

## PYRAMID DRILLING RESULTS

Results from the first drill program at the Pyramid base metals project for the 2012 field season have been received and evaluated, except for one hole (TPYC010) at the Lightning Prospect for which assay results are still awaited (the hole contained minor visual sulphides).

### Highlights:

- Base metal mineralisation intersected at Lightning and Coppermine Bore prospects.
- Best result 2m at 5.8% Zn, 31gpt Ag, 0.6% Pb.
- Structural targets identified for follow-up.
- Down-hole EM surveys planned on the drilled holes to identify new conductors.
- Follow-up drill-program planned to test new conductors and targets that could not be tested due to Aboriginal Heritage Clearance constraints.

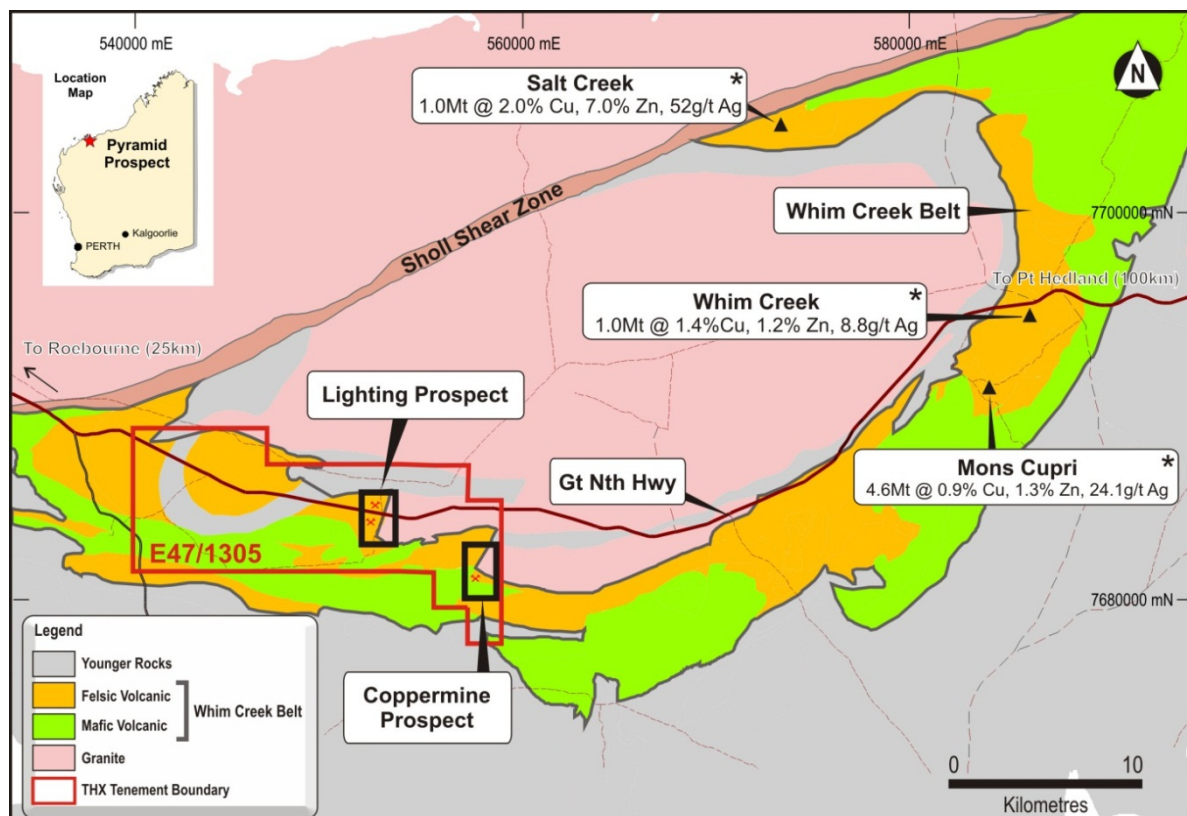


Figure 1. Location of Pyramid Project in the regional Whim Creek setting.

Seventeen holes drilled for 2,186m to test targets at the Lightning and Coppermine Bore prospects.

This second phase of reverse circulation drilling at the Pyramid Project, in the Pilbara of Western Australia, gave results indicating that the mineralisation potential at the targets tested is mainly structurally related. A program of down-hole electromagnetic surveys (DHEM) is scheduled on the holes drilled. This will identify any nearby conductors that could represent sulphide accumulations which will then be tested as part of a follow-up drill program.

The program had allowed for up to 30 holes to be drilled to test targets identified from a combination of soil sampling, rock chip sampling, detailed aeromagnetic survey data and ground electromagnetic (EM) survey data. Its main aim was testing possible extensions of base metals mineralisation seen at Lightning and other new conductive, magnetic, geochemical and structural targets elsewhere.

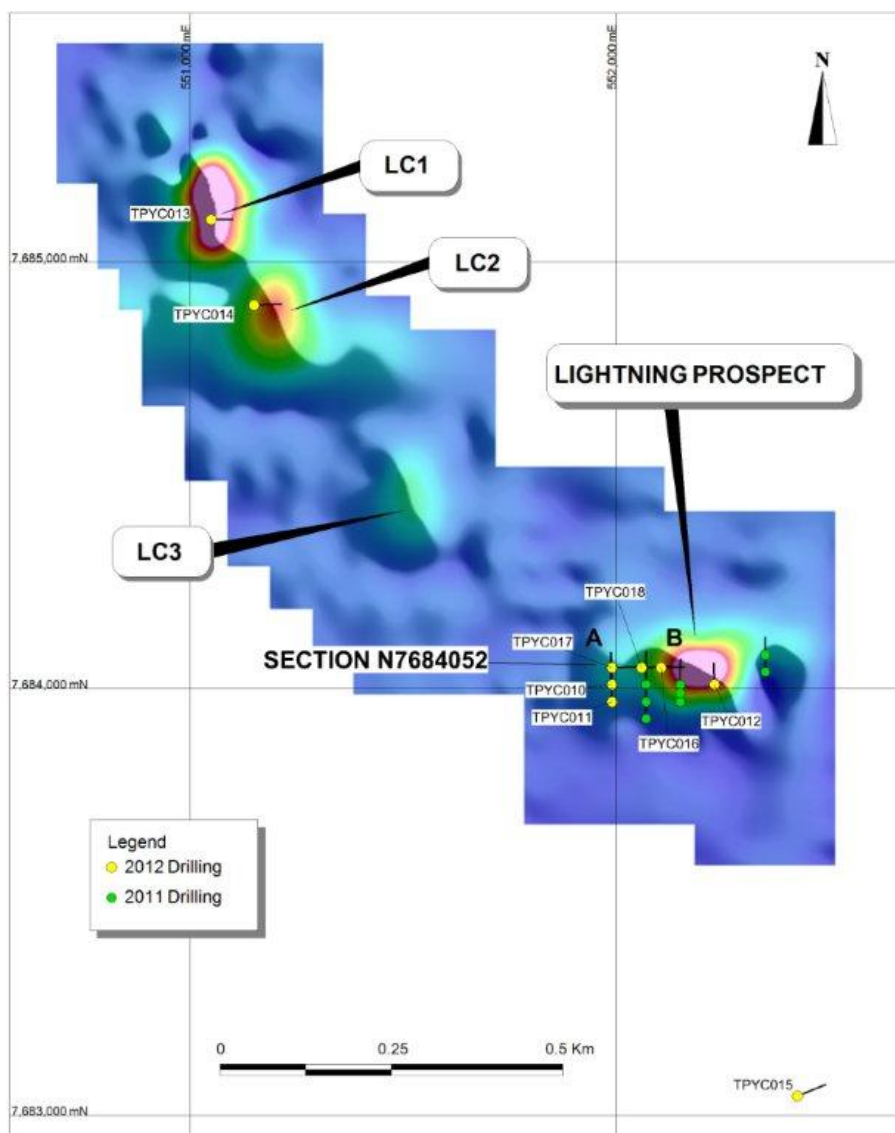
Hole No	Depth	From	To	Interval	Zn (%)	Ag (g/t)	Pb (%)	Cu (%)
<b>TPYC016</b>	109m	78	83	5m	1.17			
incl.		78	81	3m	1.76			
and		78	80	2m		23	0.54	0.17
<b>TPYC017</b>	165m	122	123	1m	1.30		0.31	
		132	139	7m	1.79			
incl.		132	134	2m	5.83			
incl.		132	133	1m	6.88	63	1.12	0.37
<b>TPYC018</b>	140m	99	101	2m	0.13			0.17
		104	105	1m	0.28			0.10
<b>TPYC021</b>	113m	1	25	24m	0.52			
incl.		2	6	4m	1.80	45	1.08	
and		11	12	1m		97		
and		17	21	4m	0.37	92	0.40	
<b>TPYC022</b>	117m	30	34	4m	0.53	12	0.12	
		45	54	9m	0.31			
<b>TPYC023</b>	160m	19	30	11m	0.34			

*Table 1. Summary of drillholes containing mineralised intervals at Lightning and Coppermine Bore prospects. The remaining 11 drillholes were predominantly unmineralised, with occasional minor anomalous base metal intervals consistent with the approximate location of interpreted geological structures. All holes were drilled at 60° from vertical.*

At the Coppermine Bore prospect, Exclusion Zones and other access constraints resulting from the Aboriginal Heritage Clearance survey hampered access to test the most promising geological targets effectively and to their full extent.

## Lightning Prospect.

Holes TPYC010, 11 and 12 were sited to test for western and eastern extensions of the mineralisation at Lightning (Fig. 2) indicated from the initial drilling program in 2011.



TPYC010 intersected a narrow zone with minor sulphides noted between 120-121m; assay results still pending.

Best mineralised section was from the TPYC016-018 line which was drilled easterly, to the north of the Lightning prospect. These holes tested conductive plates previously delineated from geophysical surveys in 2011 and 2012.

Down-hole electromagnetic (DHEM) surveys and further Heritage Clearance work is required to properly test both this system and other possible conductive plates not targeted by drilling programs to date.

The prominent conductive targets LC1 and LC2 (Fig. 2) were tested by TPYC013 and TPYC014. A weaker LC3 conductor was planned to be tested only if the other plates proved to be caused by base metal sulphides.

Figure 2. Lightning Prospect: drill collar locations and geophysical targets.

Each hole intersected a wide sequence of amphibolitic rocks and iron-rich formation with magnetite, pyrite and minor pyrrhotite, which explained the conductors. No anomalous base metal values were recorded, so further drillholes in the planned program were not warranted.

The visible copper staining in outcrop located south of Lightning was targeted by TPYC015, but the restricted access into the area hampered the ability to position the drill rig in a suitable location to reach the proposed target. The target remains untested and will be revisited.

## Coppermine Bore Prospect.

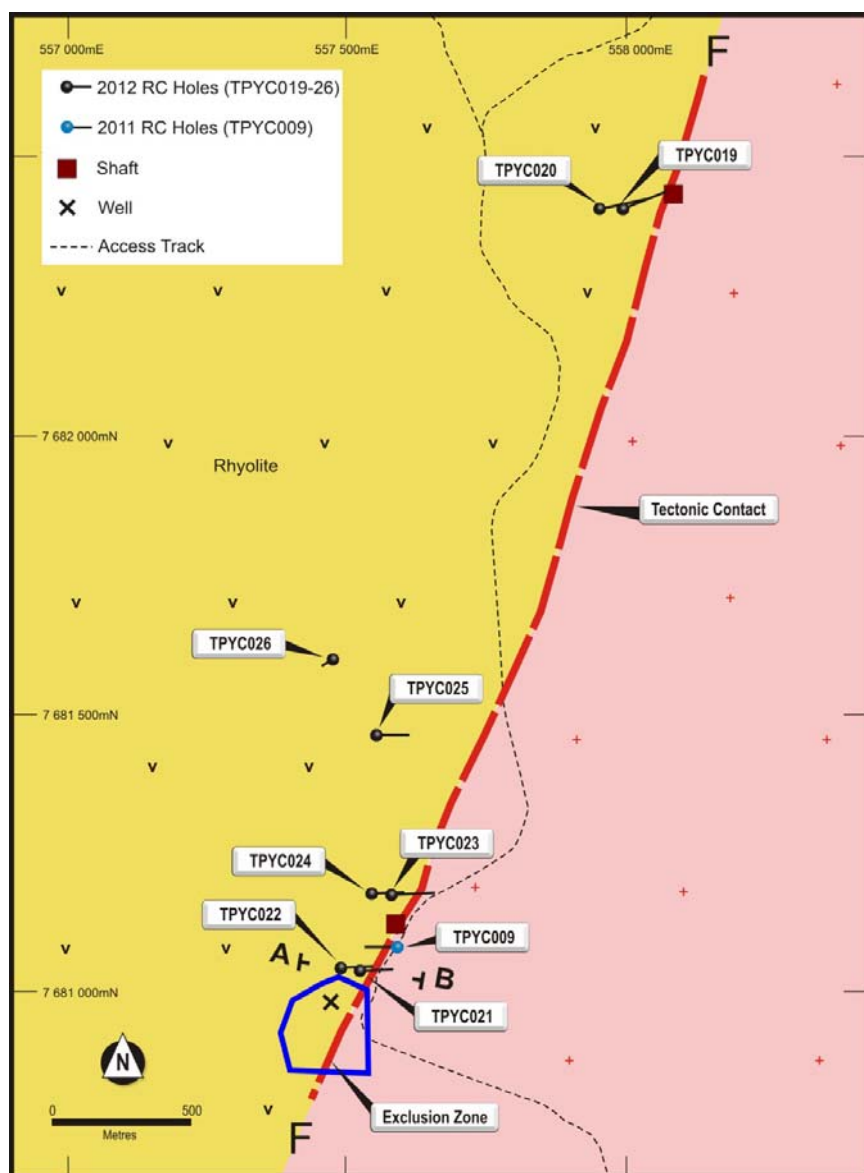


Figure 3. Coppermine Bore Prospect: drillhole collar locations.

A similar situation was encountered towards the north-east where the preferred access routes into the ground, as planned in the original Heritage Survey scope of work, did not receive Heritage Clearance. Consequently, other holes sited at cleared locations were unsuccessful in reaching their targets.

DHEM surveys, additional ground geophysics and further Heritage Clearance work is required to test the entire ~4 km extent of the mineralised tectonic contact properly and effectively.

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At Coppermine Bore prospect, the first two drill holes targeting visible galena and chalcopyrite mineralisation at Little Sherlock shaft (TPYC019 and 20, Fig. 3) did not reach the contact to test the mineralisation.

Additional Aboriginal Heritage Clearance survey work may be required to clear access to the optimal sites for drill collars to test the inferred contact.

The best mineralisation was intersected in TPYC021 and TPYC022, where the westerly dipping tectonic contact between the granite to the east and the rhyolite to the west was properly tested (Fig. 5).

Unfortunately, the south-east extension of the contact could not be tested effectively in the area of Coppermine Bore well, where the best mineralisation was previously found in rock chip samples. An area of cultural significance was identified during Heritage surveys, resulting in an exclusion zone around the well.

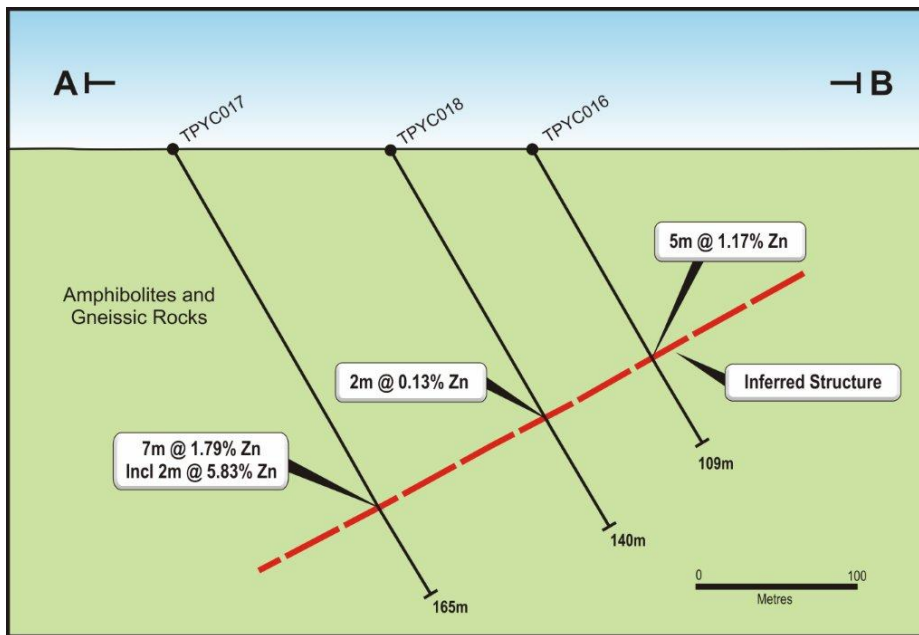


Figure 4. Cross Section at Lightning Prospect showing the inferred conductor interpreted as being a shallow-angled mineralised structure.

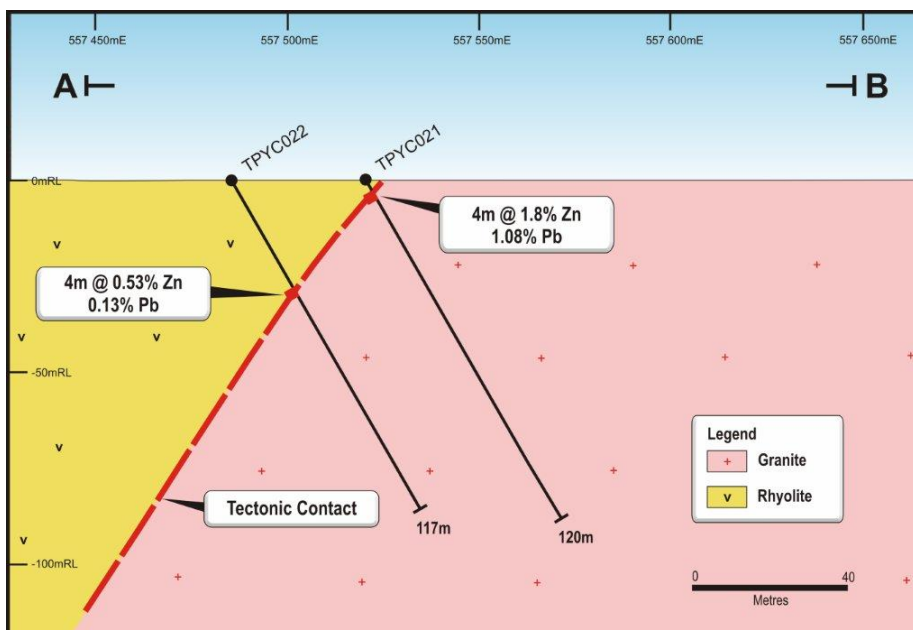


Figure 5. Cross Section at Coppermine Bore showing the mineralised tectonic contact.

### 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.