

RED BORE EARN-IN : UPDATE

Thundelarra wishes to update the market on the status of its equity earn-in at the Red Bore prospect in the Doolgunna region of the Gascoyne Province in Western Australia.

On 04 May 2012 Thundelarra reported a maiden JORC code compliant resource at Red Bore and stated its intention, under the terms of the Option Agreement entered into in 12 April 2010, to lodge an earn-in notice with its joint venture partner, the registered holder of granted Mining Lease M52/597 on which the Red Bore prospect is located. Thundelarra contends that the delivery of this resource satisfies the requirements for it to have earned a 60% participating interest in Red Bore and on 07 May 2012 Thundelarra issued the relevant earn-in notice.

Since issuing the earn-in notice, Thundelarra has made a number of attempts, without success, to seek clarity by asking the joint venture partner to state definitively whether or not it disputes that Thundelarra has earned the 60% interest. The joint venture partner claims that the Option Agreement is not a valid agreement and that, even if it were, it does not accept that Thundelarra has disclosed information sufficient to achieve an earn-in under the Option Agreement dated 12 April 2010.

Thundelarra rejects any assertions made by its joint venture partner that the Option Agreement is not valid or legally binding and Thundelarra maintains that it has earned a 60% interest in Red Bore under the terms of that agreement.

Since entering into the Option Agreement Thundelarra has spent approximately \$3.367 million in exploration and Option exercise considerations to deliver a maiden resource at Red Bore. Thundelarra maintains that it has satisfied its earn-in requirements but considers it imprudent to commit further expenditure until its equity earn-in is confirmed.

The 2 km² Red Bore prospect is just one part of Thundelarra's prospective exploration interests in the Doolgunna region, which include Curara Well (83 km²); Bluebush Well (217 km²), Marymia (675 km²), and Yerrida Central (123 km²), all of which are owned 100% by Thundelarra.

For Further Information Contact:

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THUNDELARRA EXPLORATION LTD

Issued Shares: 154.8M

ASX Codes: THX & THXOA