THUNDELARRA

6th June 2013

EXPLORATION UPDATE - CURARA WELL, PINE CREEK

Highlights:

- ***Curara Well diamond holes identify new follow-up target***
  - *improved understanding of the local geology and structural controls*
  - *core analysis confirms possible existence of a hydrothermal vent*
  - *prospective target at intersection of cross-structure with Jenkins Fault*
- ***Heritage Clearance surveys required before drill testing can start***
  - *Initial discussions underway to arrange Heritage survey*
  - *Timing unpredictable: surveys can take 6+ months to complete*
- ***Drilling about to commence at Red Hill, Hayes Creek, NT***
  - *Targeting high grade gold mineralisation*
  - *Seeking repetitions of historical intercepts up to 4m at 229gpt (>7 oz/t)*
- ***Drilling scheduled to start at Allamber, NT, later in June***
  - *planned testing of some of the skarn replacement targets identified in 2012*
  - *planned follow-up of the sheeted quartz-sulphide vein targets at Tarpon*

The Curara Well project area is located in the Doolgunna region of the Gascoyne Province of Western Australia on Thundelarra's 100%-owned Exploration License E52/2402.

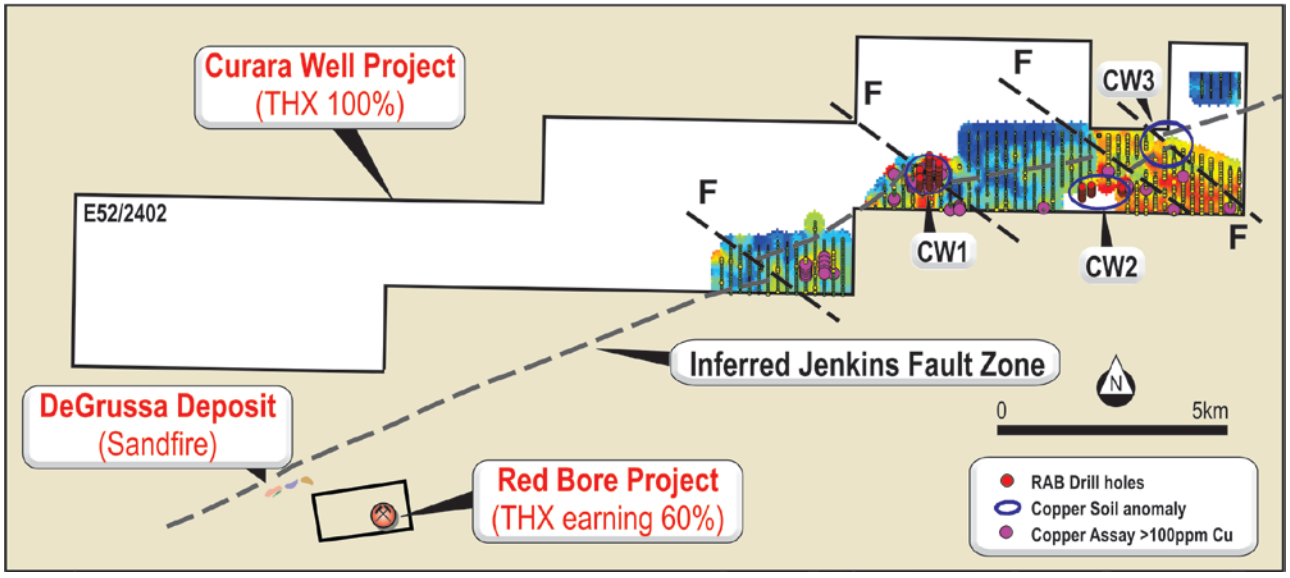

Figure 1. Curara Well: copper soil geochemistry and revised interpretation of Jenkins Fault Zone trace.

The principal target zones are approximately 15km east-north-east of Sandfire Resources NL's producing DeGrussa copper and gold mine (total in situ Mineral Resources as at 31 March 2012 of 11.9Mt at 5.3% Cu and 1.8 gpt Au for 627,000t contained copper and 693,000oz contained gold).

Thundelarra has completed the evaluation and interpretation of data gathered from the diamond drilling that tested the copper anomalism identified at the CW1 anomaly (**Figure 1**).

Three diamond holes totalling 394.30m were drilled (**Table 1, Figure 2)**.

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Hole No	Easting	Northing	Azimuth	Dip	Depth
TCWDD099	747903	7180015	360^0	-60^0	151.80m
TCWDD102	747716	7180128	48^0	-60^0	143.80m
TCWDD103	747902	7179760	360^0	-70^0	98.70m

Table 1. Location and orientation details of the diamond holes drilled at CW1.

All three diamond holes intersected anomalous values (assay results in **Table 2**) with sulphides present, but none of the anomalous zones contained any potentially economic concentrations. Two of the holes were also designed to test at depth the prominent magnetic anomalies located along an inferred north-westerly trending transfer fault within the Jenkins Fault Zone.

Evaluation of the drill core shows that there are metal sulphides in the system and the geometry of the fault structures identifed suggests a possible feeder vent to the north-west of the zones drilled, at the intersection of the known Jenkins Fault and the transfer faults interpreted from this drill program. This possible feeder vent requires testing and discussions are underway to obtain a Heritage Clearance survey. This process has been known to take in excess of 6 months.

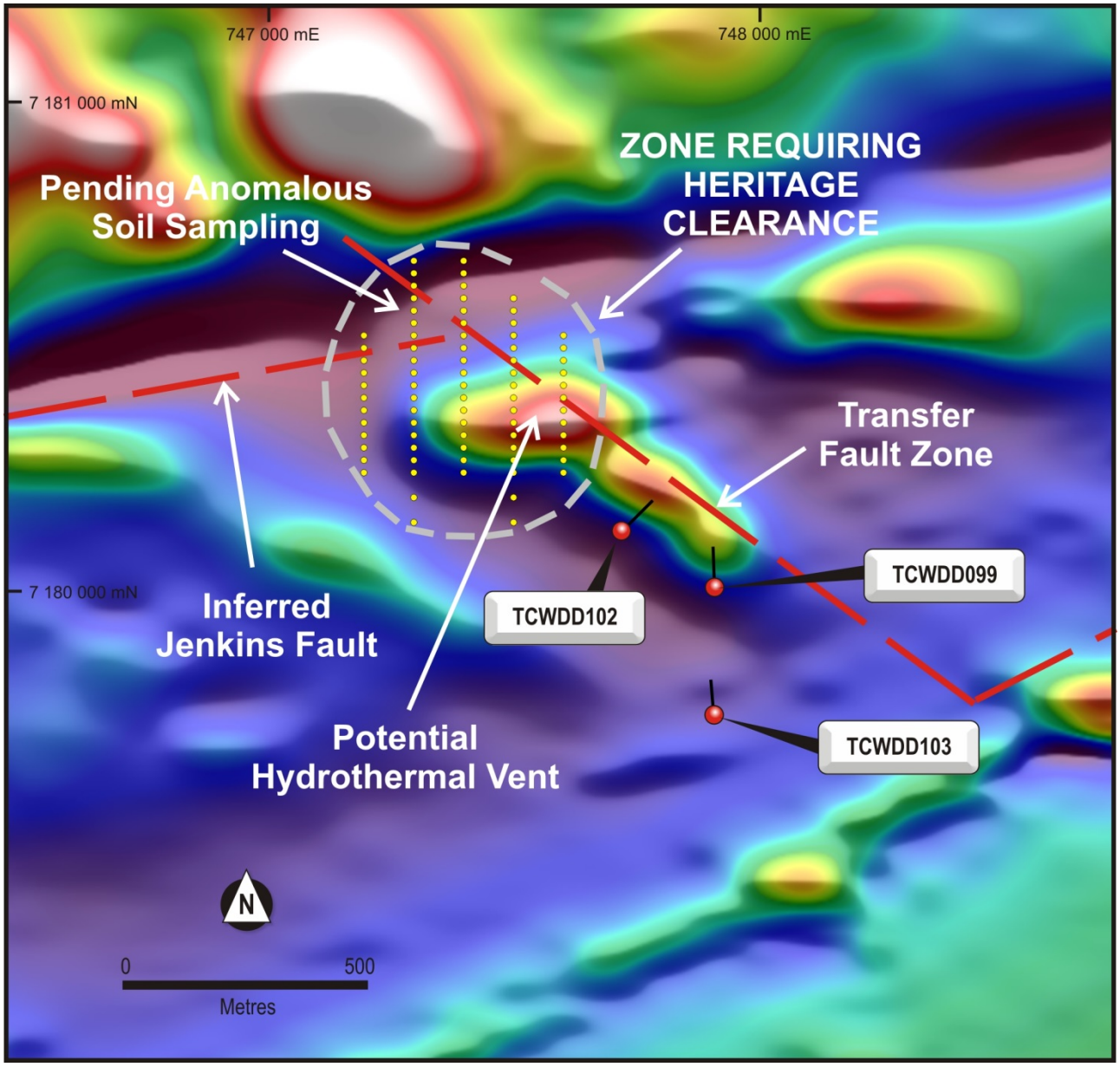


Figure 2. CW1 Anomaly : Diamond hole locations on the Total Magnetic Image with the structural setting interpretation.

Hole No	From	To	Interval	Cu (ppm)	Cr (%)	Ni (%)
TCWDD099	49m	66m	17m	476	0.09	0.11
	91m	92m	1m	1,200	0.1	0.05
TCWDD102	48m	54m	6m	501	0.08	0.18
	57m	104m	47m	254	0.06	0.11
TCWDD103	46m	54m	8m	732	0.12	0.06

Table 2. Assay results for selected intervals from diamond holes drilled at CW1. Intervals not specifically reported returned no values of significance.

The results of the final stage of RAB drilling to test the CW2 and CW3 anomalies (**Figure 1**) have also been received and evaluated. A total of **762m** drilled in 18 RAB holes (average 42m per drillhole) tested these soil anomalies in the proximity of the Jenkins Fault Zone. Four-metre composite assays have not reported any copper anomalism, confirming the preliminary hand-held XRF readings. The soil anomalies are therefore most likely sourced from the adjacent breakaway where there is an "indurated ferricrete cap". This is effectively a hardened crust of iron-rich material that is formed through normal weathering processes in these environments and which will often scavenge and concentrate metal ions from surrounding rocks.

Early mapping and soil sampling results will be revisited in the context of the new understanding of the positioning of the Jenkins Fault Zone and the north-westerly trending cross-structures. The aim of this review will be to re-assess other possible vent targets at these structural intersections.

Technical Detail and Interpretation.

Fresh mafic-ultramafic rocks were intersected in the diamond drilling, but the assay results only indicate metal values of around the normal background metal values for these rock types. SEM (scanning electron microscope) analysis was undertaken and chalcopyrite grains were identified within pyrite crystals or near the calcite veins within the gabbroic rocks (**Fig. 3, 4** and **5**).

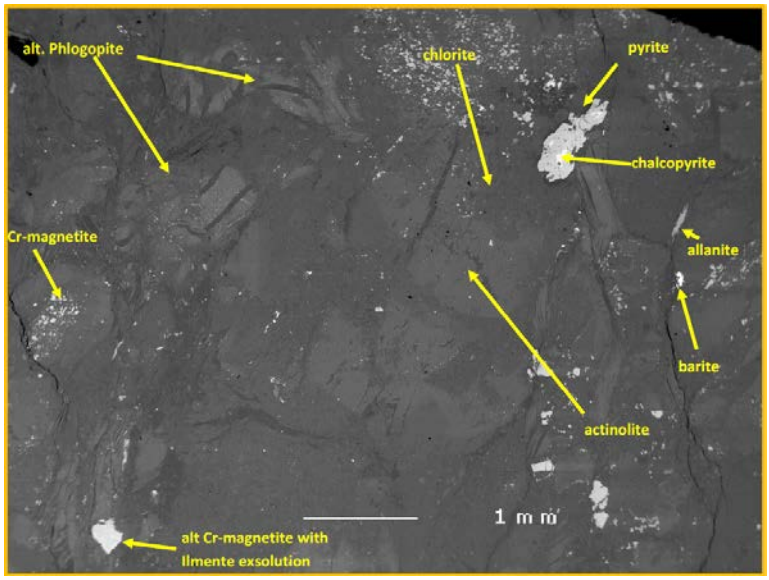
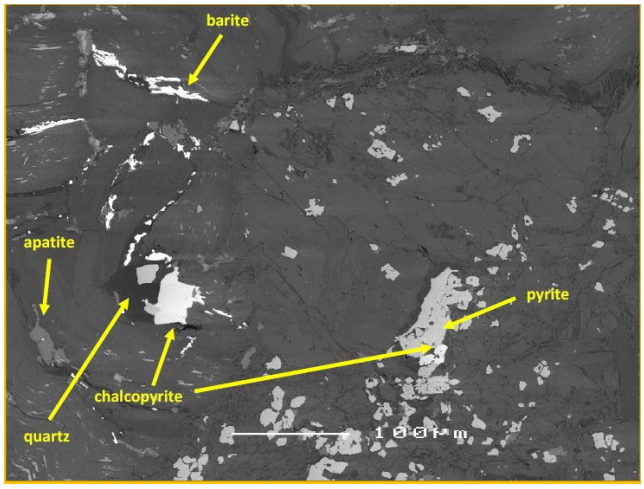
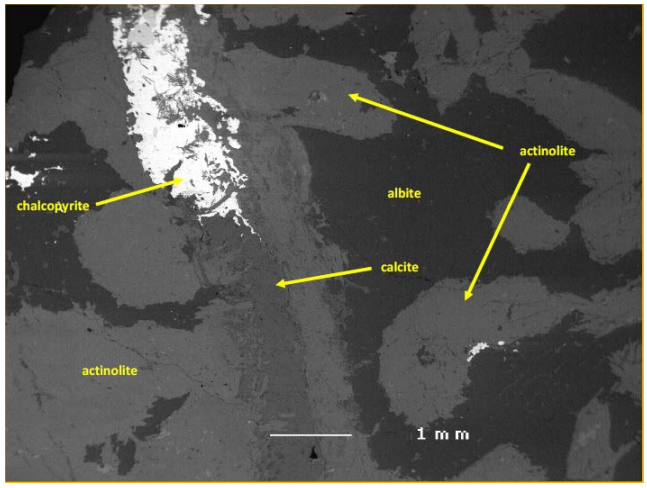


Figure 3. Photomicrograph showing the presence of chalcopyrite.

The rocks are dominantly of gabbroic composition and appear to be intersected by strongly magnetic lamprophyric dykes. The petrology has suggested strong metasomatic alteration, but field observations do not show intense signs of metamorphism or deformation. Galena was observed as rims around chalcopyrite within one section, but no sphalerite, nickel sulphides or





Figures 4 and 5. Photomicrographs showing the presence of chalcopyrite.

chromite were identified. As the mafic rocks were emplaced late at the margin of the Proterozoic basin and along a cross-cutting / transfer fault zone, remobilisation of chalcopyrite and galena from a pre-existing volcano-sedimentary style of mineralisation might be a possibility.

This hypothesis opens the prospectivity of the area towards the north-west, close to the Jenkins Fault Zone intersection, where a potential hydrothermal vent might be present. This location is marked by the presence of a prominent magnetic high shown on **Figure 2** as the zone marked "Potential Hydrothermal Vent".

The magnetic mineral observed within the polished sections is a chromium-rich magnetite and not pyrrhotite as previously thought. Higher nickel content was noticed within talc minerals present within the upper part of the weathered profile (**Figure 6**).

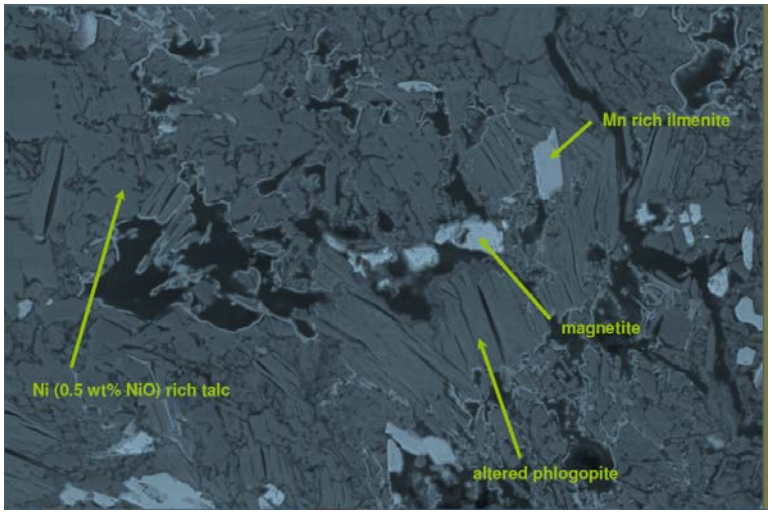


Figure 6. Photomicrograph showing magnetite and nickel-rich talc.

Further Work Programs Planned.

Thundelarra is also planning small drill programs in the Northern Territory at both its Red Hill Gold Prospect in the Hayes Creek Project area and at its Allamber Project in the Pine Creek Area.

The Red Hill program will initially comprise three holes and will test for possible repetitions of previous high grade intersections. These included a best result of 4m at 229gpt (7.4 ounces of gold per tonne) drilled by Thundelarra in 2011. The planned work should commence within the next ten days or so. Further holes may follow, depending on the results of the initial program.

A relatively small program, initially of up to ten drillholes or so, is also contemplated at Allamber later in June to carry out first stage follow-up testing of some of the skarn replacement style base metal targets and the Tarpon-style sheeted quartz-sulphide veining identified in 2012.

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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.