

**ASX
ANNOUNCEMENT**

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**Thundelarra Exploration
Ltd**

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THUNDELARRA
EXPLORATION

THUNDELARRA TO SPIN OFF URANIUM ASSETS

Thundelarra Exploration Ltd ("Thundelarra") is pleased to announce that it intends to spin off its extensive uranium tenements and joint venture interests through its wholly owned subsidiary Element 92 Pty Limited ("Element 92"). Element 92 is currently undergoing a change of status to a public company and will be renamed "Element 92 Limited" once the change of status is effected.

Thundelarra shareholders will, via a proposed capital reduction and *in specie* distribution, receive shares in the capital of Element 92 ("**Element 92 Shares**"). Further details of the number of Element 92 Shares to be distributed to Thundelarra shareholders and the entitlement date for such distribution will be released in due course once the details have been finalised. The share structure of Thundelarra will remain unchanged.

Element 92 proposes to raise approximately \$10 million pursuant to a prospectus offering shares at an issue price to be advised in due course. BBY Limited has been mandated to act as Lead Manager and, subject to entering into a formal agreement, Underwriter to the offer.

The prospectus for the offer of shares in Element 92 will be made available when the shares are offered. Anyone who wishes to take advantage of the offer will need to complete the application form that will accompany the prospectus (expected to be in the first quarter 2007).

The Element 92 offer is conditional on regulatory and Thundelarra shareholder approval for the transfer of its uranium interests to Element 92.

Element 92 aims to build a successful uranium exploration and mining company through:

- exploration of its extensive tenement holdings, some of which are ready to drill;
- the pursuit of uranium acquisition and development opportunities; and
- assembly of a team of experienced uranium and mining industry professionals.

Element 92's tenement interests are considered prospective for a number of different styles of uranium mineralisation including the Unconformity, sandstone, calcrete and vein styles. Element 92's initial focus will be on exploring its uranium interests within the Northern Territory, some of which are ready to drill. Element 92 will also continue to monitor the activity over the uranium sector in Australia for other development and acquisition opportunities.

The market outlook for uranium has strengthened considerably over the last 3 years, with uranium spot prices having increased from US\$10 to over US\$62 per pound.

To register your interest in the Element 92 share offer, please contact:

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