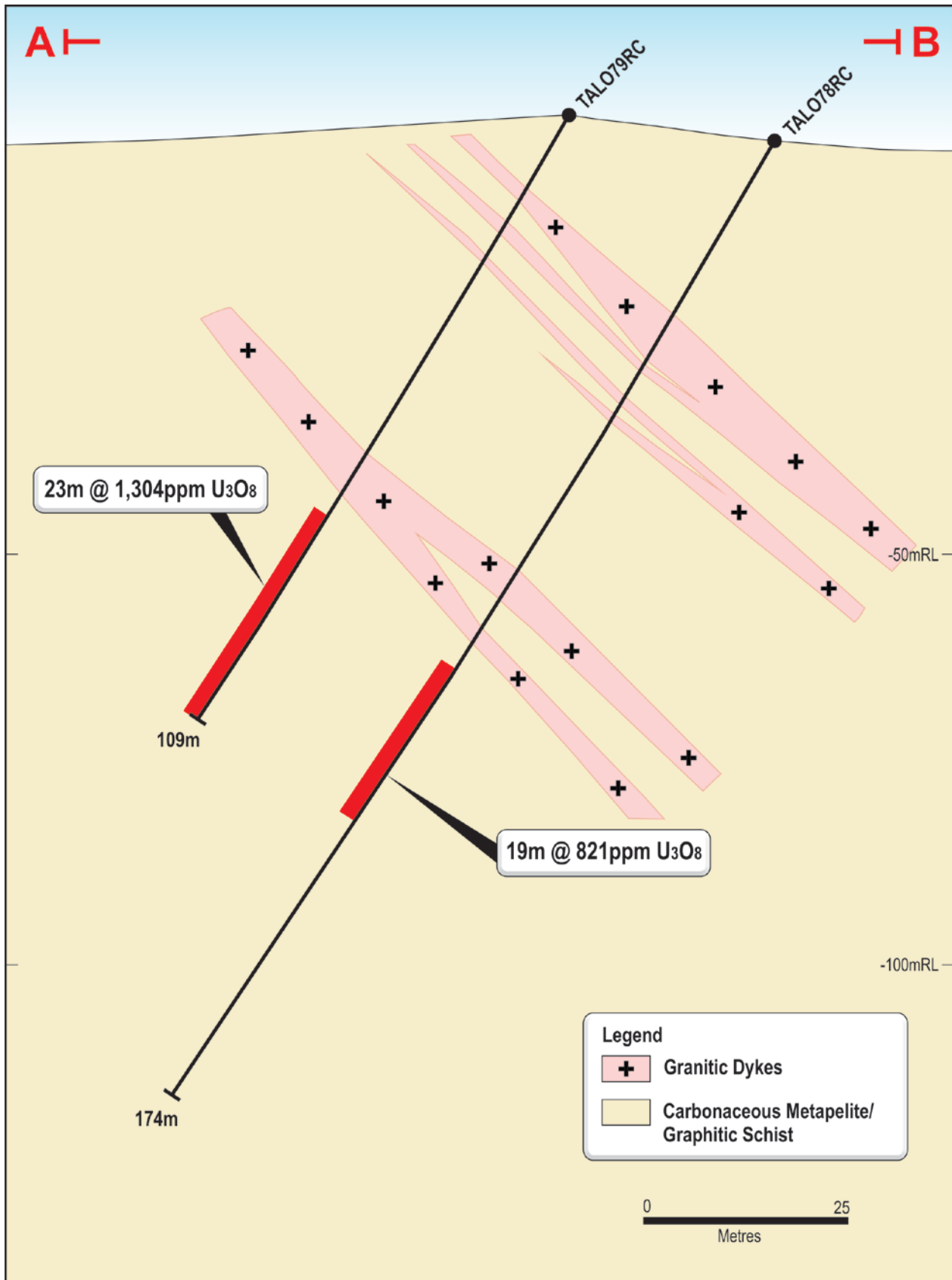


Figure3. Cross Section Showing the TAL078RC and TAL079RC Intersections at Cliff South.

It should be noted that the only sections of the drillholes that were submitted for uranium assay were those where the presence of anomalous uranium mineralisation was indicated when tested by hand-held scintillometer. This approach ensures cost-effective use of shareholder funds.

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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.