

SECOND QUARTER ACTIVITY & CASHFLOW REPORT 31 MARCH 2013

HIGHLIGHTS

WESTERN AUSTRALIA

- ✦ **Curara Well Copper Prospect, Gascoyne Province**
 - *Targeting potential for DeGrussa-style copper mineralisation*
 - *18 RAB holes drilled for 762m (42m average depth) to complete shallow testing of CW2 and CW3 copper-in-soil anomalies: assays pending at Quarter end*
 - *394m drilled in 3 diamond holes to test CW1 anomaly: assays pending at Quarter end*
 - *Presence of cross-structures, considered important mineralisation controls, confirmed*
 - *Geological interpretation indicates possible hydrothermal vent for follow-up testing*

- ✦ **Azura Copper Prospect, East Kimberley Region**
 - *Interpretation of the IP survey data completed: drill targets confirmed for follow-up*

- ✦ **Rosewood Copper Prospect, East Kimberley Region**
 - *Assessment underway of Heritage Clearance requirements for work programs*

NORTHERN TERRITORY

- ✦ **Wet season prevented any field work being undertaken during the period**
- ✦ **Work continued on rationalising the Company's extensive tenement portfolio**

CORPORATE

- ✦ **Founding director and major shareholder Phil Crabb resumes Chairman's role**
- ✦ **Company name changed to Thundelarra Limited**
- ✦ **Updated independent Research Report released: available from website**
- ✦ **Technical presentation on the mineralisation potential at Allamber delivered to the NTGS's 2013 Annual Geoscience Exploration Seminar ("AGES 2013")**
- ✦ **Cash position at end of quarter: \$1.806 million**

SUBSEQUENT EVENTS SINCE 31 MARCH

- ✦ **Consolidation of the Allamber project tenement holdings underway**

WESTERN AUSTRALIA

Curara Well (THX 100%)

This tenement is strategically placed ~2.5km north and eastwards from the newly commissioned DeGrussa copper and gold mine owned and operated by Sandfire Resources NL. The project area has poor outcrop and has seen little past exploration. It lies along the trend of the Jenkins Fault, considered an important structural feature controlling the mineralising systems in the region.

During the March Quarter assays were received from the previous quarter’s RAB drilling program, interrupted by wet weather before it could be completed. Most of the holes drilled in the first phase tested the CW1 anomaly (Figure 1), which is the most significant of the copper anomalies.

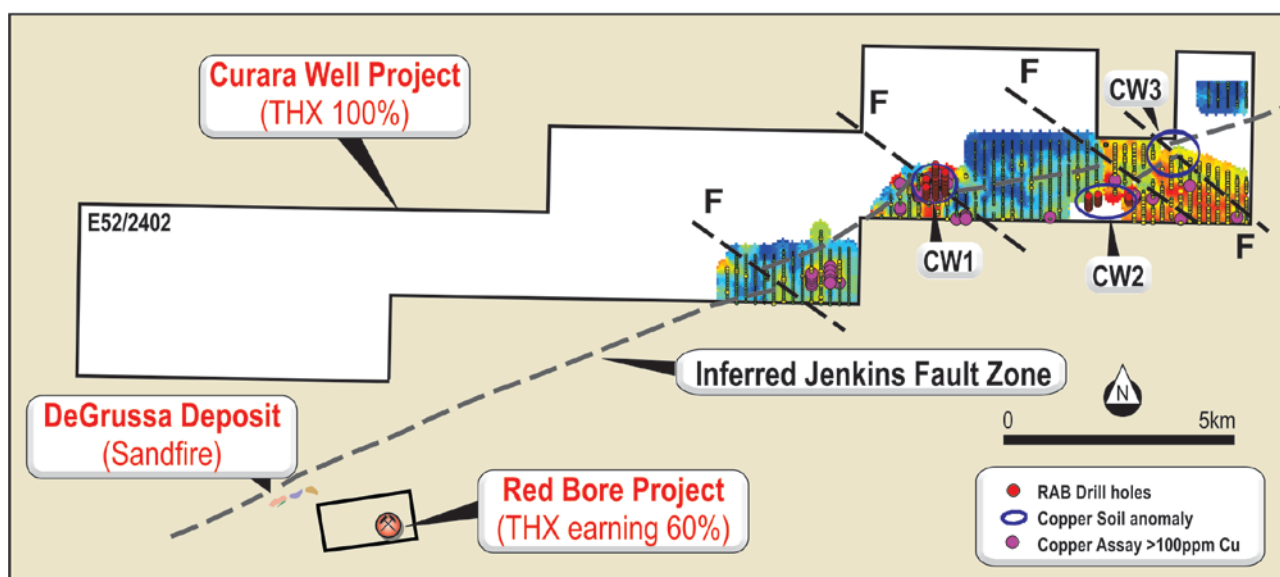


Figure 1. Curara Well Project : Copper Soil Geochemistry and the inferred trace of the Jenkins Fault Zone.

Significant results (Table 1) included thick (up to 40m) intervals of copper mineralisation at greater than 20 times background concentration (>700ppm up to 1,060ppm).

Table 1. Assay results showing anomalous copper, nickel and chromium intervals from shallow RAB drilling at Curara Well. Holes without assays recorded above reported values below the lower detection limits.

Hole ID	Easting	Northing	Depth	Dip	Azimuth	From	To	Interval	Cu ppm
TCWRAB031	747903	7179824	40m	-60°	180°	20	36	16m	668
TCWRAB037	747900	7179975	42m	-60°	180°	8	16	8m	843
TCWRAB039	747901	7180061	42m	-60°	180°	28	42	14m	871
TCWRAB040	747904	7180099	53m	-60°	180°	16	24	8m	1,060
TCWRAB041	747900	7180081	60m	-60°	180°	20	60	40m	732
TCWRAB042	747895	7180118	50m	-60°	180°	32	40	8m	677
TCWRAB043	747908	7180144	51m	-60°	180°	12	28	16m	801
TCWRAB045	747908	7180183	42m	-60°	180°	16	20	4m	749

Lower Detection Limit: 600ppm Cu

Hole ID	Easting	Northing	Depth	Dip	Azimuth	From	To	Interval	Ni ppm
TCWRAB040	747904	7180099	53m	-60°	180°	20	51	31m	1,645
TCWRAB041	747900	7180081	60m	-60°	180°	32	56	24m	1,103
TCWRAB042	747895	7180118	50m	-60°	180°	32	45	13m	1,241
TCWRAB043	747908	7180144	51m	-60°	180°	24	32	8m	1,382
<i>Lower Detection Limit: 1000ppm Ni</i>									

Hole ID	Easting	Northing	Depth	Dip	Azimuth	From	To	Interval	Cr ppm
TCWRAB031	747903	7179824	40m	-60°	180°	20	36	16m	1,761
TCWRAB034	747902	7179843	54m	-60°	180°	0	4	4m	1,200
TCWRAB035	747903	7179803	42m	-60°	0°	20	28	8m	1,282
TCWRAB037	747900	7179975	42m	-60°	180°	12	16	4m	1,385
TCWRAB038	747903	7180021	42m	-60°	180°	4	8	4m	1,221
TCWRAB039	747901	7180061	42m	-60°	180°	28	42	14m	1,377
TCWRAB041	747900	7180081	60m	-60°	180°	12	32	20m	1,142
TCWRAB042	747895	7180118	50m	-60°	180°	4	12	8m	1,526
and						32	36	4m	1,187
TCWRAB043	747908	7180144	51m	-60°	180°	8	28	20m	1,880
TCWRAB052	747713	7180027	48m	-60°	0°	12	20	8m	1,423
TCWRAB061	747708	7179727	56m	-60°	0°	4	8	4m	1,053
<i>Lower Detection Limit: 1000ppm Cr</i>									

These results were from shallow depths, above the base of oxidation. Visual inspection of the most significant intervals showed the presence of magnetic mineral, most probably after pyrrhotite, coincident with copper, nickel and chromium anomalism in what subsequent petrological work has confirmed to be a mafic-ultramafic unit.

The results confirmed that the source of the CW1 soil anomaly was not a surficial concentration and as such constituted an important target for further follow-up drilling.

Figure 2 below presents an interpretation of the lithological and structural setting of the central part of the CW1 anomaly based on the first phase of RAB drilling completed. It shows the extent of the copper anomalism and illustrated the need for further, deeper, follow-up drilling.

Consequently a combined program of RAB and diamond drilling was undertaken during the March Quarter, with the RAB completing the shallow testing of the CW2 and CW3 soil anomalies and the diamond program designed to establish the cause of the CW1 copper anomaly.

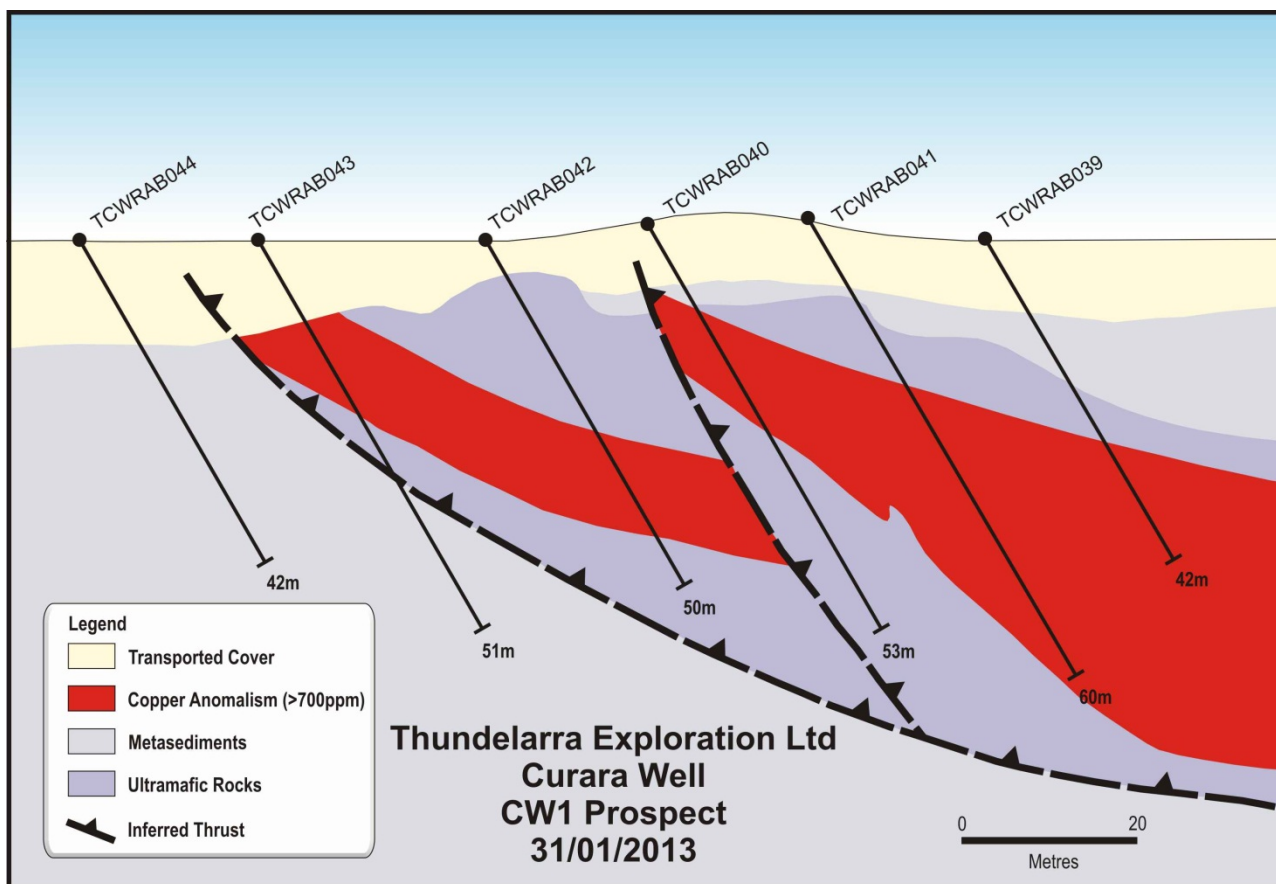


Figure 2. Interpreted geology at the CW1 Anomaly.

18 RAB holes totalling 762m were drilled at the CW2 and CW3 anomalies (Table 2). All holes have tested the saprolitic zone with an average depth of 42m (Fig. 1).

Table 2. Details of RAB holes drilled at CW2 and CW3 anomalies

Hole ID	Easting	Northing	Depth	Dip	Azimuth
TCWRAB083	751401	7179623	42m	-60°	360°
TCWRAB084	751401	7179623	42m	-60°	360°
TCWRAB085	751394	7179580	42m	-60°	360°
TCWRAB086	751209	7179697	42m	-60°	360°
TCWRAB087	751207	7179661	42m	-60°	360°
TCWRAB088	751206	7179620	42m	-60°	360°
TCWRAB089	751207	7179599	42m	-60°	360°
TCWRAB090	751203	7179581	42m	-60°	360°
TCWRAB091	751198	7179549	42m	-60°	360°
Hole ID	Easting	Northing	Depth	Dip	Azimuth
TCWRAB092	751197	7179504	48m	-60°	360°
TCWRAB093	751193	7179458	42m	-60°	360°
TCWRAB094	751207	7179686	42m	-60°	360°
TCWRAB095	751208	7179641	42m	-60°	360°
TCWRAB096	751199	7179559	42m	-60°	360°
TCWRAB097	751197	7179516	42m	-60°	360°
TCWRAB098	751198	7179479	42m	-60°	360°
TCWRAB100	752052	7179679	42m	-60°	360°
TCWRAB101	752065	7179640	42m	-60°	360°

Preliminary XRF readings failed to show any copper anomalism. The soil anomalies are most likely to be sourced from the adjacent breakaway consisting of a duricrust of ferricrete. 4m composite samples were submitted for analysis. Assay results were still pending at the end of the quarter.

Three diamond holes totalling 394.30m were drilled at the main CW1 anomaly to test at depth the soil anomalism and the intersections from the initial RAB drilling program. The locations of the holes are shown on the TMI (Total Magnetic Image) in **Figure 3** and all details are presented in **Table 3**. All three holes intercepted anomalous mafic / ultramafic rocks. Assay results were still awaited at the end of the quarter.

Table 3. Details of diamond holes drilled at CW1

Hole ID	Easting	Northing	Depth	Dip	Azimuth
TCWDD099	747903	7180015	151.8m	-60°	360°
TCWDD102	747716	7180128	143.8m	-60°	48°
TCWDD103	747902	7179760	98.7m	-70°	360°

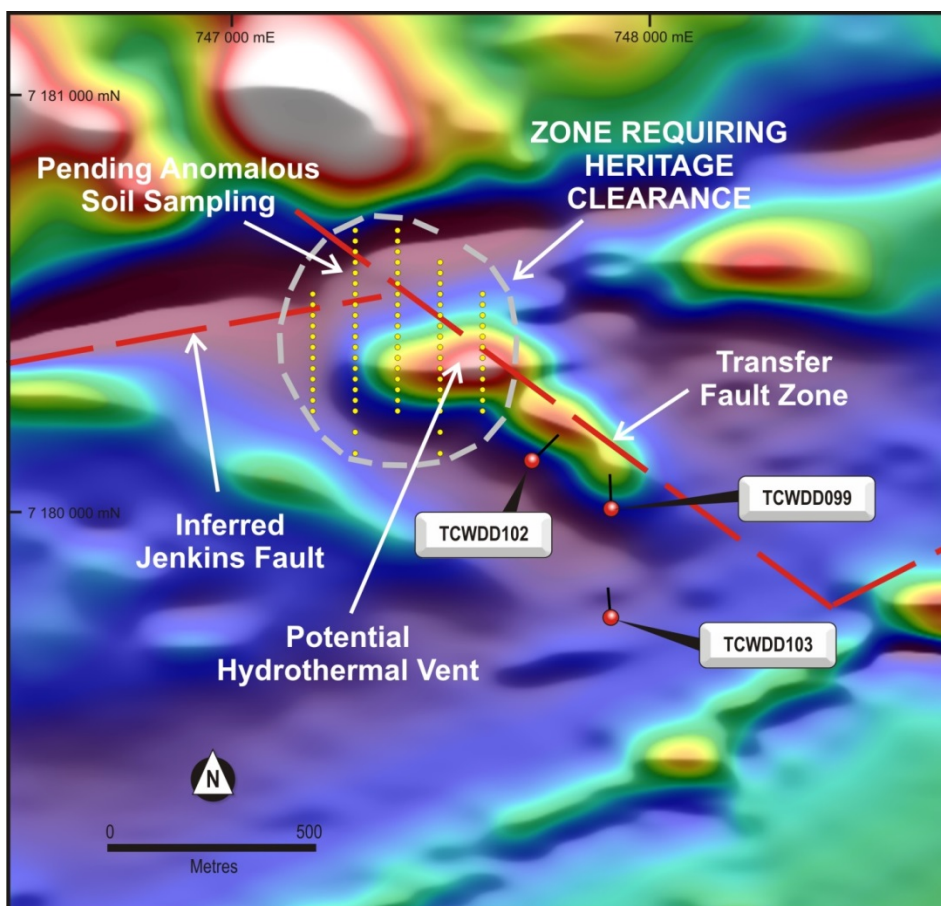


Figure 3. CW1 Anomaly: interpretation of structural setting and collar locations on Total Magnetic Image.

Several dykes of ultramafic composition are present within the sequence and show strong magnetic susceptibilities. Fine disseminated sulphides (mainly pyrite and pyrrhotite with minor chalcopyrite) are present within **TCWDD102** between 67m and 115m. The strongest magnetic feature is located north-westerly under an area of anomalous geochemistry based on the XRF readings on the recently undertaken soil sampling. The results of the pending soils and further refinement of the available magnetic data, combined with the core geochemistry, will constitute a solid base for further drilling.

The area of interest has to undertake Heritage Clearance work needs to be completed over the area of interest before further ground disturbance work may be undertaken.

The geological interpretation is that a potential feeder / hydrothermal / magmatic vent could be present within the structural intersection with the Jenkins Fault Zone, close to the margin of the Marymia-Plutonic Greenstone Belt (**Figure 3**).

The same lithological unit within **TCWDD099** is moderately weathered and slightly magnetic to the depth of 65m which marks the base of oxidation. **TCWDD103** intersected a slightly anomalous and magnetic zone within the weathering profile between 46m and 58m. All the anomalous intersections were selected for sampling: assay results had not been received by the end of the quarter.

Red Bore (THX earning in to 60%)

Thundelarra delivered a maiden JORC Code compliant indicated resource (ASX 4th May 2012) at the Red Bore prospect, and subsequently lodged the requisite earn-in notice to its joint venture partner claiming satisfaction of the earn-in requirements for a 60% participating interest in the prospect.

As subsequently advised in several ASX announcements, the relevant transfer of title paperwork has not been lodged and our joint venture partner 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 continues to pursue all available avenues to protect its shareholders' interests.

Thundelarra's action in the Supreme Court of Western Australia has advanced, but the process is slow and Thundelarra will advise the market as and when there are any material developments.

Until the respective equity interests in the project are established beyond dispute, 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.

Azura (Frank Hill) (THX 100%)

The final report was received from by Southern Geoscience presenting their interpretations of the processed data and inversions on the Induced Polarisation survey data set. As a result, several targets have been delineated for possible drill follow-up. A suitable program is being designed for possible execution during the June Quarter.

Rosewood (THX 100%)

Rosewood is located in the East Kimberley and is prospective for sediment-hosted and structurally-controlled copper-silver mineralisation.

During the March Quarter efforts have intensified to accelerate the Heritage Clearance procedures and to submit a POW to the Department of Mines and Petroleum. The requisite approvals need to be in place in time to allow drilling to commence by 1st July, 2013 in order for the work to qualify as a WA Government co-funded drilling program.

Pyramid Project (THX 100%)

The Pyramid Project is located in the Pilbara, about 70km east of Karratha. No exploration work was carried out at Pyramid during the Quarter.

NORTHERN TERRITORY

During the quarter, adverse ground conditions resulting from the annual wet season severely restricted access to the active project areas and prevented any field work from being undertaken.

Work continued on rationalising the extensive portfolio of exploration properties held by Thundelarra. Ground no longer considered prospective in the context of the strategic focus on copper, gold (and, in the longer term, uranium) has either been surrendered, or discussions entered into with parties that may have an interest in acquiring the tenements.

Allamber Project (THX various interests)

Thundelarra is finalising the acquisition of the McKeddies tenement (EL23506), previously explored under a longstanding Option Agreement. This acquisition will help consolidate the ownership of the prospective targets at the Allamber Project. Other tenements, located around the regional Hayes Creek area and part of the two Option Agreements that were in place with local prospectors, are no longer targets after Thundelarra elected not to exercise the relevant Options, thus relinquishing any future claim to the ground and removing the accompanying exploration expenditure commitments.

Ngalia Uranium Project (THX various interests)

Following a review of the prospectivity of its tenements held to the north of the Ngalia sedimentary basin, particularly in the context of the current depressed market for uranium exposure, Thundelarra relinquished this ground, resulting in the removal of approximately \$250,000 in annual exploration expenditure, rental and rates commitments.

Hayes Creek, including Priscilla Line (THX various interests)

No new field work was carried out at Hayes Creek or Priscilla during the Quarter. A desktop review was undertaken of the potential prospectivity for high grade gold occurrences around the Red Hill area of the Priscilla Line with a view to drill testing structures exhibiting the most promising conceptual targets, hopefully during the June Quarter.

CORPORATE

At Thundelarra's Annual General Meeting held during the Quarter, shareholders approved all Resolutions, including a proposed change to drop the word "Exploration" from the Company's name.

Founding director and major shareholder Phil Crabb resumed the role of Chairman, reflecting his continuing commitment to the Company and his belief in the quality of its projects and its team.

The Company continues to evaluate a number of corporate approaches, consistent with our strategy to rationalise our extensive portfolio of exploration tenure. The level of interest shown in our prospects reinforces the Board's view that Thundelarra's portfolio represents a significant value proposition in the current depressed market.

At 31st March 2013, Thundelarra's cash balance was \$1.806 million.

SUBSEQUENT EVENTS

Since the end of the March Quarter Thundelarra has advanced the consolidation of the Allamber Project tenement holdings and is in the process of finalising the acquisition of the McKeddies lease

EL23506. Upon transfer of title, and confirmation that ground conditions have improved sufficiently to allow rig access where required, the Company plans to commence a drill program to test a number of the targets outlined at Allamber.

Tony Lofthouse
Chief Executive Officer

THUNDELARRA LTD

REGISTERED OFFICE

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	ABN: 74 950 465 654	ACN: 085 782 994
ASX CODE: THX	Issued Shares: 231.3M (as at 31 March 2013)	Market Cap: \$13M

Competent Persons' Statements

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.

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

THUNDELARRA LIMITED

ABN

74 950 465 654

Quarter ended ("current quarter")

31 MARCH 2013

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(958)	(2,085)
(b) development	-	-
(c) production	-	-
(d) administration	(419)	(1,038)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	44	74
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other	-	-
Net Operating Cash Flows	(1,333)	(3,049)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	(2)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other - Placement of security deposits	(51)	(51)
- Redemption of security deposits	46	46
Net investing cash flows	(5)	(7)
1.13 Total operating and investing cash flows (carried forward)	(1,338)	(3,056)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,338)	(3,056)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	11	2,663
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	-	(11)
	Net financing cash flows	11	2,652
	Net increase (decrease) in cash held	(1,327)	(404)
1.20	Cash at beginning of quarter/year to date	3,133	2,210
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	1,806	1,806

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	182
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 1 October 2012 to 30 September 2013.

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.

Appendix 5B
Mining exploration entity quarterly report

	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	300
4.2 Development	-
4.3 Production	-
4.4 Administration	300
Total	600

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	111	121
5.2 Deposits at call	1,695	3,012
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	1,806	3,133

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	E52/2261	-	100%	Nil
	E52/2551	-	100%	Nil
	E52/2716	-	100%	Nil
	E52/2717	-	100%	Nil
	E80/4210	-	100%	Nil
	E80/4489	-	100%	Nil
	E80/4495	-	100%	Nil
	EL26957	-	100%	Nil
6.2 Interests in mining tenements acquired or increased	-	-	-	-

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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	231,281,783	231,281,783	-	-
7.4 Changes during quarter				
(a) Increases through issues	200,000	200,000	\$0.05	-
(b) Decreases through returns of capital, buy-backs	3,335	3,335	\$0.20	-
7.5 +Convertible debt securities <i>(description)</i>	-	-	-	-
7.6 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through securities matured, converted	-	-	-	-
7.7 Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
	4,250,000	-	\$0.20	26/02/2014
	6,750,000	-	\$0.64	25/02/2015
	660,000	-	\$0.96	20/09/2013
	6,750,000	-	\$0.84	27/02/2015
	725,000	-	\$0.39	30/06/2014
	2,000,000	-	\$0.23	28/02/2017
	1,000,000	-	\$0.25	16/04/2014
	1,000,000	-	\$0.45	16/04/2015
	2,350,000	-	\$0.09	31/10/2015

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	3,355	3,355	\$0.20	-
7.10	Expired during quarter	6,774,775	6,774,775	\$0.20	29/03/2013
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 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:

Date: 30 April 2013

(Company secretary)

Print name:

FRANK DEMARTE

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 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 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting 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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+ See chapter 19 for defined terms.