

ASX ANNOUNCEMENT

30 January 2007

Thundelarra Exploration Ltd

ABN 74 950 465 654

ACN 085 782 994

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THUNDELARRA EXPLORATION

FIRST QUARTER ACTIVITIES & CASHFLOW REPORT 31 DECEMBER 2006

HIGHLIGHTS

BASE METAL – PLATINUM EXPLORATION

- **Copernicus Nickel Project**
 - *Resource increases to 852,000t ore at 1.24% nickel*
 - *Open pit and underground resource contains 10,600 tonnes nickel, 6,100 tonnes copper and 370 tonnes cobalt*
 - *Open pit mining could commence late 2007/early 2008*
- **Lamboo Platinum Project**
 - *Two new platinum prospects discovered*
 - *Significant drill intercepts of 32 metres @ 1.21 g/t Pt+Pd+Au and 64 metres @ 0.93 g/t Pt+Pd+Au*
- **Sophie Downs Copper-Zinc Project**
 - *Strongly anomalous zinc zone over 1 kilometre strike length*
 - *Rock chip assays to 23.3% zinc, 18.8% copper, 8.5% lead, 9.9 g/t gold and 288 g/t silver*
 - *Channel sampling across gossan returns values of 17 metres @ 7.15% zinc, 6.04% lead and 15 g/t silver*
- **Breakaway Joint Venture**
 - *New off-hole conductor at Keller Creek*
- **Pyramid Base Metal Project**
 - *Field program underway*
 - *V-TEM survey planned*
- **New Projects**
 - *Rosewood Copper Project East Kimberley*
 - *Hornitos Iron Oxide Copper-Gold Project Chile*

URANIUM EXPLORATION

- **15 Australian Uranium Projects**
 - *35 tenements covering approximately 8,500 square kilometres*
- **Spinifex Uranium Project**
 - *Historical rock chips to 13.6% U₃O₈*
 - *5 High Priority radiometric targets*
- **Ngalia Uranium Project**
 - *Historical drill core logged and sampled*
- **Kunderong Uranium Project**
 - *Farm In Joint Venture with Cullen Resources Limited on large prospective landholding in Ashburton Region*
 - *Airborne radiometric survey in February*

INTRODUCTION

On the 10 January 2007, Thundelarra Exploration Ltd ("Thundelarra" or "the Company") announced to the Australian Stock Exchange that it was not proceeding with the planned Uranium Spin Off, but instead the Company would build a strong uranium asset base within the Company to compliment its nickel, platinum and other base metal projects. This Board decision means that Thundelarra is a dual focused explorer with separate Base Metal/Platinum and Uranium divisions. Each division has its own geological team including Exploration Manager and separate exploration budgets. This clear separation of the two divisions will allow for an efficient, focused and parallel exploration effort.

The Base Metal/Platinum and Uranium exploration activities for the quarter are presented below.

BASE METAL/PLATINUM EXPLORATION

Copernicus Nickel Joint Venture

On 29 January 2007 Thundelarra made the following release to the Australian Stock Exchange regarding the Copernicus Mineral Resource Estimate.

"NICKEL – COPERNICUS RESOURCE INCREASED"

The Directors of Thundelarra Exploration Ltd ("Thundelarra") wish to advise of the following announcement made by their joint venture partner, Sally Malay Mining Limited ("Sally Malay"). Thundelarra has a 40% interest in the East Kimberley Copernicus Joint Venture and Sally Malay are required to spend \$3.5 million over 4 years (from 13 April 2006) to maintain their equity in the project.

COPERNICUS – MINERAL RESOURCE ESTIMATE INCREASES TO 10,600 TONNES NICKEL

- *Copernicus Resource increases to 852,000t ore at 1.24% Ni following completion of major RC drill programme.*
- *Copernicus open pit and underground resource now contains 10,600t Ni, 6,100t Cu and 370t Co.*
- *Open pit mining could commence late 2007/early 2008 subject to granting of mining lease and receipt of all statutory approvals.*

COPERNICUS JV – UPDATED MINERAL RESOURCE

Sally Malay Mining Limited (ASX Code: SMY), on behalf of the Copernicus Joint Venture, is pleased to release the Updated Mineral Resource Estimate for the Copernicus Project of 852,000 tonnes at 1.24% Ni containing 10,600t Ni. Copernicus is a small magmatic Ni-Cu-Co sulphide deposit located 35km south of the Sally Malay nickel mine. The Copernicus deposit is hosted by a mineralised pyroxenite unit within a small layered gabbro complex. It outcrops at surface and has been traced continuously down plunge to the north to a vertical depth of 325m where-upon it appears to terminate. Another small isolated zone of mineralization occurs further down plunge between a vertical depth of 400 and 460m.

The Mineral Resource was estimated in conjunction with Resource Evaluations Pty Ltd following the completion of a major RC drilling programme at Copernicus in 2006.

**Table 1 - Mineral Resource Summary – Copernicus Deposit December 2006 Estimate
(Undiluted, 0.5% Ni Cut-off)**

Class	Tonnes	Ni %	Cu %	Co %	Ni Tonnes	Cu Tonnes	Co Tonnes
Measured	373,000	1.13	0.6	0.05	4,220	2,430	185
Indicated	454,000	1.35	0.8	0.04	6,130	3,570	180
Inferred	25,000	1.00	0.4	0.02	250	100	5
Total	852,000	1.24	0.72	0.04	10,600	6,100	370

Notes:

The resource estimate is based on a 3D Surpac block model utilising a block size of 10m NS x 10m EW x 10m vertical with 2.5m x 1.25m x 2.5m sub-cells. The model contains 12 surface diamond holes and 52 surface RC holes, comprising a total of 9,054m of drilling. All holes have been accurately located using DGPS technology and down hole gyroscopic and Eastman survey instruments. Grade interpolation is by Ordinary Kriging (Ni & Cu) and Inverse Distance (Co) techniques using an oriented search ellipse based on the geometry of the mineralisation.

The Mineral Resource is largely classified as Measured or Indicated due to the good continuity of the mineralisation, the adequate drill hole spacing and the confidence gained from QA/QC checks and data validation. A small zone of isolated mineralisation between 400 and 460m below the surface has been classified as Inferred due to uncertainties in continuity of grade and extent.

The termination of the Copernicus mineralisation at 325m below surface coincides with the presence of a second (un-mineralised) younger pyroxenite intrusion which appears to cut and truncate the Copernicus pyroxenite. Down-hole geophysical (electro-magnetic) data from drill holes about this area indicates that the Copernicus mineralisation may have been off-set by this second pyroxenite intrusion. Further drilling is planned in 2007 to test this possible off-set position with the potential for increasing the resource.

The Copernicus Project is a joint venture between Sally Malay Exploration Pty Limited (60%) and Thundelarra Exploration Ltd (40%). Sally Malay is the manager of the joint venture and is currently preparing a Notice of Intent to mine the Copernicus open pit deposit and process the ore through the Sally Malay mill. The Company is in the process of re-optimize the open pit using the latest resource model and undertaking mining studies to determine the Mining Reserve of the underground portion of the resource. This work should be completed during the 1st quarter of 2007. Subject to granting of the mining lease and receiving all necessary approvals mining of the open pit could commence in late 2007 or early 2008."

East Kimberley Regional Joint Venture

Thundelarra is a large tenement holder in the East Kimberley with over 2,600 square kilometres covering the Proterozoic Halls Creek Orogen ("HCO"), one of the most prospective and under explored nickel and platinum group metals ("PGM") provinces in Australia (see East Kimberley Project map). Thundelarra's tenements contain approximately 50 known layered mafic-ultramafic intrusions and over 100 magmatic nickel-copper and PGM occurrences including the significant Copernicus, Keller Creek and Edison prospects and the Sophie Downs copper-zinc mineralisation.

Under a regional agreement with Breakaway Resources Limited ('Breakaway'), Thundelarra has a 40% contributing interest and Breakaway a 60% interest in some 1,500 square kilometres in the northern area of the project. Thundelarra explores the remaining 1,100 square kilometres in its own right but Breakaway has the right up until May 2007 to earn 60% of Thundelarra's equity in these additional joint venture tenements by the expenditure of 150% of Thundelarra's total expenditure on the tenements. Thundelarra must contribute to maintain its 40% equity but may elect to dilute to a 20% interest, free carried to a decision to mine. The small Copernicus tenement is excluded from this joint venture.

During the quarter Thundelarra's main exploration activities involved diamond and reverse circulation drilling on the Lamboo platinum project and the preliminary mapping and sampling of the Sophie Downs copper-zinc project. Breakaway's activities involved surface and down-hole geophysics. Details of the work done are presented below:

Lamboo Platinum Project

In August 2006, Thundelarra announced to the Australian Stock Exchange the discovery of significant platinum+palladium+gold ("Pt+Pd+Au") mineralisation at the Edison prospect within the Lamboo project.

The initial drill testing of a high order and extensive soil anomaly (maximum value 1.3 g/t Pt+Pd+Au) returned a number of significant results including:

- **46 metres @ 1.87 g/t Pt+Pd+Au from surface;**
- **33 metres @ 2.77 g/t Pt+Pd+Au from surface; and**
- **37 metres @ 2.07 g/t Pt+Pd+Au from 16 metres.**

In the December quarter two areas of Pt+Pd+Au mineralisation were discovered during the follow up drilling program. Each of the areas are new discoveries and lie within an Edison style basal portion of the Lamboo Intrusion.

- **THXRC055, located approximately 1 kilometre south of Edison returned a best intercept of 32 metres at 1.21 g/t Pt+Pd+Au.**
- **THXRC069, located 500 metres west of Edison intercepted 27 metres @ 1.13g/t and 64 metres @ 0.93g/t Pt+Pd+Au (combined intercept of 99 metres @ 0.99 g/t Pt+Pd+Au).**

The table below details significant drill intercepts returned from the program.

**EDISON AND REGIONAL PROSPECTS, SIGNIFICANT DRILL INTERCEPTS
2ND PHASE DRILLING 2006**

Hole No	North	East	Dip	From-To m	Interval m	Pt+Pd+Au g/t	Pt g/t	Pd g/t	Au g/t	Ni %
THXRC036	7957749	323657	-60/305	95-118	23	0.92	0.36	0.38	0.18	0.25
THXRC038	7957740	323604	-60 305	20-90	70	0.98	0.38	0.45	0.15	0.27
THXRC039	7957714	323633	-60/305	76-136	60	1.0	0.38	0.47	0.15	0.26
THXRC049	7958125	323922	-60/305	14-16	2	1.46	0.25	0.30	0.92	0.29
THXRC055	7957101	323210	-60/305	4-36	32	1.21	0.46	0.62	0.12	0.34
THXRC063	7958208	322850	-60/131	45-51	6	1.41	0.62	.42	0.09	0.16
THXRC069	7957725	322947	-60/131	0-27	27	1.13	0.46	0.61	0.05	0.36
and				46-110	64	0.93	0.39	0.47	0.07	0.22

Note: co-ordinates in AMG Zone 52 AGD84. Intercepts calculated using a +0.7g/t Pt+Pd+Au lower cut, maximum of 1m internal waste interval.

THXRC055 (LPG10 target) formed part of a scout drill traverse located approximately 1 kilometre south of Edison. The mineralisation remains open in all directions and due to the lack of surface exposure requires further drill evaluation.

Drillhole THXRC069 (LPG8 target) tested anomalous geochemistry over the western limb of the Lamboo intrusion. The intercept is encouraging indicating the entire 4 kilometres strike length of this horizon requires significant further exploration.

Cumulatively these results demonstrate that the lower and basal ultramafic portions of the Lamboo Igneous Complex (such as at the Edison prospect) are unusually enriched in PGM with the broad intercepts indicating potential for large, bulk tonnage styles of Pt+Pd+Au mineralisation.

A 30 kilometre strike length of the Lamboo intrusion is present within Thundelarra tenements and up until recent times has had little PGM exploration with none targeting the lower, most ultramafic portion. The results from THXRC055 and THXRC069 are particularly encouraging, and indicate intrusion wide PGM mineralised horizons ("or reefs") may be outlined by further drilling.

Thundelarra's extensive database over Lamboo is being remodelled following receipt of the above exciting results so that further drilling can be planned to test the very extensive targets remaining at Lamboo.

A map of the Edison and other Lamboo prospects with geology, drilling and previously reported results is attached.

Sophie Downs Copper-Zinc Project

The Sophie Downs copper-zinc project is located 20 kilometres north of Halls Creek and is covered by Exploration Licence 80/3673. The project includes the known base metal occurrences of Ilmars, Little Mt Isa and Gossan Y that host anomalous copper-zinc-lead-silver-gold mineralisation.

The mineralisation occurs in strongly folded and metamorphosed rocks of the Biscay Formation in the Halls Creek Orogen and is locally associated with calc-silicate units. The mineralisation appears to be focused along two parallel structural trends and previous exploration, which included rock chip, soil and stream sampling, as well as limited drilling during the late 1960's and 1990's reported strongly anomalous copper, lead and zinc mineralisation along some 2,000 metres of inferred strike length.

During the quarter Thundelarra completed a reconnaissance sampling program and obtained 107 representative surface rock chip samples of the gossans and country rock.

The results from this program are very encouraging and significantly enhance the prospectivity of the project. At the Ilmars prospect, the sampling outlined a strongly zinc anomalous zone over 1 kilometre in strike length with maximum results (not co-incident) of **23.3% zinc, 18.8% copper, 8.5% lead, 9.9 g/t gold and 288 g/t silver**. Channel sampling across the gossans returned values of:

- **17 metres @ 7.15 zinc, 6.04% lead, 15 g/t silver in traverse T1 and**
- **6 metres @ 0.73% zinc, 0.59% copper, 4.42% lead, 1.86 g/t gold and 119 g/t silver in traverse T2.**

Exploration for the 2007 dry season will include geophysical surveying including the latest electromagnetic techniques, mapping and drill testing. The Sophie Downs project is located only 50 kilometres north east of the Koongie Park copper-zinc resource where the project owners are currently conducting a pre-feasibility study into developing the deposit.

Breakaway Joint Venture

During the Quarter, a program of fixed loop and downhole TEM geophysics was carried out on the Keller Creek, Kepler and McKenzie Springs prospects by Breakaway.

At Keller Creek, geophysical surveying was carried out to further explore the potential for additional massive sulphides, in particular on the basal contact of the mafic-ultramafic intrusion.

The downhole TEM program located an interesting off-hole conductor on the western side of the intrusion, immediately north of holes LEKD0039 and 0040 (drilled 150 metres down dip of LEKD0039), which intersected massive sulphides assaying 3.85 metres @ 1.15% nickel and 0.45% copper. Further evidence that the off-hole conductor relates to massive sulphides is supported by the occurrence of a copper soil anomaly and a coincident series of surface nickel-copper gossans, located up-dip of the TEM anomaly. The section of contact coinciding with the downhole conductor is poorly drilled and only at shallow levels. Further exploration is planned following the conclusion of the current wet season.

PYRAMID BASE METAL PROJECT

The Pyramid nickel sulphide and volcanogenic massive sulphide ("VMS") project (Thundelarra 100%) comprises three tenement applications covering some 468 square kilometres within the Archaean aged West Pilbara craton. Tenements are located some 35 kilometres east of the Radio Hill nickel mine and 10 kilometres south of the Sherlock Bay nickel resource.

The project covers layered mafic and ultramafic intrusions with the potential for nickel sulphide mineralisation. The tenements secure extensive portions of the Opaline Well Intrusive suite and the southern margin of the Sherlock intrusion. Both have had little past nickel exploration and are extensively obscured by recent cover. A 20 kilometre section of the Cooya Pooya Dolerite is also secured. A gossan developed at the base of an olivine cumulate zone of this unit assayed up to 1.56 g/t Pt+Pd+Au and 0.2% nickel. An extensive package of mafic and felsic volcanics, prospective for Whim Creek and Whundoo style VMS base metal mineralisation also crops out within the project area. Initial assessment of the project has commenced with a team currently in the field. An airborne geophysical electro magnetic survey (V-TEM) will be flown as soon as the machine becomes available.

RED ROCK BASE METAL AND GOLD PROJECT

De Grey Mining Ltd ("De Grey") entered into an exploration Joint Venture on the Red Rock tenement E45/2611 with Thundelarra on 2nd May 2006. The tenement is located 60 kilometres south of Port Hedland and hosts approximately 10 kilometres of the prospective Tabbata Tabbata Greenstone Belt and felsic volcanic units. De Grey is earning 60% equity in the tenement by the expenditure of \$180,000 over 2 years. Thundelarra has the right to contribute pro rata or at any stage or elect to dilute to a 20% free carried interest through to a decision to mine.

Geological mapping conducted during the year identified prospective shale units within felsic volcanic stratigraphy. Infill surface geochemical lag sampling will be completed over these more prospective zones.

Infill surface geochemical Lag sampling was completed during the quarter. Results confirm copper-zinc anomalism over an 800 metres strike length in the south of the tenement. Lag samples contain up to 999ppm zinc and 239ppm copper against background values of 78ppm and 39ppm respectively. Field reconnaissance of this area will be completed prior to any initial RAB drilling.

NEW PROJECTS

Rosewood Copper Project East Kimberley

Thundelarra recently applied for two contiguous tenements covering some 763 square kilometres straddling the Western Australian and Northern Territory border to the east of Lake Argyle in the East Kimberley. The tenements capture over 50 kilometres in strike of the prospective Lower Cambrian Headleys Limestone which overlies the Antrim Plateau Volcanics. cursory work done in 1970 displayed extensive copper occurrences along this prospective limestone contact. The project contains the same stratigraphy as the Hardman Syncline to the south which hosts the Copper Flats prospect owned by Ord River Resources Ltd.

Hornitos Iron Oxide Copper Gold Project Chile

Thundelarra has agreed to co-fund with the Canadian listed company, Aldershot Resources Ltd, an Induced Polarisation ("IP") survey over the Hornitos property in central Chile. The property is a grass roots exploration opportunity located in a geological setting similar to the nearby operating Candelaria Iron Oxide Copper-Gold mine (40 kilometres to the north east). Numerous copper-gold occurrences occur within the property with two of the historical mines worked along several hundred metres of strike and to depths of 50 metres or more. The IP survey is designed to test for sulphide mineralisation located beneath an extensive blanket of sand cover.

URANIUM EXPLORATION

Thundelarra has 15 uranium projects in Australia (35 tenements) covering approximately 8,500 square kilometres (see attached Uranium Projects location map). Of the 35 tenements, 29 are held 100% by Thundelarra (or its wholly owned subsidiary, Element 92 Pty Ltd) with the remainder subject to joint venture or option agreements. Seven projects are within Western Australia, 5 within the Northern Territory, 2 within Queensland and 1 in South Australia. Thundelarra is currently negotiating to acquire additional projects in Australia and is assessing several overseas exploration opportunities.

The projects range from grass roots and conceptual based on prospective geology and/or radiometrics through to advanced projects with known significant uranium mineralisation. Thundelarra has commenced preliminary exploration activities on a number of the projects involving the flying of airborne radiometric surveys, the logging and assaying of existing drill core and the systematic capture of all relevant historical exploration data. On ground exploration activities will commence as soon as possible with field work expected to commence at the exciting Spinifex prospect in February.

A summary of the 15 projects is presented in the following Table.

Thundelarra's Australian Uranium Projects

State	Project	Area (km ²)	Uranium Target Style	Highlights
NT	Ngalia Basin	1,835	Sandstone	Same stratigraphy as Bigryli (3,853t U ₃ O ₈), Previous drilling 0.5m @ 5248ppm U ₃ O ₈
NT	Frances Maude	20	Vein	Same rock types as nearby deposits Radiometric anomalies Limited past drilling, 0.2m @ 0.154% eU ₃ O ₈ , 0.2m @ 0.144% eU ₃ O ₈ , 20m wide zone reported as >180ppm eU ₃ O ₈
NT	Hayes Creek	7	Vein	1km long airborne U channel anomaly
NT	Illamurta	244	Sandstone	5 significant airborne U channel anomalies never explored for uranium
NT	Dashwood	1,559	Sandstone/Calcrete	Weak airborne U channel anomalous zones over drainage channels
WA	Spinifex	720	Unconformity/Vein	6 high priority airborne radiometric anomalies High grade rock chips of 13.6% U ₃ O ₈ and 6.3% U ₃ O ₈ Never drilled
WA	Kunderong	1,191	Unconformity	Same stratigraphy as Turee Creek and Angelo River deposits. Rock chips of 230, 166, 140ppm U ₃ O ₈
WA	Kennedy Range	93	Sandstone	Several airborne radiometric anomalies Trench samples to 2560ppm U ₃ O ₈
WA	Mt Phillips	78	Calcrete	Anomalous calcrete samples to 460ppm U ₃ O ₈
WA	Glenburgh	149	Vein	Discontinuous radiometric anomalies over 5km strike
WA	Carola Valley	255	Unconformity	Same stratigraphy as nearby Mad Gap prospect which has rock chips to 4.65% U ₃ O ₈ and intersections to 0.208% U ₃ O ₈
WA	Yuinmery	858	Calcrete	Large tenement holding contiguous to Yuinmery uranium resource. Untested radiometric anomalies
QLD	Gregory Range	182	Vein	Number of airborne U channel anomalies over 5km by 2km area Anomalous rock chips inc 440, 155 and 130ppm U
QLD	Clarke River	543	Vein	10 spot airborne U channel anomalies
SA	William Creek	755	Calcrete	Two airborne U channel anomalies
	TOTAL	8,489		

The results from recent exploration activities and the planned programs for the March quarter are presented below:

Spinifex Uranium Project

The Spinifex project consists of two tenements covering 720 square kilometres located approximately 50 kilometres north of the Argyle diamond mine, Western Australia. The uranium mineralisation was first discovered in 1971 during a regional airborne spectrometric survey. Follow-up ground checking of the radiometric anomaly revealed the presence of rich secondary uranium mineralisation in the fractures and breccia zones within the Hensman Sandstone. Seven shallow trenches were blasted into the sandstone in areas of high radioactivity. Systematic sampling of the trenches returned some very high grade results including up to 13.6% U_3O_8 in a rock specimen and 1.62% U_3O_8 from a channel sample taken along the floor of a trench. Thundelarra's limited work towards the end of 2006 located the trenches, confirmed the high grade nature of the mineralisation and outlined the anomalous radioactive background for the prospect area. No historical drilling or any other follow-up exploration was conducted over the prospect due in part to the then remote location and difficult access problems. Today well formed station roads are located within a few kilometres of the tenement boundary.

The exploration models for the project area are, high grade vein style mineralisation related to major structures and the Alligator River unconformity style.

A detailed airborne radiometric survey was flown over the project area in November and the preliminary interpretation of the results has identified 5 new high priority targets for immediate assessment. All targets including the known Spinifex prospect are located on or close to the prospective unconformity and importantly the highest priority target, located 1 kilometre to the north east of Spinifex has a similar signature to the radiometric anomaly over the high grade Spinifex uranium mineralisation.

A field team will be mobilised to the East Kimberley to commence the initial ground assessment of the 5 priority targets in February, subject to weather conditions. All work will be conducted using a helicopter from the nearby town of Kununurra.

Ngalia Uranium Project

In the Northern Territory, Thundelarra acquired the rights to 2 project areas consisting of 4 tenements covering approximately 3,400 kilometres of ground within and adjacent to the Ngalia Basin. The main Ngalia project consists of tenement applications numbered 25283 and 25334 covering 1,835 square kilometres of the highly prospective Mt Eclipse Sandstone. This sandstone formation is host to the Bigryli uranium deposit located 25 kilometres to the north-west of the project area.

Historical broad spaced drilling over part of the eastern project area returned a number of anomalous intercepts including 0.5 metres @ 0.52% U_3O_8 from 162 metres in hole YRD66 and 4 metres @ 0.12% U_3O_8 in hole YRD206. The latter hole is located in the adjacent tenement held by Aldershot Resources Limited. Thundelarra's personnel recently located and logged the core available from most of the relevant diamond holes within the project. The uranium mineralisation occurs within a porous arkose unit (quartz-felspar sedimentary rock) containing pyrite and carbonaceous matter. Over 250 metres of this core was sampled during the December quarter.

Core assay results are due in February.

Approximately 60 kilometres to the south east of the Ngalia project, Thundelarra entered into an Option Agreement to acquire 100% equity in the Dashwood project, a tenement application numbered 25414, covering 1,559 square kilometres. This tenement is located 25 kilometres south of the New Well uranium resource (Deep Yellow Limited) and is prospective for calcrete hosted surficial uranium mineralisation associated with drainage channels. Limited historical uranium exploration has been conducted over the project area but regional airborne radiometric data has outlined a number of low order uranium anomalies along interpreted channel systems.

Kunderong Uranium Project

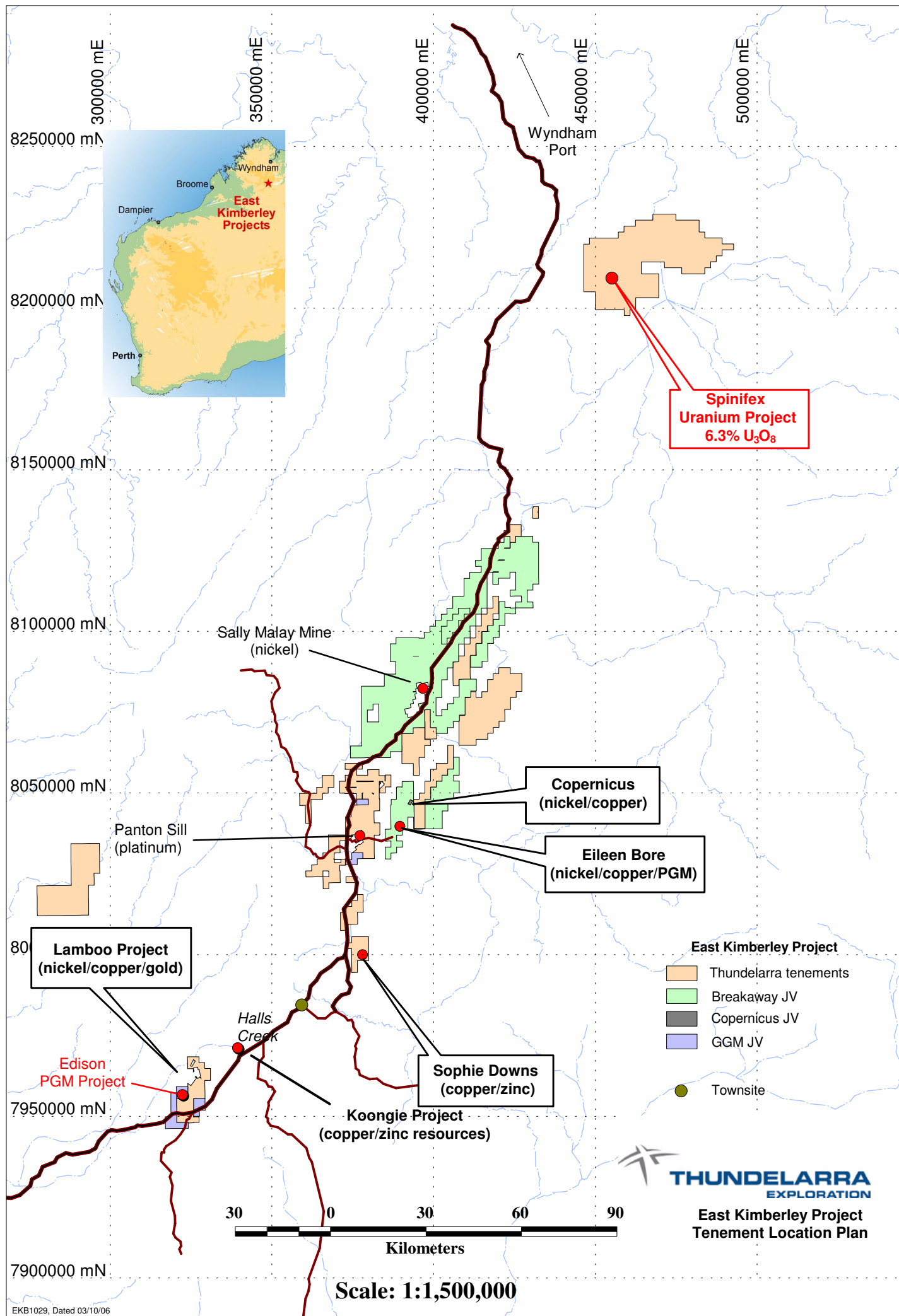
During the quarter Thundelarra executed a Letter Agreement with Cullen Resources Limited ("Cullen") for an Earn-In and Joint Venture arrangement over three tenement applications located in the Ashburton Region of Western Australia (ELA 52/1890-1892). The tenements cover approximately 600 square kilometres over the faulted and/or unconformable contacts of the Bresnahan Group conglomerates, sandstones, mudstones of Middle Proterozoic Age, with the Lower Proterozoic rocks of the Wyloo Group. The unconformity and areas of faulting are prospective for uranium mineralisation, similar in style to that of the Ranger and Jabiluka deposits in the Alligator Region of the Northern Territory.

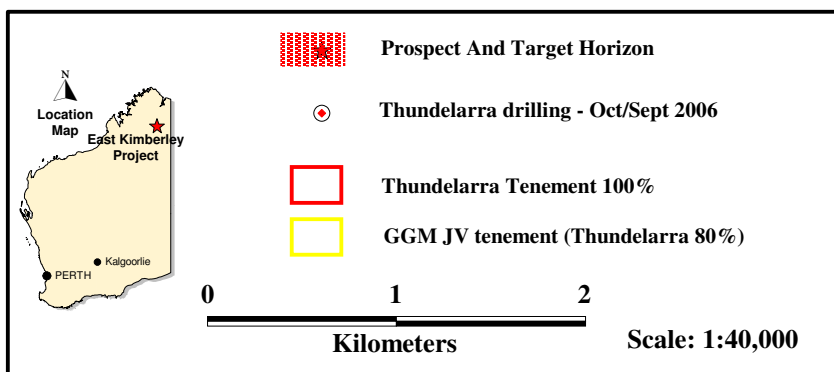
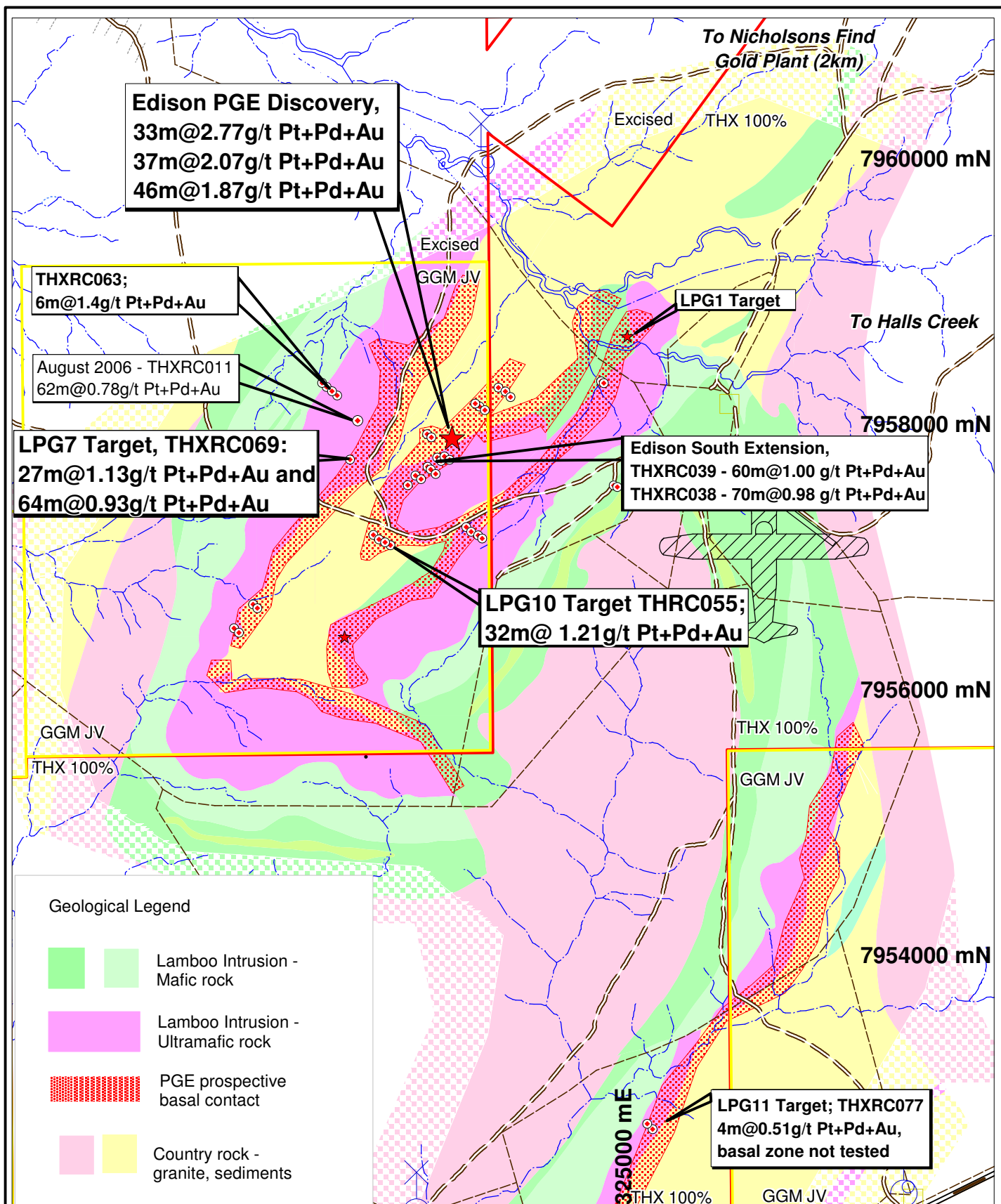
The terms of the joint venture are that Thundelarra will manage the applications through to grant, and will earn a 70% interest in any of the three tenements by spending a total of \$500,000 on any one tenement within 5 years of the grant of any tenement or 70% in the three tenements if aggregate expenditure reaches \$1,500,000. Once Thundelarra has earned its equity, Cullen may contribute to the Joint Venture, or elect to take a 20% free carried interest to completion of a Bankable Feasibility Study. At a Decision to Mine, Cullen may participate or take a 2% Net Smelter Royalty.

Thundelarra regards this area of the Ashburton Region as highly prospective for uranium mineralisation and the tenements of the new Joint Venture strongly compliment Thundelarra's existing 580 square kilometres holding in the immediate area (see attached Kunderong Project location map). Historical exploration by companies in the 1970s and early 80s discovered significant mineralisation in the region including the very prospective Turee Creek uranium resource now held by Aldershot Resources Ltd.

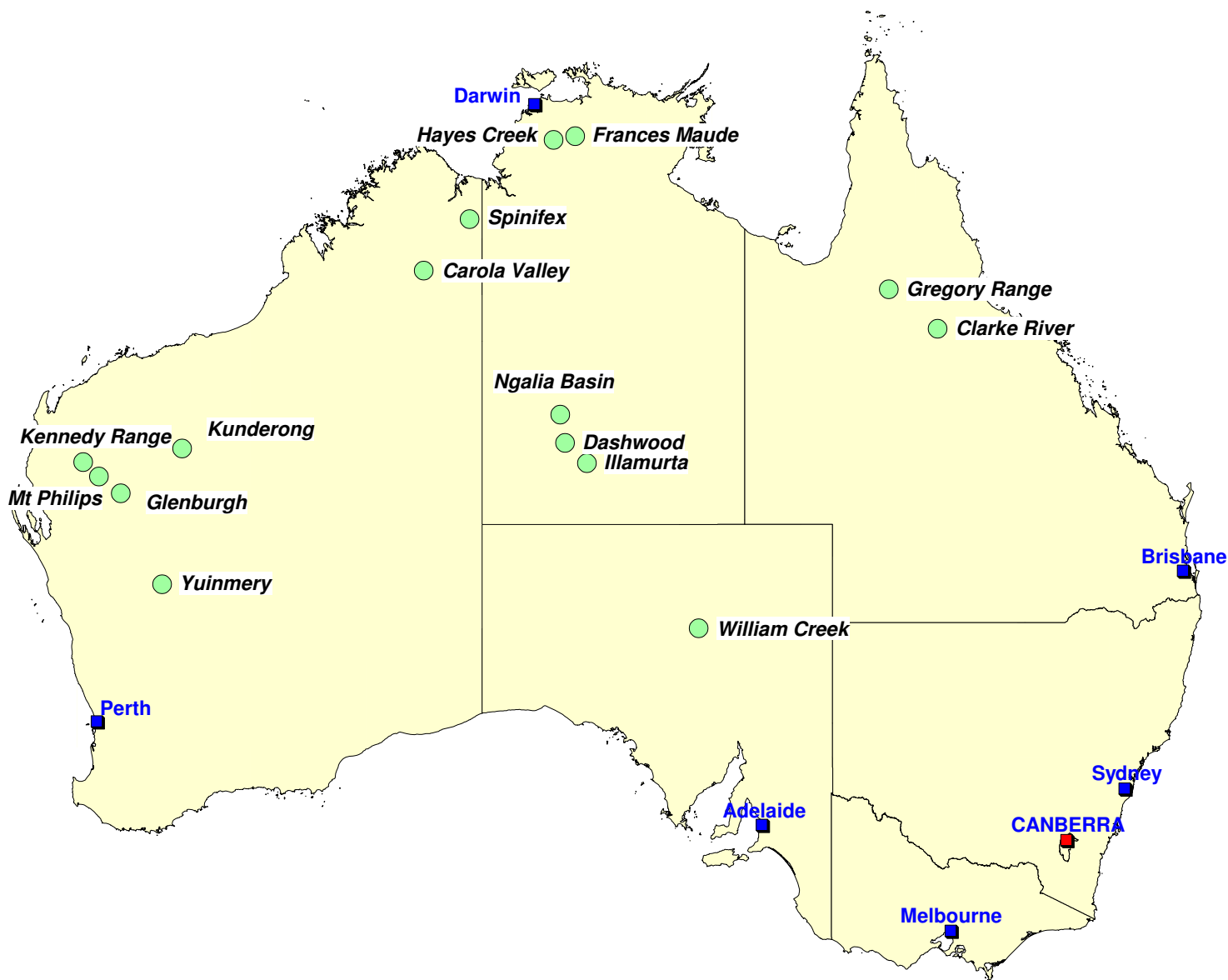
The first phase of exploration will involve the flying of a detailed radiometric and magnetic survey over the entire project area. This survey is scheduled to commence in February 2007.

The details contained in this report that pertains to ore and mineralisation is based upon information compiled by Mr Brian Richardson, a full-time employee of the Company. Mr Richardson is a Member of the Australasian Institute of Mining and Metallurgy (AUSIMM) and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Richardson consents to the inclusion in this report of the matters based upon his information in the form and context in which it appears.

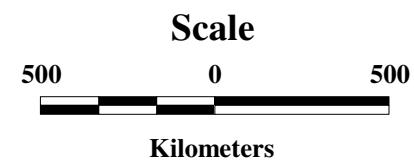




LAMBOO PROJECT Geology and Prospects	
Author: S. Attwell	Date: November 2006
Drawn: S. Attwell	Revised: November 8 2006
Dwg No.: EKB1033_nov28_revision	Report No.:
Projection: AMG Zone 52 AGD84	Scale: 1: 40 000 at A4

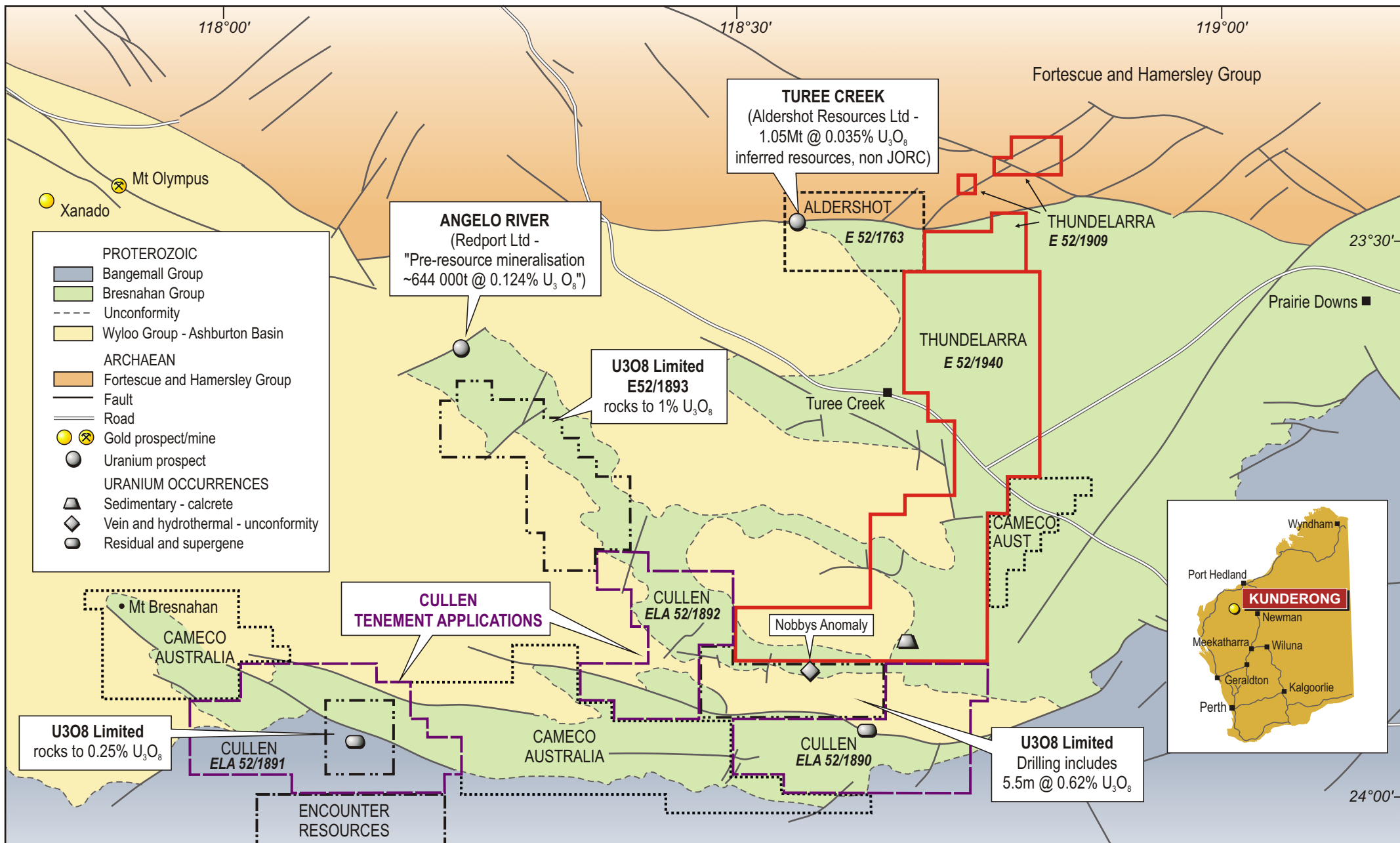


● Uranium Project



AUSTRALIAN URANIUM PROJECTS

Author:	Date: Jan 2007
Drawn:	Revised:
Dwg No.:	Report No.:
Projection:	Scale:



10 kilometres

KUNDERONG PROJECT

Simplified Geology & Tenement Location

(Geology compiled from GSWA 1:250 000 map sheets and GSWA Report 64)



THUNDELARRA
EXPLORATION

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98.

Name of entity

THUNDELARRA EXPLORATION LTD

ACN

085 782 994

Quarter ended ("current quarter")

31 DECEMBER 2006

Consolidated statement of cash flows

		Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors		
1.2	Payments for		
	(a) exploration and evaluation	(625)	(625)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(479)	(479)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	30	30
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
	Net Operating Cash Flows	(1,074)	(1,074)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a)prospects	-	-
	(b)equity investments	(20)	(20)
	(c) other fixed assets	(2)	(2)
1.9	Proceeds from sale of:		
	(a)prospects	-	-
	(b)equity investments	-	-
	(c)other fixed assets	-	-
1.10	Loans to other entities	(52)	(52)
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	Net investing cash flows	(74)	(74)
1.13	Total operating and investing cash flows (carried forward)	(1,148)	(1,148)

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,148)	(1,148)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	2,425	2,425
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – share issue costs	(187)	(187)
	Net financing cash flows	2,238	2,238
	Net increase (decrease) in cash held	1,090	1,090
1.20	Cash at beginning of quarter/year to date	2,751	2,751
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	3,841	3,841

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	153
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	
	Thundelarra's financial year is from the period 1 October 2006 to 30 September 2007	

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Not Applicable

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Not Applicable

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	300
4.2 Development	-
Total	300

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	2,428	116
5.2 Deposits at call	1,413	2,635
5.3 Bank overdraft	-	-
5.4 Other (bank guarantees)	-	-
Total: cash at end of quarter (item 1.22)	3,841	2,751

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	Togo North Lamboo	E80/2574 E80/2601	6 blocks 20 bocks	3 blocks 19 blocks
6.2 Interests in mining tenements acquired or increased	Yuinmery A to D	E57/614 To E57/617	Nil	100%

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities (description)	-	-	-	-
7.2 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 +Ordinary securities	101,663,370	101,663,370	-	-
7.4 Changes during quarter				
(a) Increases through issues	6,500,000 103,000	6,500,000 103,000	\$0.37 \$0.19	- -
(b) Decreases through returns of capital, buy-backs	-	-	-	-
7.5 +Convertible debt securities (description)	-	-	-	-
7.6 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through securities matured, converted	-	-	-	-

Appendix 5B
Mining exploration entity quarterly report

7.7	Options <i>(description and conversion factor)</i>	1,245,000	-	<i>Exercise price</i>	<i>Expiry date</i>
		1,771,000	-	\$0.325	28/03/2008
		11,000,000	-	\$0.475	28/02/2007
		1,970,000	-	\$0.655	20/11/2007
		375,000	-	\$0.675	26/02/2009
		460,000	-	\$0.475	20/04/2009
		2,500,000	-	\$0.220	31/05/2009
		16,897,000	16,897,000	\$0.40	12/04/2009
				\$0.19	30/06/2009
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	103,000	103,000	\$0.19	30/06/2009
7.10	Expired during quarter	-	-	-	-
7.11	Debentures <i>(totals only)</i>	-	-		
7.12	Unsecured notes <i>(totals only)</i>	-	-		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:
(Director /Company Secretary)

Date: 30 January 2007

Print name: FRANK DE MARTE

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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