



THUNDELARRA

EXPLORATION LTD

Level 33, QV1 Building
250 St Georges Tce, Perth
Western Australia 6000
PO Box 7363, Cloisters Square
Perth WA 6850
Tel 61 8 9321 9680
Fax 61 8 9321 9670
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www.thundelarra.com

24 October 2003

Thundelarra Exploration Ltd
ABN 74 950 465 654
ARBN 085 782 994

The Manager
Company Announcements Office
Australian Stock Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

Electronic Lodgement

Dear Sir/Madam,

RIGHTS ISSUE PROSPECTUS

Please find attached a copy of the Prospectus dated and lodged with the Australian Securities and Investment Commission on 24 October 2003 in respect to a pro-rata renounceable rights issue to shareholders on the basis of 1 new share for every 10 shares held on the record date at an issue price of 36 cents per new share to raise approximately \$2,114,271.

Yours sincerely
THUNDELARRA EXPLORATION LTD

Frank DeMarte
COMPANY SECRETARY



THUNDELARRA

EXPLORATION LTD

ACN 085 782 994

RIGHTS ISSUE PROSPECTUS

For the pro-rata renounceable rights issue to shareholders of up to approximately 5,872,975 New Shares (assuming no options are exercised prior to the Record Date) on the basis of 1 New Share for every 10 Shares held on the Record Date at an issue price of 36 cents per New Share to raise approximately \$2,114,271.

The Rights Issue closes at 5.00 pm WST on 1 December 2003.

IMPORTANT NOTICE

This document is important and requires your immediate attention. It should be read in its entirety. If you do not understand its contents or are in doubt as to the course you should follow, you should consult your stockbroker or professional adviser.

Shares offered by this Prospectus are considered speculative in nature.

CORPORATE DIRECTORY

DIRECTORS

Philip Crabb
FAusIMM, MAICD
(Chairman)

Jeremy Caddy
BSc, C Eng, FIMM
(Chief Executive Officer and Director)

Frank DeMarte
B.Bus, FCIS, MAICD
(Executive Director and Chief Financial Officer)

Brian Richardson
BSc (Hons), MAusIMM
(Non Executive Director)

Rick Crabb
B.Juris (Hons), LLA, MBA, MAusIMM
(Non Executive Director)

Malcolm RJ Randall
B.Applied Chem
(Non Executive Director)

SECRETARY

Frank DeMarte
B.Bus, FCIS, MAICD

REGISTERED OFFICE

Level 33, QV1 Building
250 St Georges Terrace
PERTH WA 6000
Tel: +61 8 9321 9680
Fax: +61 8 9321 9670
Email: perth@thundelarra.com
<http://www.thundelarra.com>

SOLICITORS

Blakiston & Crabb
1202 Hay Street
WEST PERTH WA 6005

SHARE REGISTRY

Computershare Investor Services Pty Ltd
Level 2, Reserve Bank Building
45 St Georges Terrace
PERTH WA 6000

ASX STOCK EXCHANGE LISTING

The Company's shares are listed on Australian Stock
Exchange Limited: ASX Code: THX



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Thundelarra Exploration Ltd
ABN 74 950 465 654
ARBN 085 782 994
ASX THX

Dear Shareholder

Thundelarra Exploration Ltd ("Thundelarra") announced on 8 October 2003 that it had reached a strategic agreement with LionOre Mining International Limited ("LionOre") to farm into Thundelarra's East Kimberley nickel tenements. The principal terms of the agreement are as follows;

LionOre farms into an area of approximately 50% of the 2,800 sq km ("First Area") held by Thundelarra;

- LionOre will earn a 60% interest on the First Area by sole funding the first \$5 million of exploration expenditure over 5 years;
- Thundelarra will conduct its own exploration on its retained areas in the East Kimberley;
- Once LionOre has earned a 60% interest on the First Area, it may elect to expand the joint venture area to include additional areas. If LionOre brings in additional areas, it must sole fund all joint venture expenditure until it has contributed an amount equal to 150% of Thundelarra's expenditure on the additional areas brought in;
- Thundelarra can elect to contribute or to dilute in the joint venture area at the standard dilution rate. Thundelarra can also elect at any time to drop to a 20% interest, free carried to decision to mine (following completion of a bankable feasibility study);
- A mechanism has been agreed to deal with the situation where, before LionOre has earned its 60% interest, Thundelarra has completed, on its retained area, a bankable feasibility study on a prove or probable reserve and has made a decision to mine on certain basis.

In addition to the joint venture agreement LionOre had agreed to take a placement of 7,800,000 Thundelarra shares at an issue price of 45 cents each, raising a total of \$3.51 million and 11 million free unlisted options exercisable at 68 cents at any time up to 4 years from the date of grant to LionOre.

Thundelarra is now in the strong position of having a 3 pronged exploration approach to its extensive and exciting nickel tenements in the East Kimberley with:

- LionOre applying its exploration expertise, considerable resources and skill to its joint venture area;
- Thundelarra itself continuing to explore its retained areas; and
- Sally Malay Mining Limited completing a feasibility study on Thundelarra's Copernicus and Salk nickel deposits.

Sally Malay is currently earning a 60% interest in the 1.2 sq km area covering the Copernicus resource (indicated resource of 220,000 tonnes @ 1.5% nickel and 0.8% copper using a 1%

nickel cut off grade) and the nearby “blind” sulphide discovery at Salk North, by completing a Bankable Feasibility Study by December 2004. Copernicus is located only 35 kms from the Sally Malay mine and could become a significant source of feed for the plant, which is scheduled to commence production in July 2004.

Thundelarra also advised that it would proceed with an entitlement issue to shareholders on a 1 for 10 basis at an issue price of 36 cents per share to raise approximately \$2.114 million (pre the exercise of any options).

Shareholders should note that the issue is renounceable, meaning that shareholders can trade their rights on the Australian Stock Exchange.

Following the placement to LionOre, and the entitlement issue to Thundelarra shareholders, Thundelarra will have approximately \$7.3 million cash available, which it will apply over the next three years in aggressively exploring its retained area in the East Kimberley, as well as its nickel and base metal prospects in the Pilbara and its gold prospects in Western Australia.

It is with pleasure that I now, on behalf of your board of directors, offer shareholders the opportunity to invest further in their Company by participating in the forthcoming entitlement issue, full details of which are set out in this Prospectus.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Philip G Crabb', with a horizontal line drawn underneath it.

Philip G Crabb
CHAIRMAN

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IMPORTANT NOTES

This Prospectus is dated 24 October 2003. A copy of this Prospectus was lodged with ASIC on that date. Neither the ASIC or ASX take any responsibility in respect to the contents of this Prospectus.

No securities will be issued on the basis of this Prospectus after the Expiry Date. Securities issued pursuant to this Prospectus will be issued on the terms and conditions set out in this Prospectus.

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. The distribution of this Prospectus in jurisdictions outside Australia (other than New Zealand) may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

SUMMARY OF IMPORTANT DATES*

Announcement of Rights Issue	8 October 2003
Prospectus Lodged at ASIC	24 October 2003
Notice sent to Shareholders containing information required by Appendix 3B	28 October 2003
Rights trading commences and ordinary shares quoted "ex-rights"	29 October 2003
Record Date to Determine Entitlements	5 November 2003
Prospectus with Entitlement and Acceptance Form Despatched	10 November 2003
Last day for Rights Trading	24 November 2003
Closing Date for Acceptance and Renunciations under the Rights Issue	1 December 2003
Last day for despatch of holding statements	22 December 2003
Trading commences for New Shares	23 December 2003

* These dates are indicative only. Subject to the Listing Rules, the Directors reserve the right to vary the dates without prior notice.

KEY DEFINITIONS

Throughout this Prospectus, for ease of reading, various words and phrases have been defined rather than being repeated in full on each occasion. Definitions used in this Prospectus are set out in Section 7 of this Prospectus.

Section 1 DETAILS OF THE RIGHTS ISSUE

1.1 Rights Issue

This Prospectus invites Existing Shareholders to participate in a pro-rata renounceable Rights Issue of approximately 5,872,975 New Shares (assuming on Options are exercised) on the basis of one New Share for every 10 Shares held on the Record Date at an issue price of 36 cents per New Share.

If all the Options are converted the maximum numbers of Shares that may be issued under this Prospectus will be 6,629,065 Shares.

The Rights Issue will raise approximately \$2,114,271 (less expenses of the Rights Issue estimated to be \$16,000).

As at the date of this Prospectus, 58,729,751 Shares are on issue. Existing holders of options to acquire Shares will not be entitled to participate in the Rights Issue however they may exercise their Options prior to the Record Date if they wish to participate in the Rights Issue.

1.2 Rights Trading and ASX Quotation of Rights

The Rights are renounceable. This enables Existing Shareholders who do not wish to subscribe for some or all of the New Shares to sell their respective Rights and also enables Shareholders to purchase additional Rights if they wish.

The Rights will be quoted on the ASX. Trading of Rights will commence on the ASX on 29 October 2003 and will cease at the close of trading on 24 November 2003.

1.3 Opening and Closing Dates

The Rights Issue will open for receipt of acceptances at 9.00am WST on 10 November 2003 and will close at 5.00pm WST on 1 December 2003, or such later date as the Directors, in their absolute discretion and subject to compliance with the Listing Rules, may determine.

1.4 Entitlements and Acceptance

The number of New Shares to which you are entitled ("Entitlement" or "Rights") is shown in the accompanying Entitlement and Acceptance form. If you acquire further Rights you should contact your stockbroker to subscribe for New Shares to which you will be entitled.

In determining Entitlements, any fractional entitlement will be rounded up to the nearest whole number.

Acceptance of Entitlement in Full

If you wish to take up **all** of your Entitlement under the Rights Issue, please complete the Entitlement and Acceptance Form in accordance with the instructions set out on the reverse of that form. Applications must not exceed your Entitlement as shown on the Entitlement and Acceptance Form. Applications exceeding your Entitlement will be deemed to be for your maximum Entitlement and any surplus subscription funds

will be returned, without interest. Please ensure the completed Entitlement and Acceptance Form, together with your cheque, is received by the Company's Share Registry:

Computershare Investor Services Pty Ltd
Level 2, Reserve Bank Building
45 St Georges Terrace
PERTH WA 6000

not later than 5.00pm WST on 1 December 2003 or such later date as the Directors advise. Cheques should be made payable to "*Thundelarra Exploration Limited – Share Account*" and crossed "Not Negotiable"

Partial Acceptance of Entitlement and Sale of Balance

If you wish to accept part of your Entitlement and sell the balance, please complete the accompanying Entitlement and Acceptance form for that part of your Entitlement that you wish to accept (being less than your Entitlement as specified on the Entitlement and Acceptance Form) and also complete the section on the back of the form marked "Instructions to Your Stockbroker", for the balance that you wish to sell. The completed form should then be forwarded to your stockbroker together with a cheque for the amount due in respect of the New Shares you intend to accept (being the number of New Shares you wish to accept multiplied by \$0.36). You must allow adequate time for the sale of the Entitlement by your stockbroker before Rights trading ends on 24 November 2003.

Sale of Entitlement in Full

If you do not wish to take up any part of your Entitlement under the Rights Issue, you may sell your Entitlement.

To sell your Entitlement through a stockbroker, please complete the section on the back of the accompanying Entitlement and Acceptance Form marked "Instructions to Your Stockbrokers" and then forward the form to your stockbroker. Rights trading commences on 29 October 2003. You must allow adequate time for the sale of the Entitlement by your stockbroker before rights trading ends on 24 November 2003.

To sell your Entitlement other than through a stockbroker, a Standard Renunciation Form must be used. Standard Renunciation Forms are obtainable from your stockbroker and all offices of the ASX and must be completed by both yourself, as the seller and by the nominated buyer. The duly completed and stamped Renunciation Form must be lodged with the Share Registry at:

Computershare Investor Services Pty Ltd
Level 2, Reserve Bank Building
45 St Georges Terrace
PERTH WA 6000

in sufficient time to allow the buyer to take up the Entitlement no later than 24 November 2003.

Enquiries

If you have any queries regarding your Entitlement, please contact the Share Registry by telephone on (08) 9323 2000 or your stockbroker or professional adviser.

PLEASE NOTE IF YOU DO NOT ACCEPT OR RENOUNCE YOUR ENTITLEMENT IN ACCORDANCE WITH THE INSTRUCTIONS SET OUT ABOVE YOUR ENTITLEMENT WILL FORM PART OF THE SHORTFALL.

1.5 Shortfall

If Existing Shareholders decide not to accept or renounce all or part of their Entitlements pursuant to the Rights Issue, the Entitlements not accepted will form the Shortfall and the Directors reserve the right to issue all or part of the Shortfall at their absolute discretion, within 3 months from the Closing Date.

The Chairman of the Company Mr Phil Crabb and his associated entities may participate in any Shortfall. The issue of any Shortfall to Mr Crabb is subject to shareholder approval pursuant to Listing Rule 10.11. A general meeting of shareholders to approve the resolution will be announced shortly.

1.6 Issue and Allotment of New Shares

The New Shares are expected to be issued and allotted by no later than 22 December 2003. Until issue and allotment of the New Shares under this Prospectus, the acceptance money will be held in trust in a separate bank account opened and maintained for that purpose only. Any interest earned on the acceptance money will be for the benefit of the Company and will be retained by it irrespective of whether allotment of the New Shares takes place.

1.7 ASX Quotation of New Shares

The Company will make application to the ASX within seven (7) days following the date of this Prospectus for the official quotation of the New Shares.

If approval is not granted by ASX within three (3) months after the date of this Prospectus, the Company will not allot or issue any New Shares and will repay all application monies (where applicable) within the time prescribed under the Act, without interest.

The fact that ASX may grant official quotation of the New Shares is not to be taken in any way as an indication of the merits of the Company or the New Shares now offered for subscription.

1.8 Overseas Investors

The Company is of the view that it is unreasonable to make an offer under this Prospectus to shareholders outside of Australia and New Zealand having regard to:

- (a) the number of shareholders outside of Australia and New Zealand;

- (b) the number and value of the securities to be offered to shareholders outside of Australia and New Zealand; and
- (c) the cost of complying with the legal requirements and requirements of regulatory authorities in the overseas jurisdictions.

Accordingly, the Company is not required to make offers under the Prospectus to shareholders outside of Australia and New Zealand.

In compliance with Listing Rule 7.7.1 and section 615 of the Corporations Act, the Company has appointed DJ Carmichael Pty Ltd as nominee for foreign holders of the Company's securities. The Company has applied to the Australian Securities and Investments Commission to approve the nomination.

The nominee will arrange for the sale of the Entitlements that would have been given to the foreign holders and distribute to each of those foreign holders their proportion of the proceeds of the sale, net of expenses. Any such sale will be at prices and otherwise in such a manner as DJ Carmichael Pty Ltd may, in its absolute discretion, determine.

1.9 Trading History of Shares

The highest and lowest market sale prices of Shares on ASX during the 3 months immediately preceding the date of this Prospectus and the respective dates of those sales were 59 cents on 15 October 2003 and 19 cents on 28 July 2003. The latest available market sale price of Shares on ASX immediately before the date of this Prospectus was 52 cents on 23 October 2003.

1.10 No issue of New Shares after the Expiry Date

No New Shares will be issued on the basis of this Prospectus later than the Expiry Date.

Section 2 PURPOSE OF THE RIGHTS ISSUE

2.1 Purpose of Issue

The funds raised by the Rights Issue will be used for the following purposes:

- exploring the Company's retained area for nickel in the East Kimberley, as well as its nickel and base metal prospects in the Pilbara and its gold prospects in Western Australia; and
- for ongoing exploration activities and working capital and to meet the costs of the Rights Issue.

2.2 Use of Funds

The application of funds raised from the Rights Issue are summarised below:

Description	Use of Funds
Maximum funds to be raised under the Rights Issue	\$2,114,271
Company Projects, administration and Working Capital	\$2,098,271 Note1
Costs of this Offer (up to)	\$16,000 Note2
TOTAL	\$2,114,271

Note 1: All funds raised pursuant to this Prospectus above \$16,000 (which is the provision for costs of the Rights Issue on the maximum amount raised of \$114,271) will be allocated to the Company's projects and working capital in the following proportions:

Application of Funds	%
(a) East Kimberley nickel copper prospects;	70%
(b) Pilbara nickel and base metal prospects;	10%
(c) Gold prospects; and	10%
(d) Evaluation of new prospects and working capital.	10%
Total	100%

Given the inherent uncertainties associated with exploration, the Company's work programs and budgets are subject to change and will be dependent on results from ongoing exploration and technical evaluation activities. However, the Company's Directors consider that the primary project to be pursued in the near term is the East Kimberley nickel and copper prospects and the bulk of the funds raised from this Rights Issue will be directed towards it.

Note 2: This figure comprises adviser's fees, ASX fees, registration fees, printing and distribution costs and other miscellaneous expenses.

Section 3 EFFECT OF THE RIGHTS ISSUE ON THE COMPANY

3.1 Principal Effects

The New Shares issued pursuant to this Prospectus (assuming no Options are exercised) will constitute 10% of the presently issued share capital, currently 58,729,751 Shares. When aggregated with the number of options to acquire shares previously issued by the Company, the total percentage of Shares in the Company the subject of this Rights Issue (assuming no Options are exercised) proximately 9% of the presently issued capital of the Company on a fully diluted basis.

The Rights Issue will also increase the Company's cash reserves by \$2,114,271 (before expenses of the Rights Issue, estimated to be \$16,000) to enable the Company to pursue its objectives.

3.2 Statement of Financial Position

Set out as below is an unaudited pro-forma Statement of Financial Position of the Company as at 31 August 2003, incorporating the issue of the New Shares in accordance with this Prospectus.

STATEMENT OF FINANCIAL POSITION

	31 AUGUST 2003 \$	ISSUE \$	PRO FORMA \$
Current Assets			
Cash	432,085	2,098,271	2,530,356
Receivables	61,239	-	61,239
Other	3,165	-	3,165
Total Current Assets	690,398	2,098,271	2,594,760
Non Current Assets			
Investments	6,214		6,214
Property Plant & Equipment	159,633	-	159,633
Other	6,981,899	-	6,981,899
Total Non Current Assets	7,150,911	-	7,150,911
Total Assets	7,644,235	2,098,271	9,742,506
Current Liabilities			
Accounts Payable	77,244	-	77,244
Provisions	25,721	-	25,721
Total Current Liabilities	102,965	-	102,965
Non Current Liabilities	-	-	-
Borrowings	-	-	-
Provisions	-	-	-
Total Non Current Liabilities	-	-	-
Total Liabilities	102,965	-	102,965
Net Assets	7,541,270	2,098,271	9,639,541
Equity			
Issued Capital	15,798,271	2,114,271	17,912,542
Reserves	4,485	-	4,485
Accumulated Losses	(8,261,486)	(16,000)	(8,277,486)
Total Equity	7,541,270	2,098,271	9,639,541

3.3 Capital Structure of Company

SHARES		
Number	Issued and Paid Up Capital	\$
58,729,751	Existing Ordinary Shares	15,798,271
5,872,751	Shares to be issued pursuant to this Prospectus (assuming no Options are exercised)	2,114,271
64,602,726	Total Issued Capital after Rights Issue	\$17,912,542

The Company also has the following listed and unlisted options on issue:

OPTIONS		
Number	Description	\$ Contributions on Exercise
3,482,644	Listed options exercisable at 23 cents expiring 30 April 2005.	801,008
181,250	Unlisted Options exercisable at 68 cents on or before 30 April 2004.	123,250
422,000	Unlisted Options exercisable at 68 cents on or before 28 April 2004.	286,960
1,975,000	Unlisted Options exercisable at 50 cents on or before 28 February 2007.	987,500
1,500,000	Unlisted Options exercisable at 35 cents on or before 28 March 2008.	525,000

Section 4 RISK FACTORS

The New Shares offered under this Prospectus are considered speculative. The Directors strongly recommend investors examine the contents of this Prospectus and consult their professional advisers before deciding whether to apply for New Shares pursuant to this Prospectus. In addition, investors should be aware there are risks associated with investment in the Company. There are certain general risks and certain specific risks which relate directly to the Company's business and are largely beyond the control of the Company and the Directors because of the nature of the business of the Company.

The following summary, which is not exhaustive, represents some of the major risk factors which potential investors need to be aware of:

4.1 Operation and Development Risks

By its nature, the business of exploration, mineral development and production which the Company may continue to participate in contains risks. Prosperity depends on the successful exploration and/or acquisition of reserves, development of a commercial process route for processing the ore, design and construction of efficient processing facilities, competent operation and management and efficient financial management. For its part, exploration is a speculative endeavour, the development of a commercial process route cannot be assured while mining operations can be hampered by force majeure circumstances, environmental considerations and cost overruns for unforeseen events.

4.2 Government Policy

Capacity to explore and mine, as well as industry profitability generally, can be affected by changes in government policy which are beyond the control of Thundelarra.

4.3 Native Title

Both the Native Title Act 1993 (Commonwealth), related State native title legislation and aboriginal land rights and aboriginal heritage legislation may affect the Company's ability to gain access to prospective exploration areas or obtain production titles. Compensatory obligations may be necessary in settling native title claims if lodged over any tenements acquired by the Company. The level of impact of these matters will depend, in part, on the location and status of the tenements acquired by the Company. At this stage, it is not possible to quantify the impact (if any) which these developments may have on the operations of the Company.

4.4 Commodity Price Risk

In the future, the Company's revenue will come from sale of product. Therefore, its earnings will be closely related to the price and arrangements it enters into for selling of its products. Product prices fluctuate and are affected by factors including the relationship between global supply and demand for metal, forward selling by producers, the cost of production and general global economic conditions.

Commodity prices are also affected by the outlook for inflation, interest rates, currency exchange rates and supply and demand issues. These factors may have an adverse affect on the Company's exploration, development and production activities as well as its ability to fund those activities.

4.5 Environmental Risks

The Company's operations and projects are subject to State and Federal laws and regulation regarding environmental hazards and discharge of hazardous waste and materials. The Company intends to conduct its activities in an environmentally responsible manner, in accordance with applicable laws and regulations.

4.6 Share Market Risk

The market price of New Shares can be expected to rise and fall in accordance with general market conditions and factors specifically affecting the Australian resources sector and exploration companies in particular. Neither the Company nor its Directors warrant the future performance of the Company or any return on investment in Shares.

4.7 General

When compared with many industrial and commercial operations, mining and mineral processing projects are relatively high risk. This is particularly so where new technologies are employed.

Each orebody is unique. The nature of the mineralisation, the occurrence and grade of the ore, as well as its behaviour during mining and processing can never be wholly predicted. Estimations of the tonnes, grade and overall mineral content of a deposit are not precise calculations, but are based on interpretation and on samples from drilling which, even at close drill hole spacing, represent a very small sample of the entire orebody. Reconciliation of past production and reserves, where available can confirm the reasonableness of past estimates, but cannot categorically confirm the accuracy of future projections.

The applications of metallurgical testwork results and conclusions to the process design, recoveries and throughput depend on the accuracy of the testwork and the assumption that the sample tests are representative of the orebody as a whole. There is a risk associated with the scale-up of laboratory and pilot plant results to a commercial scale and with the subsequent design and construction of any plant.

Mining project revenues are subject to variations in metal prices and exchange rates. Annual price variations can be significant and future trends and timing are difficult to predict with accuracy.

4.8 Speculative Nature of Investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the New Shares offered under this Prospectus.

Section 5 ADDITIONAL INFORMATION

5.1 Legal Framework of this Prospectus

The Company is a "disclosing entity" under the Corporations Act and is subject to the regime of continuous disclosure and periodic reporting requirements. Specifically as a listed company, the Company is subject to the Listing Rules which require continuous disclosure to the market of any information possessed by the Company which a reasonable person would expect to have a material effect on the price or value of its shares.

5.2 Applicability of Corporations Act

As a "disclosing entity", the Company has issued this Prospectus in accordance with section 713 of the Corporations Act applicable to prospectuses for an offer of securities which are quoted enhanced disclosure ("ED") securities and the securities are in a class of securities that were quoted ED securities at all times in the 12 months before the issue of this Prospectus.

Having taken such precautions and having made such enquiries as are reasonable, the Company believes that it has complied with the provisions of the Listing Rules as in force from time to time which apply to disclosing entities, and which requires the Company to notify ASIC of information available to the stock market conducted by ASX, throughout the 12 months before the issue of this Prospectus.

The ASX maintains files containing publicly disclosed information about all listed companies. The Company's file is available for inspection at ASX in Perth during normal working hours. In addition, copies of documents lodged by, or in relation to, the Company with ASIC may be obtained from, or inspected at, any regional office of ASIC.

The New Shares to be issued under this Prospectus are in respect of a class of shares that were quoted on the stock market of ASX at all times in the 12 months before the issue of this Prospectus.

5.3 Information Available to Shareholders

The Company will provide a copy of each of the following documents, free of charge, to any investor who so requests during the application period under this Prospectus:

- (a) the Annual Financial Report for the Company for the period ending 30 September 2002; and
- (b) the following documents used to notify ASX of information relating to the Company during the period after lodgement of the financial statements contained in the Annual Financial Report of the Company for the period ending 30 September 2002 and before the issue of this Prospectus:

Date	Description of ASX Announcement
23/10/2003	Australian Nickel conference Presentation – October 2003
23/10/2003	Renounceable Rights Issue – Amended Letter to Option Holders
23/10/2003	Renounceable Rights Issue – Amended Timetable
22/10/2003	Appendix 3B – Exercise of Listed Options
21/10/2003	Change of Director's Interest Notice
17/10/2003	Change of Director's resolution Interest Notice
17/10/2003	Renounceable Rights Issue - Letter to Option Holders
17/10/2003	Renounceable Rights Issue – Timetable
17/10/2003	Change of Director's resolution Interest Notice
8/10/2003	Placement
7/10/2003	Change of Director's resolution Interest Notice
7/10/2003	Appendix 3B – Conversion listed / unlisted options
7/10/2003	Request for Trading Halt
7/10/2003	Trading Halt
3/10/2003	Resignation of Company Secretary
2/10/2003	Appointment of Joint Company Secretary
26/09/2003	Share Placement: Allotment & Issue of Securities
25/09/2003	Nickel Projects – East Kimberley
12/09/2003	Appendix 3B – New Issue
12/09/2003	Certificate of Registration
12/09/2003	Placement
27/08/2003	Open Briefing Thundelarra Significant Nickel Drilling
26/08/2003	SMY Drilling at Copernicus/Salk Nth Significant Nickel & Copper Results
14/08/2003	Phillips Range Diamond Project Joint Venture
31/07/2003	Open Briefing. Thundelarra Nickel & Diamond Projects
18/07/2003	Director Resignation
27/06/2003	Results of Special General Meeting
24/06/2003	Exploration Update
29/05/2003	Notice of Special General Meeting
22/05/2003	Change of Director's Interest Notice
21/05/2003	Exploration Commences on Kimberley Diamond & Nickel Projects
	Change of Director's Interest Notice
20/05/2003	Change of Director's Interest Notice
19/05/2003	Open Briefing. Thundelarra. Chairman on Exploration Outlook
14/05/2003	Change of Director's Interest Notice
13/05/2003	Distribution Schedule & Top 20
09/05/2003	Offer Closed – Prospectus dated 20/03/03
08/05/2003	Change of Director's Interest Notice
07/05/2003	Appendix 3B – New Issue
02/05/2003	Change of Director's Interest Notice
01/05/2003	Correct Second Quarter Activities & Cashflow Report
29/04/2003	Second Quarter Activities & Cashflow Reports
28/04/2003	Appendix 3B – Expiry of Escrow Period
24/04/2003	Change of Director's Interest Notice
23/04/2003	Change of Director's Interest Notice
15/04/2003	Change of Director's Interest Notice
10/04/2003	Change of Director's Interest Notice
07/04/2003	Change of Director's Interest Notice
07/04/2003	Impending Release of Restricted Securities
07/04/2003	Change of Director's Interest Notice
07/04/2003	Change of Director's Interest Notice
07/04/2003	Change of Director's Interest Notice
07/04/2003	Appendix 3B – Issue of Unquoted Options to Directors &

02/04/2003	Employees.
	Change of Director's Interest Notice
31/03/2003	Change of Director's Interest Notice
31/03/2003	Constitution
31/03/2003	Results of Annual & Special General Meeting
31/03/2003	Change of Director's Interest Notice
27/03/2003	Change of Director's Interest Notice
27/03/2003	Change of Director's Interest Notice
25/03/2003	Appendix 3B – Pursuant to prospectus dated 20/03/03
24/03/2003	Disclosure Document
20/03/2003	Change of Director's Interest Notice
18/03/2003	Change of Director's Interest Notice
11/03/2003	Open Briefing Thundelarra Nickel-Copper Production JV
11/03/2003	Change of Director's Interest Notice
06/03/2003	Signs Agreement on Copernicus & Salk North Prospectus
06/03/2003	SMY: JV Terms Agreed on THX's Copernicus & Salk Nth Nickel
04/03/2003	Projects
	Change of Director's Interest Notice
17/02/2003	Notice of Annual & Special General Meeting
13/02/2003	First Quarter Activities & Cashflow Report
30/01/2003	Annual Report & Top 20
28/01/2003	

5.4 Rights Attaching to New Shares

Full details of the rights attaching to the Company's Shares are set out in its Constitution.

The following is a summary of the rights which attach to the Company's Shares and which will attach to the New Shares.

(a) Voting Rights

Each member entitled to vote and present in person or by proxy, representative or attorney has one vote on a show of hands and on a poll one vote for each fully paid share held in the capital of the Company. Members holding partly paid shares have such number of votes on a poll as bears the same proportion to the total of such shares registered in a member's name as the amount of the issue price thereof paid up bears to the total issued price. Each member is entitled to notice of, and to attend and vote at, general meetings.

In the event of a breach of any escrow agreement entered into by the Company under the Listing Rules in relation to any shares which are classified under the Listing Rules or by ASX as restricted securities, the member holding the shares in question shall cease to be entitled to any voting rights in respect of those shares for so long as the breach subsists.

(b) Dividend Rights

The Directors may from time to time declare a dividend to be paid to the members entitled to the dividend. The dividend as declared shall be payable on all shares in proportion to the amount of capital for the time being paid up or

credited as paid up in respect of such shares. No dividend may be paid except out of profits.

In the event of a breach of any escrow agreement entered into by the Company under the Listing Rules in relation to any shares which are classified under the Listing Rules or by ASX as restricted securities, the member holding the shares in question shall cease to be entitled to any dividends in respect of those shares for so long as the breach subsists.

(c) Rights on Winding Up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the members in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the shareholders or different classes of members.

The liquidator may with the authority of a special resolution vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no member is compelled to accept any shares or other securities in respect of which there is any liability. Subject to the rights of the members (if any) entitled to shares with special rights in a winding up, all moneys and property that are to be distributed among members on a winding up shall be so distributed in proportion to the shares held by them respectively irrespective of the amount paid up or credited as paid up on the shares.

On a winding up of the Company, the holders of any shares which are classified under the Listing Rules or by ASX as restricted securities and which are subject to escrow restrictions at the commencement of the winding up shall rank on a return of capital behind all other shares in the Company.

(d) Transfer of Shares

Subject to the constitution of the Company, the Corporations Act, any other laws and the Listing Rules, shares in the Company are freely transferable.

(e) Future Increases in Capital

The Company may by ordinary resolution:

- increase its nominal shares by the creation of new shares of such amount as is specified in the resolution;
- consolidate and divide all or any of its nominal capital into shares of a larger amount than its existing shares;
- subject to the Listing Rules, sub-divide all or any of its shares into shares of a smaller amount; and

- cancel shares that, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person or have been forfeited and, reduce its nominal share capital by the amount of the shares so cancelled.

The allotment and issue of any new shares is under the control of the Directors from time to time of the Company. Subject to restrictions on the allotment of shares to Directors or their associates contained in the Listing Rules, the constitution of the Company and the Corporations Act, the Directors may allot or otherwise dispose of shares on such terms and conditions as they see fit.

(f) Variation of rights

If at any time the share capital of the Company is divided into different classes of shares the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied whether or not the Company is being wound up with the consent in writing of three quarters of the issued shares of that class or if authorised by a special resolution at a separate meeting of the holders of shares of that class.

5.5 Interests of Directors

Except as disclosed in this Prospectus, no Director (whether individually or in consequence of a Director's association with any company or firm or in any material contract entered into by the Company) has now, or has had, in the two year period ending on the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Rights Issue; or
- (c) the Rights Issue.

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash or Shares or otherwise) have been paid or agreed to be paid to any Director or to any company or firm with which a Director is associated to induce him or her to become, or to qualify as, a Director, or otherwise for services rendered by him or her or any company or firm with which the Director is associated in connection with the formation or promotion of the Company or the Rights Issue.

Rick Crabb is a partner at law firm Blakiston & Crabb. Blakiston & Crabb has acted as solicitor to the Rights Issue and in that capacity has been involved in providing legal advice to the Company in relation to the Rights Issue. In respect of this work, the Company will pay approximately \$5,000 for these services (exclusive of GST).

Directors' Holdings

Set out below are details of Directors' relevant interest in the securities of the Company as at the date of this Prospectus:

Directors	Direct Holdings and those of Associates	Shares	Options
Philip G Crabb (Note 1)	Held directly Ragged Range Mining Pty Ltd Ioma Pty Ltd Darkdale Pty Ltd Gemini Mining Pty Ltd Midland Mines Pty Ltd Barcfin Pty Ltd	476,739 10,371,739 1,917,000 677,000 28,239 28,239 28,239	- - 450,000 - - - -
Jeremy C Caddy (Note 2)	Held directly Golden Capital Ltd Global Securities Ltd	25,000 40,000 20,042	350,000 - -
Frank DeMarte (Note 3)	Held directly The DeMarte Family Trust The DeMarte Family Super Fund Granduer Holdings Pty Ltd	100,000 927,000 267,239 28,239	- 900,000 - -
Brian Richardson	Held directly	942,346	500,000
Rick Crabb (Note 4)	The Intermax Trust Westessa Holdings Pty Ltd	600,000 398,695	250,000 -
Malcolm Randall (Note 5)	Renique Holdings Pty Ltd	263,000	250,000

Notes:

1. *Mr Philip Crabb is a sole director of Ragged Range Mining Pty Ltd and 48% shareholder. Mr Crabb is a director of Ioma Pty Ltd, Darkdale Pty Ltd and Barcfin Pty Ltd. Mr Crabb is a director of Gemini Mining Pty Ltd and a 99% shareholder, and is a director of Midland Mines Pty Ltd and a 2% shareholder.*
2. *The shares held by Golden Capital Corporation and Global Securities Corporation are held in Canadian broker nominee accounts.*
3. *Mr Frank DeMarte is a director of Grandeur Holdings Pty Ltd and a 50% shareholder. Mr DeMarte is a trustee for the DeMarte Family Trust and the DeMarte Family Superannuation Fund.*
4. *Mr Rick Crabb is a director and a 0.2% shareholder of Westessa Holdings Pty Ltd and a trustee for the Intermax Trust.*
5. *Mr Malcolm Randall is a director of Renique Holdings Pty Ltd and a 50% shareholder.*

Directors' Remuneration

The provisions of the Company's constitution relating to the remuneration of Directors are as follows:

Clause 13.8: The Directors shall be paid out of the funds of the Company by way of remuneration for their services as Directors such sum as may from time to time be determined by the Company in general meeting, to be divided among the Directors in such proportions as they shall from time to time agree or in default of agreement equally. Fees payable to non-executive Directors shall be by a fixed sum and not by a

commission on or percentage of profits or operating revenue. Remuneration payable to executive Directors shall not include a commission on or a percentage of operating revenue. The remuneration of a Director shall be deemed to accrue from day to day.

Clause 13.9: The Directors shall be entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors. If any of the Directors being willing shall be called upon to perform extra services or make any special exertions on behalf of the Company or the business thereof, the Directors may remunerate such Director in accordance with such services or exertions, and such remuneration may be either in addition to or in substitution for his share in the remuneration provided for by clause 13.8.

Clause 17.2: The Managing Director or an executive Director shall, subject to the terms of any agreement entered into in a particular case, receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Directors may determine provided that no executive Director shall be paid as the whole or part of his remuneration a commission on or percentage of operating revenue.

5.6 Interests of Named Persons

Except as disclosed in this Prospectus, no expert, or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the two year period ending on the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Rights Issue; or
- (c) the Rights Issue.

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash or Shares or otherwise) have been paid or agreed to be paid to any expert, or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, or to any firm in which any of those persons is or was a partner or to any company in which any of those persons is or was associated with, for services rendered by that person in connection with the formation or promotion of the Company or the Rights Issue.

Blakiston & Crabb has acted as solicitor to the Rights Issue and in that capacity has been involved in providing legal advice to the Company in relation to the Rights Issue. In respect of this work, the Company will pay approximately \$5,000 for these services (exclusive of GST). Blakiston & Crabb has provided other professional services to the Company during the last 2 years totalling approximately \$112,290 (not including disbursements and GST).

5.7 Expenses of the Rights Issue

The estimated amount of the expenses of the Rights Issue, including advisers' fees, printing and distribution costs and other miscellaneous expenses, is approximately \$16,000, which has been paid or is payable by the Company

5.8 Consents

Each of the parties referred to in this Section 5.8:

- (a) does not make, or purport to make, any statement in this Prospectus or on which a statement made in the Prospectus is based other than as specified in this Section; and
- (b) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

Each of the following has consented to being named in the Prospectus in the capacity as noted below and have not withdrawn such consent prior to the lodgment of this Prospectus with the ASIC:

- (a) Blakiston & Crabb as solicitors to the Company;
- (b) DJ Carmichael Pty Ltd as foreign nominee; and
- (c) Computershare Investor Services Pty Ltd as share registry.

5.9 Litigation

The Company is not involved in any legal or arbitration proceedings, nor, so far as the Directors are aware are any such proceedings pending or threatened against the Company which are regarded as material.

Section 6 DIRECTORS RESPONSIBILITY STATEMENT AND CONSENT

The Directors state that they have made all reasonable enquiries and on that basis have reasonable grounds to believe that any statements made by the Directors in this Prospectus are not misleading or deceptive and that in respect to any other statements made in the Prospectus by persons other than Directors, the Directors have made reasonable enquiries and on that basis have reasonable grounds to believe that persons making the statement or statements were competent to make such statements, those persons have given their consent to the statements being included in this Prospectus in the form and context in which they are included and have not withdrawn that consent before lodgement of this Prospectus with the ASIC, or to the Directors knowledge, before any issue of New Shares pursuant to this Prospectus.

The Prospectus is prepared on the basis that certain matters may be reasonably expected to be known to likely investors or their professional advisers.

Each Director has consented to the lodgement of this Prospectus with the ASIC and has not withdrawn that consent.

Dated 24 October 2003

A handwritten signature in black ink, appearing to be 'Frank DeMarte', written over a horizontal line.

Signed for and on behalf of Thundelarra Exploration Limited
by Frank DeMarte, Director

Section 7 KEY DEFINITIONS

"ASIC"	means Australian Securities and Investments Commission;
"ASX"	means Australian Stock Exchange Limited;
"Business Day"	means every day other than a Saturday, Sunday, New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day;
"Closing Date"	means 5.00pm WST on 1 December 2003;
"Company"	means Thundelarra Exploration Limited ACN 085 782 994;
"Corporations Act"	means the Corporations Act 2001;
"Directors"	means the Directors of the Company;
"Entitlement" or "Rights"	means the entitlement of an Existing Shareholder to apply for New Shares under the Rights Issue;
"Entitlement and Acceptance Form"	means the entitlement and acceptance form accompanying this Prospectus;
"Existing Shareholder"	means those shareholders of the Company whose details appear on the Company's register of shareholders as at the Record Date;
"Expiry Date"	means the date which is 13 months after the date of this Prospectus, which is 24 November 2004;
"Listing Rules"	means the Listing Rules of ASX;
"New Share"	means a Share issued pursuant to this Prospectus;
"Options"	means Options to acquire Shares of the classes set out in section 3.3;
"Prospectus"	means this Prospectus;
"Record Date"	means 5.00pm WST on 5 November 2003;
"Rights Issue"	means the issue pursuant to this Prospectus of up to 5,872,975 New Shares (assuming no Options are converted) on the basis of one New Share for every 10 Shares held on the Record Date at an issue price of \$0.36 per New Share or up to 6,629,065 New Shares if all of the Options are exercised, to raise up to approximately \$2,114,271;
"SCH Business Rules"	has the same meaning as in the Corporations Act;
"Share"	means an ordinary fully paid share in the capital of the Company;
"Share Registry"	means Computershare Investor Services Pty Ltd;

"Shortfall"

means the New Shares forming Entitlements, or parts of Entitlements, not accepted by Existing Shareholders and dealt with in accordance with section 1.5;

"WST"

means Australian Western Standard Time; and

"\$"

means an Australian dollar.