



THUNDELARRA

EXPLORATION LTD

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Thundelarra Exploration Ltd
ABN 74 950 465 654
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27 October 2003

Dear Shareholder

RENOUNCEABLE RIGHTS ISSUE

The Directors of Thundelarra Exploration Ltd ("the Company") announced on 8 October 2003 a Renounceable Rights Issue of approximately 5,872,975 shares on the basis of 1 new share for every 10 shares held, at an issue price of 36 cents per share to raise approximately \$2,114,271 (before issue expenses) ("Offer").

Please find enclosed a copy of the Prospectus issued in relation to the Renounceable Rights Issue for information purposes only.

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

1. the number of shareholders outside of Australia and New Zealand;
2. the number and value of the securities to be offered to shareholders outside of Australia and New Zealand; and
3. 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 D J Carmichael Pty Limited of Perth, Western Australia as nominee for foreign holders of the Company's securities. Foreign shareholders can contact Mr David Hansworth at D J Carmichael Pty Limited on 61 8 9263 5231.

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 D J Carmichael Pty Limited may, in its absolute discretion, determine.

If you do not understand this letter you should consult your professional advisor or contact the Company's Share Registry at:

Computershare Investor Services Pty Limited
Investor Inquiries: +61 8 9323 2000

For and on behalf of
THUNDELARRA EXPLORATION LTD

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

Frank DeMarte
COMPANY SECRETARY