



# THUNDELARRA

EXPLORATION LTD

ACN 085 782 994

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## **NOTICE OF GENERAL MEETING**

## **EXPLANATORY MEMORANDUM**

## **PROXY FORM**

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### **Date of Meeting**

22 April 2004

### **Time of Meeting**

10.30am

### **Place of Meeting**

Level 2, Meeting Room  
QVI Building  
250 St Georges Terrace  
PERTH WA 6000

**THUNDELARRA EXPLORATION LTD**  
**ACN 085 782 994**

**NOTICE OF GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that a General Meeting of shareholders of Thundelarra Exploration Ltd ARBN 085 782 994 ("**Company**" or "**Thundelarra**") will be held at the Level 2, Meeting Room, QV1 Building, 250 St Georges Terrace, Perth, Western Australia on 22 April 2004 at 10.30am Western Standard Time, for the purpose of transacting the following business referred to in this Notice of General Meeting:

The attached Explanatory Memorandum and Annexure A should be read in conjunction with this Notice of General Meeting.

**BUSINESS:**

**1. Resolution 1 – Issue of Shares and Options**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That, for the purpose of ASX Listing Rule 10.11 and all other purposes, the Company approves and authorises the directors of the Company to allot and issue to Darkdale:*

- (a) 750,000 ordinary fully paid shares at A\$0.50 each in the capital of the Company;*  
*and*
- (b) 375,000 options to acquire ordinary fully paid shares in the capital of the Company,*

*as consideration for the purchase of the Tenements from Darkdale pursuant to the exercise of the option in accordance with the Option Agreement and on the terms and conditions set out in the Explanatory Memorandum that forms part of this Notice of General Meeting.*

The Company will disregard any votes cast on this Resolution 1 by Darkdale Pty Ltd or any associate of Darkdale Pty Ltd. However the Company need not disregard a vote if:

- (i) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (ii) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction of the Proxy Form to vote as the proxy decides.

**2. Resolution 2 – Return of Capital – In Specie Distribution of United Gold Limited Shares**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That, pursuant to sections 256B and 256C of the Corporations Act 2001 (Cth), the Company's Constitution, the ASX Listing Rules and all other purposes, the paid share capital of the Company be reduced by an amount equal to the value of the United Shares on the Entitlement Date as determined by the directors and that such resolution be effected and satisfied by distributing 18,304,681 United Shares in specie and on a pro-rata basis to the Shareholders who are registered as members on the Entitlement Date (ignoring fractions and rounding down entitlements) and otherwise on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of General Meeting."*

*For the purpose of Resolutions 1 and 2:*

*"ASX" means the Australian Stock Exchange Limited;*

*"Business Day" means Monday to Friday inclusive except New Years Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that Australian Stock Exchange Limited declares is not a business day;*

*"Darkdale" means Darkdale Pty Ltd ACN 009 320 718*

*"Entitlement Date" means 5.00 pm (WST) on 30 April 2004;*

*"Listing Rules" means the Listing Rules of the ASX;*

*"Option Agreement" means the Option to Purchase Mining Tenements – Water Tank Project dated 19 June 2002 between the Company and Darkdale Pty Ltd ACN 009 320 718;*

*"Shareholder" means a holder of ordinary fully paid shares in the capital of the Company;*

*"Tenements" means the tenements described in the Option Agreement;*

*"United" means United Gold Limited ACN 108 102 432; and*

*"United Shares" means ordinary fully paid shares issued in the capital of United.*

#### **Other Business**

To transact any other business which may be properly brought before the meeting in accordance with the Company's Constitution and the Corporations Act.

By Order of the Board  
of Thundelarra Exploration Ltd



**Frank DeMarte**  
DIRECTOR & COMPANY SECRETARY

Dated: 23 March 2004

## NOTES

### 1. Proxies

*A member entitled to but unable to attend and vote is entitled to appoint a proxy. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights. A proxy need not be a member of the Company. The proxy form must be lodged by person, post, courier or facsimile and reach the Company's share registry at*

***by post to***

Computershare Investor Services Pty  
Limited  
GPO Box D182  
PERTH WA 6840  
Facsimile: (08) 9323 2003

***or delivered to***

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

*not less than 48 hours before the time of holding the Meeting. A proxy shall be signed by the appointor or his/her attorney or, if a corporation, under its common seal or under the hand of its attorney. A copy of any power of attorney should be lodged with the proxy. For the convenience of members, a Proxy Form is enclosed.*

### 2. Voting Entitlements

*For the purposes of section 1074E(2) of the Corporations Act 2001 and regulation 7.11.37 of the Corporations Regulations 2001, the Company determines that members holding ordinary shares at the close of business on 20 April 2004 will be entitled to attend and vote at the General Meeting.*

**THUNDLARRA EXPLORATION LIMITED**  
**ACN 085 782 994**  
**EXPLANATORY MEMORANDUM**

This Explanatory Memorandum has been prepared for the information of shareholders in Thundelarra Exploration Ltd ("**Thundelarra**" or "**Company**") in connection with the business to be transacted at the General Meeting of shareholders of the Company to be held on 22 April 2004 at 10.30am Western Standard Time at Level 2, Meeting Room, QV1 Building, 250 St Georges Terrace, Perth, Western Australia.

This Explanatory Memorandum should be read in conjunction with the accompanying Notice of General Meeting ("**Notice**").

Certain terms and abbreviations used in this Explanatory Memorandum have defined meanings which are explained in the Glossary appearing at the end of this Explanatory Memorandum.

**1. Resolution 1 – Issue of Shares and Options**

**1.1 Background**

On 19 June 2002, Thundelarra and Darkdale entered into the Option Agreement for the option to purchase certain mining tenements.

The consideration payable by the Company to Darkdale to exercise the option for the purchase of the Tenements is:

- 750,000 ordinary shares at an issue price of 50 cents each in the capital of the Company;
- 375,000 options to acquire ordinary shares in the capital of the Company, exercisable at 50 cents each in accordance with the Option Terms with an expiry date of 5 years from the date of grant; and
- a royalty of 1.25% gross production on all gold, silver and other minerals produced in commercial quantities from the Tenements.

On exercise of the option, a contract of sale will arise subject to certain conditions being met including obtaining any approvals or consents which are required under the Mining Act for the assignment of a legal and beneficial interest in the tenements to Thundelarra being obtained.

Shareholder approval is not being sought in accordance with Listing Rule 10.1 as the value of the total consideration for the purchase of the Tenements is less than 5% of the Company's paid up capital, reserves and accumulated profits and losses. However, in the interests of good corporate governance, the board of Directors requested that Stanton Partners, Accountants and Consultants, prepare an Independent Expert's Report to comment on whether the transaction the subject of Resolution 1 is fair and reasonable to the non-associated shareholders of the Company. Stanton Partners have concluded that the proposal the subject of Resolution 1 is fair and reasonable to the non-associated shareholders of the Company.

The Tenements, once acquired by Thundelarra, will comprise part of the Thundelarra Sale Mining Tenements to be sold to United Gold, as described in Section 2.2 of this Explanatory Memorandum.

## **1.2 Listing Rule 10.11**

Listing Rule 10.11 requires shareholder approval to the issue of the shares and options to a related party of the Company. Darkdale is a related party of the Company as Darkdale is a company controlled by Mr Philip Crabb, Chairman of the Company. Mr Crabb and Darkdale are also collectively substantial shareholders of the Company.

As Darkdale is a related party of the Company, shareholder approval under Listing Rule 10.11 is sought.

For the purpose of ASX Listing Rule 10.13, the following information is provided:

- (a) the allottee of the Shares and Options will be Darkdale;
- (b) the number of Shares to be issued under Resolution 1 is 750,000 and the number of Options to be granted under Resolution 1 is 375,000;
- (c) the Shares and Options will be issued and allotted no longer than 1 month from the date of this general meeting;
- (d) the deemed issue price of the Shares to be issued under Resolution 1 is 50 cents each and the deemed issue price of the Options to be issued under Resolution 1 is nil (the terms of the Options are described in Annexure A);
- (e) no funds will be raised from the issue of the Shares or the grant of the Options, however the issue comprises the consideration of the acquisition by the Company of the Tenements pursuant to the exercise of the option in accordance with the Option Agreement.

## **1.3 Listing Rule 7.1**

Pursuant to Listing Rule 7.2, exception 14, approval for Resolution 1 is not required under Listing Rule 7.1 as approval is being sought under Listing Rule 10.11.

## **2. Resolution 2 – Return of Capital – In Specie Distribution of United Gold Limited Shares**

### **2.1 Background**

On 24 February 2004, Thundelarra announced to ASX that United Gold Limited, a new wholly owned subsidiary of Thundelarra, would acquire Thundelarra's gold assets being:

- **Rothsay-Southern Murchison**

The project has a recently estimated undiluted Inferred Resource of 375,000t @ 9.8g/t for 118,200 ozs gold using a 5.0g/t cut-off. The project has excellent potential to host additional resources at depth and along strike from the current resource.

- **Water Tank-Norseman**

The Water Tank project is located 5 kilometres east of Norseman, centrally located between a number of producing mines. Recent exploration by Thundelarra discovered significant gold mineralisation beneath shallow cover. Limited RC drilling returned intercepts of 8m @3.24g/t gold from 32m and 6m @2.11g/t gold from 24m.

- **Fields Find-Southern Murchison**  
The Fields Find project contains the Baron Rothschild Indicated/Inferred Resource of 512,900t @ 2.79g/t gold for 46,012 ozs, numerous advanced gold prospects and a new PGE discovery. The project is subject to a farm-out joint venture with a Canadian listed junior explorer, Aldershot Resources Ltd ("**Aldershot**"). Aldershot is earning 60% of the project by the expenditure of \$600,000 over 3 years.
- **Warriedar-Southern Murchison**  
The Warriedar project is subject to a farm-out joint venture with Gindalbie Gold NL ("**Gindalbie**") where Gindalbie sole-funds exploration until a 50,000 oz gold resource is defined. The project tenements are contiguous with Gindalbie's Minjar gold operation and exploration is continuing on the project.
- **Tallering-Southern Murchison**  
The Tallering project covers a poorly explored greenstone sequence along strike from the Snake Well prospect.
- **Davyhurst-Eastern Goldfields**  
The Davyhurst project is located 110 kilometres northwest of Kalgoorlie and covers 7 kilometres strike of the highly prospective Zulieka Shear Zone.
- **Prairie Downs-East Pilbara**  
The Prairie Downs tenements contain a number of high order gold-in-stream anomalies.

The gold assets are currently held in Thunderlarra and Thundelarra is currently the sole shareholder of United with one share. It is proposed that this one share be split into 18,304,681 shares in United prior to the Entitlement Date.

The Company has entered into a sale and purchase agreement with United in respect to the sale by the Company of the Thundelarra Sale Mining Tenements to United in consideration of the issue of 19,350,000 United Shares at an issue price of 10 cents each, with the intention that United will seek to raise \$5 million capital and apply for admission to the Official List of ASX.

As a result of its existing shareholding following the subdivision referred to above, and the consideration shares, Thundelarra will have a total of 19,350,001 United Shares. It is then proposed that the Company will make an *in specie* distribution of the 18,304,681 United Shares it will hold to the Company's shareholders recorded on the member register on the Entitlement Date, on a pro rata basis.

## 2.2 In Specie Distribution of United Shares

As noted above, it is proposed that the Company will make an *in specie* distribution of 18,304,682 United Shares to the Company's shareholders recorded on the member register on the Entitlement Date, on a pro rata basis pursuant to an equal capital reduction under section 256B of the Corporations Act. Under the reduction of capital, the Company's shareholders will be entitled to approximately one United Share for every four Thundelarra Shares held on the Entitlement Date. The Company's shareholders will not be required to pay any consideration for the United Shares as the Company will make an appropriate capital reduction in its books to reflect this distribution. This proposal to reduce the capital in the Company and distribute

18,304,681 United Shares *in specie* is subject to the approval of the Company's shareholders (which is being sought by Resolution 2 in the Notice).

The Company does not make any prediction as to what the value of the United Shares will be at the time of distribution to the Company's shareholders or subsequently. The amount of the proposed return of capital could be considered to be an amount equal to the value on the Entitlement Date of the United Shares to be distributed to the Company's shareholders.

The terms of the return of capital are the same for each holder of Thundelarra Shares (subject to rounding).

The Directors consider the proposed return of capital will have no material adverse effect on the interests of shareholders or on the Company's ability to pay its creditors. However, shareholders should be aware that there is no guarantee that United will be admitted to the Official List of ASX and accordingly, shareholders may have a limited market in which to dispose of their United Shares, should the *in specie* distribution proceed.

The proportionate ownership interest of each shareholder in the Company remains the same before and after the return of capital.

Although the capital of the Company will be reduced, the Directors do not consider that the extent of the return of capital will materially prejudice the interests of the Company's creditors. Net assets of the Company will remain positive at approximately \$12,703,000 (based on the unaudited 31 December 2003 Statement of Financial Position for Thundelarra).

The financial impact of Resolution 2, if passed, on the Company assuming that no further ordinary shares are issued is that Capitalised Exploration (non-current asset) will reduce by \$2,228,000 and Contributed Equity will reduce by \$1,455,000.

## **2.3 Legal Requirements**

Section 256B(1) provides that a Company may reduce its share capital if the reduction:

- is fair and reasonable to the Company's shareholders as a whole;
- does not materially prejudice the Company's ability to pay its creditors; and
- is approved by shareholders under section 256C of the Corporations Act.

The proposed capital reduction is an equal reduction as it relates only to ordinary shares, it applies to each holder of ordinary shares in proportion to the number of ordinary shares they hold and the terms of the reduction are the same for each holder of ordinary shares.

Accordingly, as the reduction is an equal reduction, Section 256C of the Corporations Act and Clause 9 of the Constitution requires approval of the proposed reduction by way of an **ordinary resolution**.

The Directors consider the proposed reduction of capital by distribution *in specie* of 18,304,681 United Shares on a pro-rata basis to the existing shareholders of the Company does not materially prejudice the Company's ability to pay its creditors.



Further the Directors advise that the reduction of capital will not result in the Company being insolvent at the time of the capital reduction or become insolvent as a result of the capital reduction. Further, the Directors consider that the proposed *in specie* distribution is fair and reasonable to the Company's shareholders as a whole because they are all treated in the same manner, as the distribution of United Shares is on a pro rata basis.

## **2.4 Effect of Capital Reduction and *In Specie* Distribution**

### *Effect on Shares*

The Company currently has on issue 72,468,726 Thundelarra Shares. The number of Thundelarra Shares on issue will increase to 73,218,726 as a result of the proposed exercise of the Water Tank Option, but remain unchanged as a result of the proposed capital reduction.

The reduction in capital per Thundelarra Share is \$0.025. Refer to section 2.8 of this Explanatory Memorandum for further information.

### *Effect on Options*

The Company currently has on issue a total of 20,470,894 options, the terms of each being as follows:

- (a) 3,442,644 listed options which expire on 30 April 2004 and have an exercise price of 23 cents each;
- (b) 1,975,000 unlisted options which expire on 28 February 2007 and have an exercise price of 50 cents each;
- (c) 422,000 unlisted options which expire on 28 April 2004 and have an exercise price of 68 cents each;
- (d) 181,250 unlisted options which expire on 30 April 2004 and have an exercise price of 68 cents each;
- (e) 1,480,000 unlisted options which expire on 28 March 2008 and have an exercise price of 35 cents each;
- (f) 11,000,000 unlisted options which expire on 20 November 2007 and have an exercise price of 68 cents each; and
- (g) 1,970,000 unlisted options which expire on 26 February 2009 and have an exercise price of 70 cents each.

In accordance with Rule 7.22.3 of the Listing Rules, the total number of options on issue as at the Entitlement Date will remain the same however, the options are required to have their exercise price per option reduced by the same amount as the amount returned in respect of each Thundelarra Share. Accordingly, the amount of the reduction is \$0.025 per option.

## **2.5 Taxation Implications**

The following comments are based on the application of Australian taxation laws in force at the date of this Explanatory Memorandum.

It should be emphasised that these comments are general in nature and you should seek and rely on your own taxation advice in relation to the taxation consequences of the return of capital. Neither the Company nor any officers accept liability or responsibility with respect to such consequences.

Shareholders will not be considered to have disposed of their shares in the Company as a consequence of the return of capital, although taxation consequences can still arise depending upon the circumstances of each individual shareholder.

The Australian tax consequences pertaining to Thundelarra Shares and associated with the return of capital may, in general terms be summarised as follows.

1. The return of capital is to be made from the Company's share capital account. Accordingly, the return of capital should not be considered to be an assessable dividend for the purposes of section 995-1 of the *Income Tax Assessment Act 1997*. Sections 45A and 45B of the *Income Tax Assessment Act 1936* contain provisions dealing with the streaming of dividends and capital benefits. Neither of these anti-avoidance provisions should apply in this instance.
2. For shares acquired before 21 September 1999, the consideration received on the return of capital, will be treated as a reduction in the indexed cost base of your Thundelarra Shares and in the event that the value of the United Shares exceeds that indexed cost base, a taxable capital gain will arise.
3. Alternatively, you have the option of using the CGT discount method. Under the CGT discount method an individual shareholder, or an individual who is a beneficiary of a trust which owns shares, may qualify for a 50% discount in the gain otherwise included in assessable income. A shareholder which is a superannuation fund may qualify for a 33.33% discount. For shares acquired after 21 September 1999 only the CGT discount method may be used. The CGT discount is available only if the United Shares have been owned by you for at least 12 months.
4. Mere receipt of the United Shares does not give rise to any gain to any shareholder, however all shareholders should note that for capital gains tax purposes and subsequent capital gains tax calculations, the cost base of the United Shares will be equal to their market value at the time they are transferred to you.
5. If you are a non-resident of Australia for taxation purposes, you will not be subject to capital gains tax unless your Thundelarra shareholding has a 'necessary connection' with Australia. This will only be the case where you (or you and your associates together) held 10% or more of the value of the Company's issued share capital at any time in the last 5 years. Furthermore, if a tax treaty exists between your country and Australia, the resulting capital gain may be exempt from Australian income tax. Non-resident shareholders are advised to seek their own specific advice in this area.
6. The taxation consequences to the Company's shareholders who may hold Thundelarra Shares on revenue account will depend on their specific circumstances and accordingly shareholders such as banks, insurance companies, share traders, and professional investors should seek their own advice.

## 2.6 Stamp Duty

As United is currently an unlisted Company, stamp duty will not be payable on the transfers of the United Shares to the Company's shareholders.

## 2.7 Overseas Shareholders

Distribution of the United Shares to the Company's shareholders under the return of capital will be subject to legal and regulatory requirements in their relevant jurisdictions. If the requirements of any jurisdiction where a shareholder is resident are held to restrict or prohibit the distribution of shares as proposed or would impose on the Company an obligation to prepare a prospectus or other similar disclosure document or otherwise impose on the Company an undue burden, the United Shares to which the relevant Thundelarra shareholder is entitled will be sold by the Company on their behalf as soon as practicable after the Entitlement Date and the Company will then account to those shareholders for the net proceeds of sale after deducting the costs and expenses of the sale. As the return of capital is being represented and satisfied by the distribution to the Company's shareholders of United Shares and share prices may vary from time to time (assuming a liquid market is available), the net proceeds of sale to such shareholders may be more or less than the notional dollar value of the return of capital as set out in this Explanatory Memorandum.

## 2.8 Impact of Proposed Capital Reduction

The impact of Resolution 2 on the Company's shareholders can be shown using a hypothetical case example of shareholder "s" who owns 100,000 Thundelarra Shares on the Entitlement Date.

Shareholders "s" will receive a distribution in specie of the following United Shares on the pro-rata entitlement calculation of:

$$D = \frac{A \times C}{B} \qquad \frac{100,000 \times 18,304,681}{73,218,726}$$
$$= 25,000$$

where:

D = the number of United Shares being distributed to the shareholder in satisfaction of the capital reduction;

A = the number of Thundelarra Shares held by the shareholder on the Entitlement Date;

B = the total number of Thundelarra Shares on the Entitlement Date;

C = the total number of United Shares which are being distributed to the Company's Shareholders.

The reduction of capital for each United Share on issue is calculated as follows:

$$R = \frac{RSV}{B} \qquad \frac{\$1,830,462}{73,218,726}$$
$$= \$0.025$$

where:

R = the reduction of capital per Thundelarra Share;

RSV = the value of the 18,304,681 United Shares at 10 cents each; and

B = the total number of Thundelarra Shares on issue.

## **2.9 ASX Waiver**

ASX has indicated to United that it is likely to grant United waivers from the following Listing Rules:

- (a) Listing Rule 9.1 to the extent necessary to permit the Company to do the following:
  - (i) not apply the restrictions in Appendix 9B of the Listing Rules to the United Shares issued to the Company's Shareholders other than related parties and promoters (the "**Distributed Shares**");
  - (ii) not enter into restriction agreements in relation to the Distributed Shares.
- (b) Listing Rule 1.1 condition 7 to the extent necessary to permit the Distributed Shares, to be included for the purposes of satisfying that rule.

## GLOSSARY

The following terms have the following meanings in this Explanatory Memorandum:

"**ASIC**" means the Australian Securities and Investments Commission;

"**ASX**" means the Australian Stock Exchange Limited;

"**Business Day**" means Monday to Friday inclusive except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day;

"**Company**" or "**Thundelarra**" means Thundelarra Exploration Ltd ACN 085 782 994;

"**Constitution**" means the Constitution of the Company;

"**Corporations Act**" means the Corporations Act 2001 (Cth);

"**Darkdale**" means Darkdale Pty Ltd ACN 009 320 718;

"**Director**" means a director of the Company;

"**Entitlement Date**" means 5.00 pm (WST) on 30 April 2004;

"**Listing Rules**" means the Listing Rules of the ASX;

"**Notice**" means the notice of meeting accompanying this Explanatory Memorandum;

"**Option**" means an option to acquire a Share;

"**Option Agreement**" means the Option to Purchase Mining Tenements – Water Tank Project dated 19 June 2002 between the Company and Darkdale Pty Ltd ACN 009 320 718;

"**Share**" means an ordinary fully paid share in the capital of the Company;

"**Tenements**" means the tenements described in the Option Agreement being mining lease 63/333 and prospecting licences 63/713, 63/714 and 63/715 comprising the Watertank Project located at Norseman, Western Australia;

"**Thundelarra Sale Mining Tenements**" collectively means the properties described in paragraph 2.1 of this Explanatory Memorandum;

"**Thundelarra Shares**" means ordinary fully paid shares issued in the capital of the Company;

"**United**" means United Gold Limited ACN 108 102 432; and

"**United Shares**" means ordinary fully paid shares issued in the capital of United.

## ANNEXURE A - OPTION TERMS

1. Subject to these terms and conditions, each option will entitle the holder ("**Optionee**") to subscribe for one fully paid common share ("**Share**") issued in the capital of Thundelarra Exploration Ltd ("**Company**") at an issue price of A\$0.50 each ("**Exercise Price**").
2. The option will expire on the date that is five years from the date of grant ("**Expiry Date**").
3. The Company will not apply to Australian Stock Exchange Limited ("**ASX**") for quotation of the options. The Company will apply for quotation of the Shares allotted pursuant to the exercise of the options within the time required by the Listing Rules of ASX after the date of allotment.
4. In order to exercise the options, the Optionee must, no later than the close of business (Western Australian time) on the date that is 5 years from the date of grant, give written notice to the Company of his or her intention to exercise the options in whole or in part, such notice to be accompanied by cash or certified cheque, payable to the Company in the appropriate amount. After receipt of such notice, the Company will forthwith allot and issue the required number of shares. The notice is only effective (and only becomes effective) when the Company has received value for the full amount of the Exercise Price (for example, if the Exercise Price is paid by cheque, by clearance of that cheque).
5. Options not exercised on or before the Expiry Date will automatically lapse.
6. In the event of any re-organisation of the issued capital of the Company (including consolidation, subdivisions, reduction or return), the rights of the Optionee will be changed to the extent necessary to comply with the Listing Rules of the ASX applying to a re-organisation of capital at the time of the re-organisation.
7. In the event that the Company shall amalgamate, consolidate with, or merge into another corporation, the Optionee will thereafter receive, upon the exercise of the options, the securities or property to which a holder of the number of shares then deliverable upon the exercise of the within options would have been entitled to upon such amalgamation, consolidation, or merger and the Company will take steps in connection with such amalgamation, consolidation, or merger as may be necessary to ensure that the provisions hereof shall thereafter be applicable, as near as reasonably may be, in relation to any securities or property thereafter deliverable upon the exercise of the options granted herein. A sale of all or substantially all of the assets of the Company for a consideration (apart from the assumption of obligations) a substantial portion of which consists of securities shall be deemed a consolidation, amalgamation or merger for the purposes hereof.
8. The Optionee has no right or entitlement to participate in any new issues of capital which may be made or offered by the Company to its members from time to time prior to the Expiry Date unless the option herein granted is exercised.
9. If there is a bonus share issue ("**Bonus Issue**") to the holders of shares, the number of shares over which an option is exercisable will be increased by the number of shares which the Optionee would have received if the option had been exercised before the record date for the Bonus Issue ("**Bonus Shares**"). The Bonus Shares must be paid up by the Company out of the profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue and upon issue rank pari passu in all respects with the other shares of that class on issue at the date of issue of the Bonus Shares.
10. If there is a pro rata issue (other than a Bonus Issue) to the holders of shares during the currency of, and prior to the exercise of any options, the Exercise Price of an option will be adjusted in the manner provided for in the Listing Rules of ASX.
11. The Option may be assigned by the Optionee at any time prior to the Expiry Date.



# THUNDELARRA

EXPLORATION LTD

ACN 085 782 994

Thundelarra Exploration Ltd

ABN 74 950 465 654

ACN 085 782 994

ASX THX

perth@thundelarra.com

[www.thundelarra.com](http://www.thundelarra.com)

**All correspondence to:**

Computershare Investor Services  
Pty Limited

GPO Box D182

Perth WA 6840

Tel (08) 9323 2003

Fax (08) 9323 2033

I/We (name of shareholder) \_\_\_\_\_

of (address) \_\_\_\_\_

being a member/members of Thundelarra Exploration Ltd HEREBY APPOINT

(name) \_\_\_\_\_

of (address) \_\_\_\_\_

and/or failing him (name) \_\_\_\_\_

of (address) \_\_\_\_\_

or failing that person then the Chairman of the General Meeting as my/our proxy to vote for me/us and on my/our behalf at the General Meeting of the Company to be held at Level 2, Meeting Room, QV1 Building, 250 St Georges Terrace, Perth, Western Australia on 22 April 2004 at 10.30am WST and at any adjournment of the meeting.

*Should you so desire to direct the Proxy how to vote, you should place a cross in the appropriate box(es) below:*

I/We direct my/our Proxy to vote in the following manner:

	For	Against	Abstain	Chair
Resolution 1 – <b>Issue of Shares and Options To Darkdale Pty Ltd</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – <b>Return of Capital – In Specie Distribution of United Gold Limited Shares</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no directions are given my proxy may vote as the proxy thinks fit or may abstain.

*If you do not wish to direct your proxy how to vote, please place a mark in the box marked Chair. By marking this box, you acknowledge that the Chairperson may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him then as proxy will be disregarded because of that interest.*

***This Proxy is appointed to represent \_\_\_\_ % of my voting right, or if 2 proxies are appointed  
Proxy 1 represents \_\_\_\_% and Proxy 2 represents \_\_\_\_% of my total votes  
My total voting right is \_\_\_\_\_ shares***

***If the shareholder is an individual:***

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Dated: 2004.

***If the shareholder is a company:***

Affix common seal (if required by Constitution)

\_\_\_\_\_  
Director/Sole Director and Secretary

\_\_\_\_\_  
Director/Secretary

Dated: 2004.

A self addressed envelope is enclosed for the return of your completed Proxy Form to the Thundelarra Share Registry. Alternatively, your Proxy Form can be faxed to (08) 9323 2033.

**INSTRUCTIONS FOR APPOINTMENT OF PROXY**

1. A shareholder entitled to attend and vote is entitled to appoint no more than two proxies to attend and vote at this General Meeting as the shareholder's proxy. A proxy need not be a shareholder of the Company.
2. Where more than one proxy is appointed, each proxy must be appointed to represent a specific proportion of the shareholder's voting rights. If such appointment is not made then each proxy may exercise half of the shareholder's voting rights. Fractions shall be disregarded.
3. The proxy form must be signed personally by the shareholder or his or her attorney, duly authorised in writing. If a proxy is given by a Company, the proxy must be executed under either the common seal of the Company or under the hand of an officer of the company or its duly authorised attorney. In the case of joint shareholders, this proxy must be signed by at least one of the joint shareholders, personally or by a duly authorised attorney.
4. If a proxy is executed by an attorney of a shareholder, then the original of the relevant power of attorney or a certified copy of the relevant power of attorney, if it has not already been noted by the Company, must accompany the proxy form.
5. To be effective, forms to appoint proxies must be received by the Company no later than 48 hours before the time appointed for the holding of this General Meeting, by post, facsimile or email to the respective addresses stipulated in this proxy form.
6. If the proxy form specifies a way in which the proxy is to vote on any of the resolutions stated above, then the following applies:
  - (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way; and
  - (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
  - (c) if the proxy is Chairperson, the proxy must vote on a poll and must vote that way, and
  - (d) if the proxy is not the Chairperson, the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.

If a proxy is also a shareholder, the proxy can cast any votes the proxy holds as a shareholder in any way that the proxy sees fit.

7. The Chairperson intends to vote for the resolutions set out in the Notice.