

**ASX
ANNOUNCEMENT**

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Thundelarra Exploration Ltd

ABN 74 950 465 654

ACN 085 782 994

For further information
regarding Thundelarra
Exploration Ltd contact:

Brett Lambert
Managing Director

or

Brian Richardson
Director of Exploration

Phone: + 61 8 9321 9680

Fax: + 61 8 9321 9670

Website:

www.thundelarra.com

Email:

info@thundelarra.com.au

Registered Office:

Suite 2, Level 3,
IBM Building
1060 Hay Street,
West Perth
Western Australia 6005

PO Box 7363, Cloisters
Square Perth Western
Australia 6850



THUNDELARRA
EXPLORATION

Ngalia Basin Drilling Underway

Thundelarra is pleased to report that drilling has commenced at the Ngalia Basin uranium project.

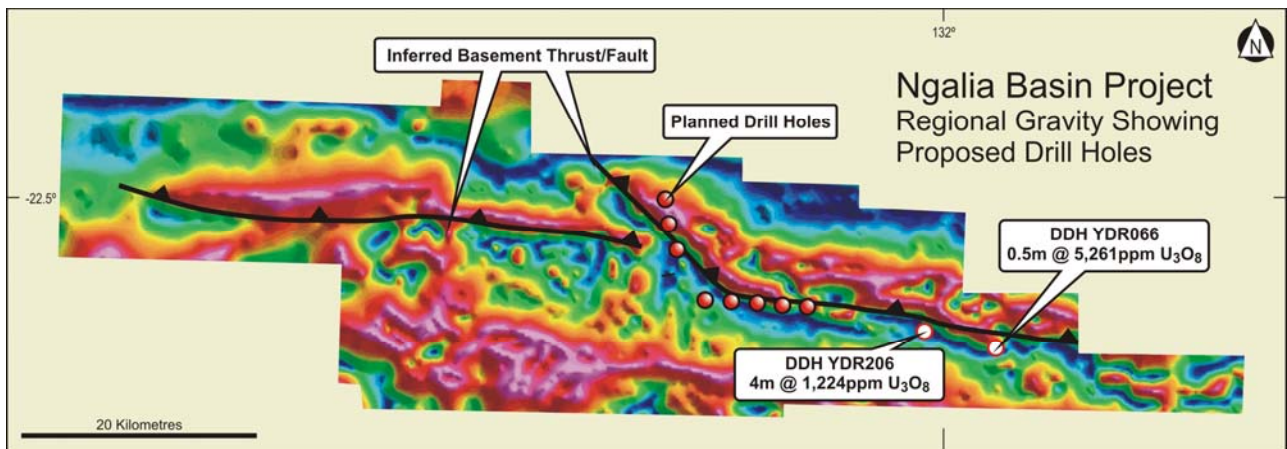
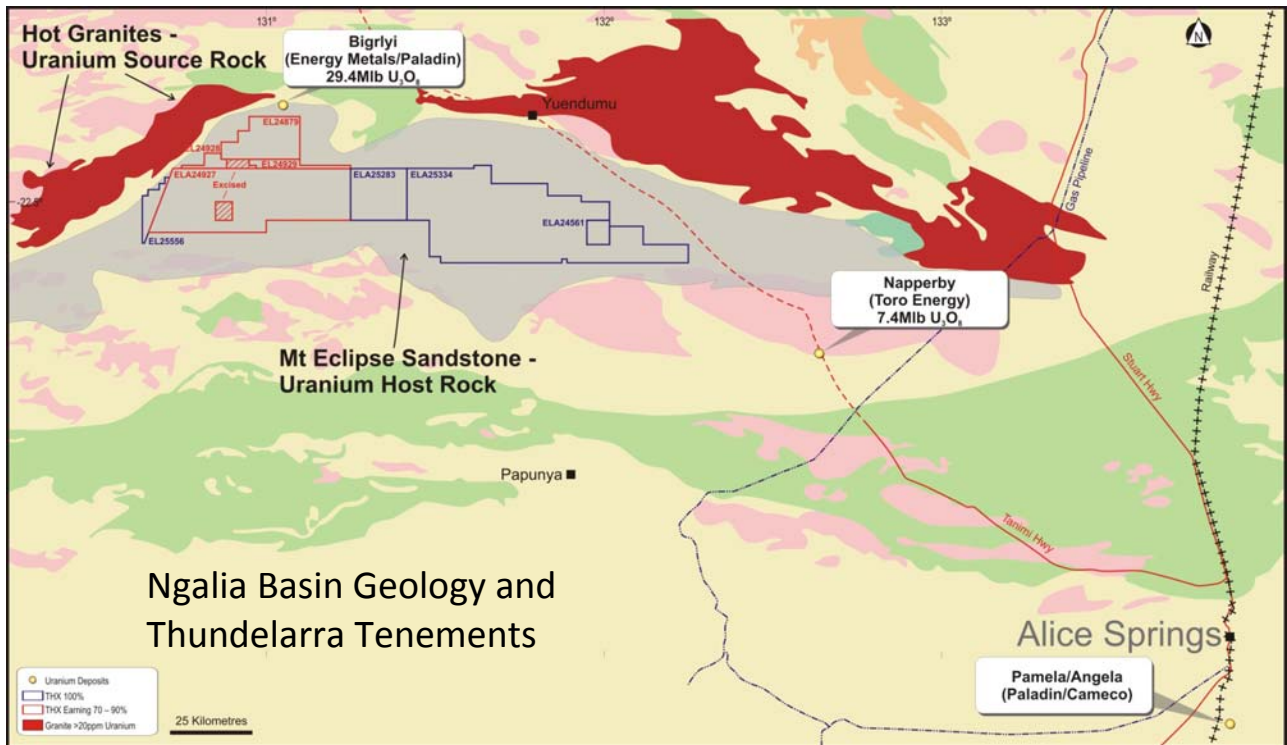
After some delays associated with abnormally high rainfall over recent weeks, Thundelarra has established a substantial camp at Ngalia that will support a sustained campaign with 10,000 drill metres planned for this year.

Drilling is directed at the Mt Eclipse Sandstone which hosts the 30 million pound Bigrlyi deposit (Energy Metals/Paladin). A detailed gravity survey carried out in 2009 is assisting Thundelarra to target the Mt Eclipse Sandstone adjacent to major basement thrusts and faults that are associated with Bigrlyi and other known uranium occurrences in the Basin.

The current program is the first drilling carried out by Thundelarra at Ngalia and the first drilling carried out by anyone in the central basin since the introduction of the now abolished Three Mines Policy in 1984. The early 1980's drilling successfully intersected uranium mineralisation, with grades of up to 5,000 ppm U₃O₈ reported from Thundelarra's tenements. However most of the Company's tenure remains completely untested.

The Ngalia drilling program is part of a major escalation in exploration activity being implemented by Thundelarra in 2010. In the Pine Creek region the Company is planning 25,000 metres of RC and diamond drilling. This drilling will be directed towards defining a maiden resource at the high grade Thunderball prospect and the testing of several nearby high priority targets.

The 35,000 drill metres planned for Thundelarra's Northern Territory uranium projects in 2010 represents a very substantial step-up from the 5,000 metres drilled in 2009. The Company is well positioned to vigorously pursue development of its high quality uranium projects with over \$25 million cash on hand at the end of last quarter.



The details contained in this report that pertains to ore and mineralisations are 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.