



THUNDELARRA

EXPLORATION LTD

Suite 2, Level 3, IBM Building
1060 Hay St, West Perth
Western Australia 6005
PO Box 7363, Cloisters Square
Perth WA 6850
Tel 61 8 9321 9680
Fax 61 8 9321 9670
perth@thundelarra.com
www.thundelarra.com

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

26 February 2009

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



Via Electronic Lodgement

Dear Sir/Madam

DISPATCH OF RIGHTS ISSUE PROSPECTUS

Thundelarra Exploration Ltd ("**Company**") wishes to advise that its renounceable rights issue prospectus dated 6 February 2009 (and lodged with the Australian Securities and Investments Commission on that date) ("**Prospectus**"), together with personalised Entitlement and Acceptance Forms, will be dispatched to Eligible Shareholders today.

Applications for Shortfall

An application to participate in any shortfall under the rights issue ("**Shortfall**") may be made by an Eligible Shareholder or any member of the public in Australia or New Zealand.

The offer of the securities comprising the Shortfall is made in the Prospectus. The Prospectus has been issued as an electronic Prospectus in relation to the Shortfall and is available on the Company's website at www.thundelarra.com. The offer of securities comprising the Shortfall pursuant to the Prospectus is only available to persons receiving an electronic version of the Prospectus within Australia.

Prior to the closing date for the receipt of applications for Shortfall, any person may obtain a hard copy of the Prospectus by contacting the Company by email at info@thundelarra.com or by telephone (08) 9321 9680.

The Prospectus should be considered carefully before deciding whether to acquire any securities in the Company.

Anyone wishing to acquire securities comprising any Shortfall will need to complete the Shortfall Application Form accompanying the Prospectus.

The completed Shortfall Application Form and accompanying cheque must be received by the Company's Share Registry at:

By Post:

Computershare Investor Services Pty
Limited
Locked Bag 2508
PERTH WA 6001

By Delivery:

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

not later than 5.00pm WDT on 13 March 2009 or such later date as advised. Cheques should be made payable to "**Thundelarra Exploration Ltd – Share Account**" and crossed "Not Negotiable".

It should be noted that any resultant Shortfall will be allocated at the discretion of the Directors in consultation with the underwriter to the rights issue, and in accordance with the provisions of the underwriting agreement. In the event that applications for the Shortfall cannot be filled in full or in part, application monies (without interest) will be refunded by the Company in accordance with the provisions of the Corporations Act. **There is no guarantee that applicants will receive any Shortfall securities.**

Yours sincerely

THUNDELARRA EXPLORATION LTD

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

Frank DeMarte
COMPANY SECRETARY