



THUNDELARRA

EXPLORATION LTD

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

23 January 2008



The Manager
Companies Announcement Office
ASX Limited
Level 4
20 Bridge Street
SYDNEY NSW 2000

Via Electronic Lodgement

Dear Sir/Madam

NOTICE OF ANNUAL GENERAL MEETING

Please find attached a copy of the Notice of Annual General Meeting being despatched to shareholders together with the Company's 2007 Annual Report.

Yours sincerely
THUNDELARRA EXPLORATION LTD

Frank DeMarte
COMPANY SECRETARY

THUNDELARRA EXPLORATION LTD

ABN 74 950 465 654

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY MEMORANDUM

AND

PROXY FORM

Date of Meeting

22 February 2008

Time of Meeting

10.30 am WDT

Place of Meeting

The President's Room
The Celtic Club
48 Ord Street, West Perth
Western Australia

THUNDELARRA EXPLORATION LTD
ABN 74 950 465 654

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders of Thundelarra Exploration Ltd ABN 74 950 465 654 ("**Company**") will be held at the President's Room, The Celtic Club, 48 Ord Street, West Perth, Western Australia on Friday 22 February 2008 at 10.30 am WDT for the purpose of transacting the following business referred to in this Notice of Annual General Meeting.

An Explanatory Memorandum containing information in relation to each of the following Resolutions accompanies this Notice of Annual General Meeting.

Please note terms used in the Resolutions contained in this Notice of Annual General Meeting have the same meaning as set out in the Glossary of the Explanatory Memorandum accompanying this Notice.

AGENDA

BUSINESS

Financial Report

To receive the Financial Statements of the Company for the year ended 30 September 2007.

Resolution 1 – Remuneration Report

To consider and, if thought fit, to pass the following resolution as a non-binding **ordinary resolution**:

"That, pursuant to and in accordance with section 250R(2) of the Corporations Act, the Remuneration Report as contained within the Directors' Report be adopted."

Note: The vote on this resolution is advisory only and does not bind the Directors or the Company.

Resolution 2 – Re-election of Mr Frank DeMarte as a Director of the Company

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

"That Mr Frank DeMarte, being a Director of the Company, retiring by rotation in accordance with clause 13.2 of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."

Resolution 3 – Re-election of Mr Malcolm Randall as a Director of the Company

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

"That Mr Malcolm Randall, being a Director of the Company, retiring by rotation in accordance with clause 13.2 of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."

Resolution 4 - Approval to Grant Options to a Director – Mr Philip G Crabb

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

‘That, for the purpose of section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, the Company approves and authorises the Directors to grant to Mr Philip G Crabb (or his nominee or nominees) 750,000 Options on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting (including Annexure A to the Explanatory Memorandum).’

The Company will in accordance with section 224 of the Corporations Act 2001 disregard any votes cast on Resolution 4 by Mr Philip G Crabb and any associate of Mr Philip G Crabb. However, the Company need not disregard a vote if it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on the proposed Resolution and it is not cast on behalf of Mr Philip G Crabb or an associate of Mr Philip G Crabb.

Resolution 5 - Approval to Grant Options to a Director – Mr Brett T Lambert

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

‘That, for the purpose of section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, the Company approves and authorises the Directors to grant to Mr Brett T Lambert (or his nominee or nominees) 1,000,000 Options on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting (including Annexure A to the Explanatory Memorandum).’

The Company will in accordance with section 224 of the Corporations Act 2001 disregard any votes cast on Resolution 5 by Mr Brett T Lambert and any associate of Mr Brett T Lambert. However, the Company need not disregard a vote if it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on the proposed Resolution and it is not cast on behalf of Mr Brett T Lambert or an associate of Mr Brett T Lambert.

Resolution 6 - Approval to Grant Options to a Director – Mr Frank DeMarte

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

‘That, for the purpose of section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, the Company approves and authorises the Directors to grant to Mr Frank DeMarte (or his nominee or nominees) 1,000,000 Options on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting (including Annexure A to the Explanatory Memorandum).’

The Company will in accordance with section 224 of the Corporations Act 2001 disregard any votes cast on Resolution 6 by Mr Frank DeMarte and any associate of Mr Frank DeMarte. However, the Company need not disregard a vote if it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on the proposed Resolution and it is not cast on behalf of Mr Frank DeMarte or an associate of Mr Frank DeMarte.

Resolution 7– Approval to Grant Options to a Director – Mr Brian D Richardson

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

‘That, for the purpose of section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, the Company approves and authorises the Directors to grant to Mr Brian D Richardson (or his nominee or nominees) 1,000,000 Options on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting (including Annexure A to the Explanatory Memorandum).’

The Company will in accordance with section 224 of the Corporations Act 2001 disregard any votes cast on Resolution 7 by Mr Brian D Richardson and any associate of Mr Brian D Richardson. However, the Company need not disregard a vote if it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on the proposed Resolution and it is not cast on behalf of Mr Brian D Richardson or an associate of Mr Brian D Richardson.

Resolution 8 – Approval to Grant Options to a Director – Mr Malcolm J Randall

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

‘That, for the purpose of section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, the Company approves and authorises the Directors to grant to Mr Malcolm J Randall (or his nominee or nominees) 500,000 Options on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting (including Annexure A to the Explanatory Memorandum).’

The Company will in accordance with section 224 of the Corporations Act 2001 disregard any votes cast on Resolution 8 by Mr Malcolm J Randall and any associate of Mr Malcolm J Randall. However, the Company need not disregard a vote if it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on the proposed Resolution and it is not cast on behalf of Mr Malcolm J Randall or an associate of Mr Malcolm J Randall.

Resolution 9 – Ratification of Previous Issue of 4,500,000 Shares and 4,500,000 GBS Options to GBS Gold Holdings Pty Ltd

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

‘That, for the purpose of Listing Rule 7.4, the Company ratifies the allotment and issue of 4,500,000 Shares at a deemed issue price of \$0.45 per Share, and 4,500,000 GBS Options for no consideration, each having an exercise price of \$0.45 and an expiry date of 30 November 2010, to GBS Gold Holdings Pty Ltd, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting (including Annexure B to the Explanatory Memorandum).’

The Company will disregard any votes cast on this Resolution 9 by a person who participated in the issue and any associate of that person. However, the Company need not disregard a vote if it is cast by a person as a proxy appointed by a person who is entitled to vote in writing that specifies how the proxy is to vote on the proposed resolution; or it is cast by a person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

By order of the Board

A handwritten signature in dark ink, appearing to be 'Frank DeMarte', with a stylized, sweeping flourish extending to the right.

Frank DeMarte
Company Secretary

Dated: 16 January 2008

PROXIES

- Votes at the Annual General Meeting may be given personally or by proxy, attorney or representative.
- A Shareholder entitled to attend and vote at the above meeting may appoint not more than two proxies to attend and vote at the Annual General Meeting. Where more than one proxy is appointed, each proxy must be appointed to represent a specified 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.
- A proxy may, but need not be a Shareholder of the Company.
- The instrument appointing the proxy must be in writing, executed by the appointor or his attorney duly authorising in writing or, if such appointor is a corporation, either under seal or under hand of the officer of his attorney duly authorised.
- The instrument of proxy (and the power of attorney or other authority, if any, under which it is signed) must be lodged by person, post, courier or facsimile and must reach the Registered Office of the Company at least 48 hours prior to the Annual General Meeting. For the convenience of Shareholders a Proxy Form is enclosed.

For the purposes of regulation 7.11.37 of the Corporations Regulations, the Company determines that members holding Shares at 5.00 pm Western Daylight Time on 20 February 2008 will be entitled to attend and vote at the Annual General Meeting.

Corporations

A corporation may elect to appoint a representative in accordance with the Corporations Act in which case the Company will require written proof of the representative's appointment which must be lodged with, or presented to the Company before the Annual General Meeting.

THUNDELARRA EXPLORATION LTD
ABN 74 950 465 654

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Annual General Meeting ("**Notice**") of the Company.

The Directors of the Company ("**Directors**") recommend Shareholders read this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

Capitalised terms used in this Explanatory Memorandum are defined in the Glossary appearing at the end of this Explanatory Memorandum.

The following information should be noted in respect of the various matters contained in the accompanying Notice:

Financial Report

Appropriate time will be devoted to the consideration of the Financial Statements and Reports of the Company for the year ended 30 September 2007.

RESOLUTION 1 – REMUNERATION REPORT

Section 298 of the Corporations Act requires that the annual Directors' Report contain a Remuneration Report prepared in accordance with section 300A of the Corporations Act.

Pursuant to section 250R(2) of the Corporations Act, a resolution adopting the Remuneration Report contained within the Directors' Report must be put to the vote.

Shareholders are advised that pursuant to section 250R(3) of the Corporations Act, this Resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is set out within the Directors' Report. The report:

- explains the Board's policy for determining the nature and amount of remuneration of executive Directors of the Company;
- explains the relationship between the Board's remuneration policy and the Company's performance;
- sets out remuneration details for each Director and the most highly remunerated senior executives of the Company; and
- details and explains any performance conditions applicable to the remuneration of executive Directors and senior executives of the Company.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting.

The Board unanimously recommends that Shareholders vote in favour of adopting the Remuneration Report.

RESOLUTIONS 2 AND 3 - RE-ELECTION OF FRANK DEMARTE AND MR MALCOLM J RANDALL AS DIRECTORS OF THE COMPANY

Clause 13.2 of the Company's Constitution provides that at each Annual General Meeting one-third of the Directors (other than alternate Directors and the Managing Director) or, if their number is not a multiple of three, then such number nearest, then the number nearest to but not more than one-third of the Directors must retire from office.

Mr Frank DeMarte and Mr Malcolm J Randall retire in accordance with this requirement, and offer themselves for re-election as Directors of the Company.

RESOLUTIONS 4 TO 8 – APPROVAL TO GRANT OPTIONS TO DIRECTORS

The Company proposes to issue a total of 4,250,000 Options to Messrs Philip G Crabb, Brett T Lambert, Frank DeMarte, Brian D Richardson and Malcolm J Randall (together the "**Participating Directors**"). The Options have an exercise price of \$0.50 and have an expiry date of 28 February 2013.

The grant of the Options is designed to encourage the Participating Directors to have a greater involvement in the achievement of the Company's objectives and to provide an incentive to strive to that end by participating in the future growth and prosperity of the Company through Share ownership. Under the Company's current circumstances the Directors consider that the incentives to each of the Participating Directors noted above represented by the issue of these Options, are a cost effective and efficient reward and incentive for the Company, as opposed to alternative forms of incentive, such as the payment of additional cash compensation to the Participating Directors.

The terms of the Options are set out in Annexure A to this Explanatory Memorandum.

The number of Options to be granted to each of the Participating Directors has been determined based upon a consideration of:

- the remuneration of the Participating Directors – the Directors wish to ensure that the remuneration offered is competitive with market standards and where appropriate, based upon performance hurdles. The Directors have considered the proposed number of Options to be issued will ensure that the Participating Directors' overall remunerations is in line with market standards;
- length of service to the Company; and
- incentives to ensure continuity of service of the Participating Directors who have extensive knowledge of the Company and its assets.

In the event the Options are exercised, the following amounts are payable to the Company by the Participating Directors, being the total exercise price in respect of the Options:-

Participating Director	Amount to be paid
Philip G Crabb	\$375,000
Brett T Lambert	\$500,000
Frank DeMarte	\$500,000
Brian D Richardson	\$500,000
Malcolm J Randall	\$250,000

The Company will therefore receive \$2,125,000 from the Participating Directors should all the Options be exercised.

Shareholders should note that for reasons mentioned above, it is proposed to grant Options to two non-executive Directors (Messrs Philip G Crabb and Malcolm J Randall) notwithstanding Guideline 9.3 of the ASX Corporate Governance Council Principles of Good Corporate Governance and Best Practice Recommendations which provides that non-executive Directors should not receive Options.

Related Party Transactions Generally

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a *related party* of the public company *unless* either:

1. the giving of the financial benefits falls within one of the nominated exceptions to the provision; or
2. shareholder approval is obtained prior to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

For the purposes of Chapter 2E, each of the Participating Directors are considered to be related parties of the Company.

Resolutions 4 to 8 provide for the grant of Options to the Participating Directors of the Company which is a financial benefit which requires shareholder approval.

INFORMATION REQUIREMENTS

For the purposes of Chapter 2E of the Corporations Act the following information is provided.

The related party to whom the proposed resolution would permit the financial benefit to be given:

Subject to shareholder approval the following number of Options will be granted to the following related parties or their respective nominees:

Participating Director	Number of Options
Philip G Crabb	750,000
Brett T Lambert	1,000,000
Frank DeMarte	1,000,000
Brian D Richardson	1,000,000
Malcolm J Randall	500,000
Total	4,250,000

The nature of the financial benefit

The proposed financial benefit to be given is the grant of Options for no consideration to the Participating Directors as noted above. The terms and conditions of the Options to be granted to the Participating Directors are set out in Annexure A to this Explanatory Memorandum.

Directors' recommendation

All the Directors were available to make a recommendation.

For the reasons noted above:

Messrs Brett T Lambert, Frank DeMarte, Brian D Richardson and Malcolm J Randall (who have no interest in the outcome of Resolution 4) recommend that Shareholders vote in favour of Resolution 4. Mr Philip G Crabb declines to make a recommendation about Resolution 4 as he has a material personal interest in the outcome of that particular Resolution as it relates to the proposed issue of Options to him individually (or his nominee(s)).

Messrs Philip G Crabb, Frank DeMarte, Brian D Richardson and Malcolm J Randall (who have no interest in the outcome of Resolution 5) recommend that Shareholders vote in favour of Resolution 5. Mr Brett T Lambert declines to make a recommendation about Resolution 5 as he has a material personal interest in the outcome of that particular Resolution as it relates to the proposed issue of Options to him individually (or his nominee(s)).

Messrs Philip G Crabb, Brett T Lambert, Brian D Richardson and Malcolm J Randall (who have no interest in the outcome of Resolution 6) recommend that Shareholders vote in favour of Resolution 6. Mr Frank DeMarte declines to make a recommendation about Resolution 5 as he has a material personal interest in the

outcome of that particular Resolution as it relates to the proposed issue of Options to him individually (or his nominee(s)).

Messrs Philip G Crabb, Brett T Lambert, Frank DeMarte and Malcolm J Randall (who have no interest in the outcome of Resolution 7) recommend that Shareholders vote in favour of Resolution 7. Mr Brian D Richardson declines to make a recommendation about Resolution 6 as he has a material personal interest in the outcome of that particular Resolution as it relates to the proposed issue of Options to him individually (or his nominee(s)).

Messrs Philip G Crabb, Brett T Lambert, Frank DeMarte and Brian D Richardson (who have no interest in the outcome of Resolution 8) recommend that Shareholders vote in favour of Resolution 8. Mr Malcolm J Randall declines to make a recommendation about Resolution 8 as he has a material personal interest in the outcome of that particular Resolution as it relates to the proposed issue of Options to him individually (or his nominee(s)).

Other information that is reasonably required by members to make a decision and that is known to the Company or any of its Directors.

- (i) Proposed Resolutions 4, 5, 6, 7 and 8 would have the effect of giving power to the Directors to grant a total of 4,250,000 Options on the terms and conditions as set out in Annexure A to this Explanatory Memorandum and as otherwise mentioned above. The Company presently has 112,877,809 listed Shares on issue, 11,873,944 listed options and 14,825,000 unlisted options as follows:

Number of options	Exercise Price	Expiry Date
1,095,000	\$0.325	28 March 2008
1,970,000	\$0.675	26 February 2009
350,000	\$0.22	31 May 2009
2,500,000	\$0.40	12 April 2009
200,000	\$0.55	28 February 2010
1,500,000	\$0.50	28 February 2010
1,000,000	\$0.50	31 May 2010
1,000,000	\$0.68	31 May 2011
360,000	\$0.52	30 June 2011
4,500,000	\$0.45	30 November 2010
350,000	\$0.47	31 December 2011

- (ii) If all Options granted as proposed above are exercised, assuming the existing listed and unlisted options on issue are not exercised, the effect would be to dilute the Share holding of existing Shareholders by 3.63%. The market price of the Shares during the period of the Options will normally determine whether or not Option holders exercise the Options. At the time any Options are exercised and Shares are issued pursuant to the exercise of the Options, the Shares may be trading at a price which is higher than the exercise price of the Options.

The Options will not be quoted on ASX and as such have no actual market value.

- (iii) The Participating Directors' base salaries per annum (including superannuation) and the total financial benefit to be received by them in this current period as a result of the grant of Options the subject of Resolutions 4, 5, 6, 7 and 8 (showing the impact of using a volatility assumption of 73.67% to calculate the value of the Options) are as follows:

Director	Base salary/fee p.a. (\$)	Value of Options * (\$)	Total Financial Benefit (\$)
Philip G Crabb	54,500	150,000	204,500
Brett T Lambert	299,750	200,000	499,750
Frank DeMarte	218,000	200,000	418,000

Brian D Richardson	218,000	200,000	418,000
Malcolm J Randall	50,000	100,000	150,000

* utilising a 73.67% volatility factor discussed in further detail below.

(iv) Valuation of Options

The Company's advisers have valued the Options to be granted to the Participating Directors using the Black-Scholes Option Pricing Model ("BSModel"), which is the most widely used and recognised model for pricing options. The acceptance of this model is due to its derivation being grounded in economic theory. The value of an option calculated by the BSModel is a function of a number of variables and is rounded to the nearest one hundredth of a cent. Their assessment of the value of the Options has been prepared using the following assumptions:

Variable	Input
Share price	45 cents (being the market value of a Share as at 9 January 2008)
Exercise price	50 cents
Risk Free Interest Rate	6.38% (estimated, based on the 5 year Australian treasury bond rate as at 9 January 2008)
Volatility	73.67% (determined utilising the daily closing share price of the Company over the preceding 12 month period). The effect of the valuation in using volatility factors of 40%, 60% and 80% are set out below.
Expiry date	28 February 2013

The valuation date is as at 9 January 2008, although the Options will not be issued until after Shareholders approve the grant of the Options at this meeting.

The valuations reflected below do not necessarily represent the market value of the Options or the tax values for taxation purposes to the Option holder. The future value of the Options may be up or down on the values noted below as it will primarily depend on the future share price of a Share (for the next 5 years), and the time to expiry of the Options.

A discount factor of 30% has been applied for lack of negotiability of the Options.

Based on the above assumptions, the Company's advisers have calculated an indicative value of one Option to be granted to the Participating Directors to be 20 cents. Accordingly, the total value of the 4,250,000 Options to be granted to the Participating Directors is \$850,000.

Set out below is the valuation of an Option using volatility factors of 40%, 60% and 80%:

40% Volatility	60% Volatility	80% Volatility
13.1 cents	17.4 cents	21.0 cents

Any change in the variables applied in the Black and Scholes calculation between the date of the valuation and the date the Options are granted would have an impact on their value.

(v) Set out below are details of each of the Participating Directors' relevant interest in the securities of the Company as at the date of this Notice:

Director	Associates	Number of Shares	Number of Options
Philip G Crabb (Note 1)	Held directly	514,413	750,000
	Barcfin Pty Ltd	31,063	-
	Darkdale Pty Ltd	1,869,700	-
	Ioma Pty Ltd	3,148,774	-

	Midland Mines Pty Ltd	31,063	-
	Gemini Mining Pty Ltd	31,063	-
	Ragged Range Mining Pty Ltd	11,388,914	-
	Crabb Superannuation Fund	228,524	-
Brett T Lambert (Note 2)	Held directly	-	2,000,000
Frank DeMarte (Note 3)	Held directly	120,000	-
	The DeMarte Family Trust	1,019,700	1,200,000
	The DeMarte Super Fund	283,963	-
	Grandeur Holdings Pty Ltd	31,063	-
Brian D Richardson (Note 4)	Held directly	1,036,581	1,200,000
Malcolm J Randall (Note 5)	Renique Holdings Pty Ltd (Randall Super Fund A/C)	247,300	550,000

Notes:

- 1:** Philip G Crabb is a sole director of Ragged Range Mining Pty Ltd and a 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. Mr Crabb is a trustee for the Crabb Superannuation Fund.

500,000 of the options are exercisable at \$0.675 each on or before 26 February 2009 and the remaining 250,000 options are exercisable at \$0.50 each on or before 28 February 2010.

- 2:** 1,000,000 of the options are exercisable at \$0.50 each on or before 31 May 2010 and the remaining 1,000,000 options are exercisable at \$0.68 each on or before 31 May 2011.

- 3:** Frank DeMarte is a director of Grandeur Holdings Pty Ltd and a 50% shareholder. Mr DeMarte is a trustee and beneficiary of the DeMarte Family Trust and the DeMarte Family Superannuation Fund.

350,000 of the options are exercisable at \$0.325 on or before 28 March 2008, 350,000 of the options are exercisable at \$0.675 on or before 26 February 2009 and the remaining 500,000 options are exercisable at \$0.50 each on or before 28 February 2010.

- 4:** 350,000 of the options are exercisable at \$0.325 on or before 28 March 2008, 350,000 of the options are exercisable at \$0.675 on or before 26 February 2009 and the remaining 500,000 options are exercisable at \$0.50 each on or before 28 February 2010.

- 5:** Malcolm J Randall, together with his wife Carol Randall, control Renique Holdings Pty Ltd and are beneficiaries of the Randall Super Fund.

150,000 of the options are exercisable at \$0.325 on or before 28 March 2008, 150,000 of the options are exercisable at \$0.675 on or before 26 February 2009 and the remaining 250,000 options are exercisable at \$0.50 each on or before 28 February 2010.

- (vi) The following table gives details of the highest, lowest and latest price of the Shares trading on ASX over the past 12 months ending on 15 January 2008:

Security	Highest Price	Date of highest price	Lowest Price	Date of lowest price	Latest Price on 15 January 2008
Ordinary Shares	71.5 cents	1/6/2007	29 cents	11/09/2007	41 cents

Other Information

Under the Australian Equivalent of IFRS, the Company is required to expense the value of the Options in its statement of financial performance for the current financial year. The Directors do not consider that from an economic and commercial point of view, there are any costs of detriments including opportunity costs or taxation consequences for the Company or benefits foregone by the Company in granting the Options pursuant to Resolutions 4 to 8.

Neither the Directors nor the Company are aware of other information that would be reasonably required by Shareholders to make a decision in relation to the financial benefits contemplated by the proposed Resolutions.

Listing Rule 10.11

Listing Rule 10.11 requires the approval of Shareholders by ordinary resolution to any issue by a listed company of securities to a related party. Accordingly, Listing Rule 10.11 requires Shareholders to approve the grant of Options to the Participating Directors.

Additional Information

For the purposes of Listing Rule 10.13, the following information is provided to Shareholders:

- (a) the Options will be granted to Messrs Philip G Crabb, Brett T Lambert, Frank DeMarte, Brian D Richardson and Malcolm J Randall, who are all Directors, or their nominees;
- (b) the maximum number of Options to be granted is 4,250,000;
- (c) the Options will be granted on a date which will be no later than 1 month after the date of this Annual General Meeting;
- (d) the Options will be granted for no consideration;
- (e) no funds will be raised by the grant of the Options; and
- (f) the terms and conditions of the Options are set out in Annexure A to this Explanatory Memorandum.

If approval is given for the grant of the Options under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

RESOLUTION 9 – RATIFICATION OF PREVIOUS ISSUE OF 4,500,000 SHARES AND 4,500,000 GBS OPTIONS TO GBS GOLD HOLDINGS PTY LTD

Background

On 17 September 2007, the Company executed an agreement with TSX listed GBS Gold International Inc's wholly owned subsidiary GBS Gold Holdings Pty Ltd (“**GBS**”) to acquire the uranium rights over GBS's Pine Creek tenements. GBS has consolidated a dominant land holding in the Pine Creek area where it is actively mining and exploring for gold.

The Company has secured the exclusive right to explore for uranium on over 2,500 square kilometres within the highly prospective Pine Creek Orogen in the Northern Territory of Australia.

The Pine Creek Orogen hosts the three most significant uranium provinces in Australia, the Rum Jungle, Alligator Rivers and South Alligator fields. Most of Australia's historic uranium mining operations are located within this region along with the country's largest current producer, Energy Resources of Australia's Ranger Mine. Historic uranium workings and a number of known uranium occurrences are located within the GBS secured tenure.

In consideration for the Pine Creek uranium rights, GBS received 4,500,000 Shares together with 4,500,000 GBS Options exercisable at 45 cents each on or before 30 November 2010. In addition, GBS has been granted gold exploration rights on several tenements the Company holds in the region.

The Company and GBS have formed a joint venture to explore for uranium on GBS's Pine Creek tenements with the Company holding 70% of the joint venture and being the manager, with GBS free carried through to the completion of a feasibility study. Thundelarra and GBS have also agreed to cooperate in relation to the sharing of resources and exploration data from their independent activities.

The majority of GBS's Pine Creek tenements are granted, providing for immediate access to the land. Thundelarra expects to have field crews on the ground before the end of the year.

The Pine Creek uranium rights substantially expand Thundelarra's already extensive holdings to create one of the most significant uranium portfolios in Australia. Thundelarra will continue to ramp up its uranium exploration activities with primary focus on the Northern Territory's Pine Creek and Ngalia Basin regions.

Listing Rule 7.4

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval, provided the issue did not breach the 15% threshold set by Listing Rule 7.1. The effect of such a ratification is to restore a company's maximum discretionary power to issue further shares up to 15% of the issued capital of the company without requiring shareholder approval.

Resolution 9 has been included so that Shareholders may ratify pursuant to Listing Rule 7.4 the previous issue on 30 November 2007 of 4,500,000 Shares at a deemed issue price of \$0.45 each, together with 4,500,000 GBS Options for no consideration, each exercisable at \$0.45 on or before 30 November 2010 to GBS.

The Company wishes to ratify this share issue pursuant to Listing Rule 7.4, in order to allow the Company to have the right to place up to a further 15% of its issued capital at any time during the next 12 months.

For the purpose of Listing Rule 7.4, the following information is provided to Shareholders under Listing Rule 7.5:

- (a) the number of securities issued was 4,500,000 Shares and 4,500,000 GBS Options;
- (b) the allottee of the Shares and GBS Options was GBS Gold Holdings Pty Ltd, which is not a related party of the Company;
- (c) the Shares were issued at a deemed issue price of \$0.45 each and the GBS Options were issued for no consideration;
- (d) the Shares issued are fully paid ordinary shares ranking *pari passu* in all respects with all other Shares on issue. The terms and conditions of the GBS Options are set out in Annexure B to this Explanatory Memorandum; and
- (e) no funds were raised from the issue as the Shares and GBS Options were issued as consideration for the Company to have the sole and exclusive right to conduct exploration for uranium on the Pine Creek Tenements.

THUNDELARRA EXPLORATION LTD
ABN 74 950 465 654

GLOSSARY

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

"ASX" means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited;

"Board" means the board of Directors;

"Business Day" means any day that ASX declares is not a business day;

"Company" means Thundelarra Exploration Ltd ABN 74 950 465 654;

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

"Director" means a director of the Company;

"Explanatory Memorandum" means this Explanatory Memorandum accompanying the Notice;

"GBS" means GBS Gold Holdings Pty Ltd ABN 94 126 471 136;

"GBS Option" means an option to acquire a Share, the terms and conditions of which are set out in Annexure B to the Explanatory Memorandum;

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

"Notice" means the Notice of Annual General Meeting accompanying this Explanatory Memorandum;

"Option" means an option to acquire a Share, the terms and conditions of which are set out in Annexure A to the Explanatory Memorandum;

"Participating Directors" means Messrs Philip G Crabb, Frank DeMarte, Brian D Richardson and Malcolm J Randall;

"Resolution" means a resolution proposed pursuant to the Notice;

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

"Shareholder" means a holder of Shares; and

"WDT" means Australian Western Daylight Time.

THUNDELARRA EXPLORATION LTD
ABN 74 950 465 654

ANNEXURE A

**TERMS AND CONDITIONS OF OPTIONS TO BE GRANTED TO PARTICIPATING
DIRECTORS**

The terms and conditions of the Options are:

1. Each Option will be issued for no consideration;
2. Each Option has an exercise price of \$0.50;
3. Each Option entitles the option holder ("**Option holder**") to subscribe for and be allotted one fully paid ordinary share ("**Share**") in the capital of Thundelarra Exploration Limited ("**THX**") at the exercise price for the Option;
4. The Options are exercisable at any time on or prior to 5.00 pm Western Standard Time on 28 February 2013 ("**Expiry Date**") by completing a notice in writing ("**Notice**") stating the intention of the Option holder to exercise all or a specified number of Options held by him and delivering it to the registered office of THX accompanied by an Option Certificate and a cheque made payable to the Company for the subscription monies for the Shares. The Notice must be received by the Company before the Expiry Date. An Option not exercised before the Expiry Date will lapse. An exercise of only some Options shall not affect the rights of the Option holder to the balance of the Options held by him;
5. The Options are not assignable or transferable without the prior written consent of the directors of THX and will not be listed on the ASX;
6. All Shares issued upon exercise of the Options will rank pari passu in all respects with THX's then issued Shares. THX will apply for official quotation by ASX of all Shares issued upon exercise of the Options;
7. There are no participating rights or entitlements inherent in the Options and the Option holder will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Options unless the Options are first exercised in accordance with these terms and conditions. However, THX must ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 10 Business Days after the issue is announced and the Option holder will be notified of the proposed issue at least 9 Business Days before the record date. This will give the Option holder the opportunity to exercise its Options prior to the date for determining entitlements to participate in any such issue;
8. In the event of any reorganisation (including consolidation, sub-division, reduction or return) of the issued capital of THX prior to the Expiry Date, the rights of the Option holder will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation;
9. If there is a pro rata issue (except a bonus issue) to THX shareholders, the exercise price of an Option will be reduced according to the following formula:

$$O^n = O - \frac{E [(P - (S + D))]}{N + 1}$$

Where:

- O^n = the new exercise price of the Option;
- O = the old exercise price of the Option;
- E = the number of underlying securities into which one Option is exercisable;
- P = the average market price of Shares (weighted by reference to volume) sold in the ordinary course of trading on ASX during the five trading days ending on the day before the ex rights date or the ex entitlements date;
- S = the subscription price for new Shares issued under the pro rata issue;
- D = any dividends due but not yet paid on the existing Shares (except those to be issued under the pro rata issue); and
- N = the number of Shares with rights or entitlements that must be held to receive a right to one new Share.
10. If there is a bonus issue to THX shareholders, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the Option holder would have received if the Option had been exercised before the record date for the bonus issue; and
11. Shares allotted and issued pursuant to the exercise of the Options will be allotted and issued on the above terms and conditions not more than 14 days after the receipt of a properly executed Option Exercise Form and the exercise price in respect of the Option.

THUNDELARRA EXPLORATION LTD
ABN 74 950 465 654

ANNEXURE B

TERMS AND CONDITIONS OF GBS OPTIONS

The terms and conditions of the options are:

1. Each option will be issued for no consideration;
2. Each option has an exercise price of \$0.45;
3. Each option entitles the option holder ("**Option holder**") to subscribe for and be allotted one fully paid ordinary share ("**Share**") in the capital of Thundelarra Exploration Limited ("**THX**") at the exercise price for the option;
4. The options are exercisable at any time on or prior to 5.00 pm Western Standard Time on 30 November 2010 ("**Expiry Date**") by completing a notice in writing ("**Notice**") stating the intention of the Option holder to exercise all or a specified number of options held by him and delivering it to the registered office of THX accompanied by an Option Certificate and a cheque made payable to the Company for the subscription monies for the Shares. The Notice must be received by the Company before the Expiry Date. An option not exercised before the Expiry Date will lapse. An exercise of only some options shall not affect the rights of the Option holder to the balance of the options held by him;
5. The options are assignable or transferable, save that such assignment or transfer must comply with Chapter 6D of the Corporations Act and the options will not be listed on the ASX;
6. All Shares issued upon exercise of the options will rank pari passu in all respects with THX's then issued Shares. THX will apply for official quotation by ASX of all Shares issued upon exercise of the options;
7. There are no participating rights or entitlements inherent in the options and the Option holder will not be entitled to participate in new issues of capital offered to shareholders during the currency of the options unless the options are first exercised in accordance with these terms and conditions. However, THX must ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 10 Business Days after the issue is announced and the Option holder will be notified of the proposed issue at least 9 Business Days before the record date. This will give the Option holder the opportunity to exercise its options prior to the date for determining entitlements to participate in any such issue;
8. In the event of any reorganisation (including consolidation, sub-division, reduction or return) of the issued capital of THX prior to the Expiry Date, the rights of the Option holder will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation;
9. If there is a pro rata issue (except a bonus issue) to THX shareholders, the exercise price of an option will be reduced according to the following formula:

$$O^n = O - \frac{E [(P-(S + D))]}{N + 1}$$

Where:

- O^n = the new exercise price of the option;
- O = the old exercise price of the option;
- E = the number of underlying securities into which one option is exercisable;
- P = the average market price of Shares (weighted by reference to volume) sold in the ordinary course of trading on ASX during the five trading days ending on the day before the ex rights date or the ex entitlements date;
- S = the subscription price for new Shares issued under the pro rata issue;
- D = any dividends due but not yet paid on the existing Shares (except those to be issued under the pro rata issue); and
- N = the number of Shares with rights or entitlements that must be held to receive a right to one new Share.
10. If there is a bonus issue to THX shareholders, the number of Shares over which an option is exercisable will be increased by the number of Shares which the Option holder would have received if the option had been exercised before the record date for the bonus issue; and
 11. Shares allotted and issued pursuant to the exercise of the options will be allotted and issued on the above terms and conditions not more than 14 days after the receipt of a properly executed Option Exercise Form and the exercise price in respect of the option.

TO LODGE A PROXY FORM:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia
Facsimile 61 8 9323 2033

FOR ALL ENQUIRIES CALL:

(within Australia) 1300 557 010
(outside Australia) 61 3 9415 4000

000002 000 THXRM
MR JOHN SMITH 1
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

 **FOR YOUR VOTE TO BE EFFECTIVE IT MUST BE RECEIVED BY 10.30am (WDT) ON WEDNESDAY 20 FEBRUARY 2008**



YOUR ANNUAL REPORT IS AVAILABLE ONLINE, SIMPLY VISIT:
<http://www.thundelarra.com/investor.asp>

- ☒ **Access your annual report**
☒ **Review and update your securityholding**

YOUR SECURE ONLINE ACCESS INFORMATION

SRN/HIN:

POST CODE:

! FOR SECURITY REASONS IT IS
IMPORTANT THAT YOU KEEP
YOUR SRN/HIN CONFIDENTIAL.

HOW TO COMPLETE THIS PROXY FORM *Please read these notes prior to completion of the voting form.*

VOTES ON ITEMS OF BUSINESS

Voting 100% of your holding. You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

Voting a portion of your holding. You may indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. The sum of the votes cast on each item or the percentages for and against an item must not exceed your voting entitlement or 100%.

A proxy need not be a securityholder of the Company.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the proportion or number of votes each proxy may exercise, otherwise each proxy may exercise half of the votes. Fractions of votes will be disregarded. A separate Proxy Form should be used for each proxy. You can obtain additional forms by telephoning the company's share registry or you may copy this form. If you lodge two proxies please lodge both forms together.

SIGNING INSTRUCTIONS

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of a corporate securityholder or proxy is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained by telephoning the company's share registry or at www.computershare.com.

LODGEMENT OF A PROXY FORM. This Form (and any Power of Attorney under which it is signed) must be received at an address given above no later than 48 hours before the commencement of the meeting at 10.30am (WDT), Friday, 22 February 2008. Any Proxy Form received after that time will not be valid for the scheduled meeting.

STEP 1 APPOINT A PROXY TO VOTE ON YOUR BEHALF

I/We being a member/s of Thundelarra Exploration Ltd hereby appoint

☐

the Chairman
of the Meeting **OR**



Please leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Thundelarra Exploration Ltd to be held at The President's Room, The Celtic Club, 48 Ord Street, West Perth, Western Australia on Friday, 22 February 2008 at 10.30am (WDT) and at any adjournment of that meeting.

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IMPORTANT: FOR RESOLUTION 4 BELOW If the Chairman of the Meeting is your nominated proxy, or may be appointed by default, and you have not directed your proxy how to vote on Resolution 4 below, please place a mark in this box. By marking this box you acknowledge that the Chairman of the Meeting may exercise your proxy even if he has an interest in the outcome of that Resolution and that votes cast by him, other than as proxy holder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Resolution 4 and your votes will not be counted in computing the required majority if a poll is called on this Resolution. The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 4.

STEP 2 ITEMS OF BUSINESS

PLEASE NOTE: If you mark the **Abstain** box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

		For	Against	Abstain
Resolution 1	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr Frank DeMarte as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Mr Malcolm Randall as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval to Grant Options to a Director - Mr Philip G Crabb	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval to Grant Options to a Director - Mr Brett T Lambert	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval to Grant Options to a Director - Mr Frank DeMarte	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval to Grant Options to a Director - Mr Brian D Richardson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Approval to Grant Options to a Director - Mr Malcolm J Randall	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Ratification of Previous Issue of 4,500,000 Shares and 4,500,000 GBS Options to GBS Gold Holdings Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

In addition to the intention advised above, the Chairman of the Meeting intends to vote undirected proxies in favour of each of the other items of business.

SIGN SIGNATURE OF SECURITYHOLDER(S) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary



000002 000 THXRM
MR JOHN SMITH 1
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐

Change of name and/or address. If your name and/or address is incorrect, please mark this box and make the correction on this form. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes. Please note, you cannot change ownership of your securities using this form.

IND