

MAJOR EXPLORATION CAMPAIGN UNDERWAY

- **Over 50,000 drill metres planned for 2011**
- **Focus on advanced targets where significant mineralisation has already been intersected**
- **High expectations of expanding existing JORC resources**

Thundelarra is pleased to report that after some delay caused by record levels of rainfall in much of rural Australia, work has now commenced on the most significant exploration campaign in the Company's history.

In 2010 substantial investment in airborne and ground based geophysical programs and over 30,000 metres of exploration drilling delivered significant success for Thundelarra, in both uranium and base metals. In contrast to last year where much of the effort involved target generation and first pass drill testing, Thundelarra is now in a position to direct a substantial drilling campaign at prospects that have already produced significant intersections. Over 50,000 metres of RC, diamond and mud-rotary drilling are planned and the Company has a high expectation that this will result in the delineation of additional mineralisation and an expansion of existing JORC Resources.

At the Red Bore project (M52/597, THX earning 60%) a down-hole electromagnetic (DHEM) survey has recently been completed, with data forwarded to the Company's consultant geophysicist last week. Modelling of DHEM data is underway and once complete will be used to assist in the design of a deep diamond drilling program at Red Bore.

The drilling program will test target horizons beneath the Red Bore gossan where last year Thundelarra intersected high grade copper-gold mineralisation (up to 17 metres at 11.7% copper and 1.73 g/t gold, see ASX 25 August 2010) and the North West gossan which is in close proximity to Sandfire Resources' Conductor 5 deposit (1.1 Mt at 6.6% copper and 3.0 g/t gold). Holes of up to 600 metres depth are planned with the drilling contractor expected on site by early May.

Thundelarra currently has a field crew on site at the Curara Well project (E52/2402, THX 100%) prioritising drill targets within a north east trending zone that is along strike and in the same orientation as the Sandfire DeGrussa deposits. An extensive program of drilling to test a series of VTEM and geochemical copper anomalies within the 10 kilometre strike extent of prospective rocks is planned to commence on completion of heritage clearance surveys.

At the Bluebush project, also within the Doolgunna region, an airborne magnetic survey is currently underway in search of an easterly extension to the Horseshoe Lights stratigraphy.

15,000 metres of RC and diamond drilling have been budgeted for the Base Metals Division in 2011, predominantly directed at the Red Bore and Curara Well projects.

Field work has now also commenced in the Ngalia Basin where last year Thundelarra identified an extensive uranium bearing paleochannel system (see ASX 28 October 2010). Every hole drilled into the system in 2010 intersected anomalous uranium mineralisation, with assays of up to 1,798 ppm U₃O₈ returned. A Tempest airborne electromagnetic survey subsequently delineated approximately 400 kilometres of paleochannel within Thundelarra's central Ngalia Basin tenure (see ASX 10

February 2011), of which less than one percent has been drill tested. This is considered to be a very significant discovery. In 2011, 20,000 metres of mud-rotary drilling in 155 holes is planned to further evaluate the Ngalia paleochannel system.

The construction of a camp and support facilities at Ngalia is nearing completion and the drilling contractor has commenced mobilisation to site in preparation for drilling to commence in approximately one week. Drilling is expected to continue until November.

Access to the Company's Pine Creek tenements remains restricted due to the northern monsoon season, however planning is well advanced on drilling programs to be implemented upon cessation of the summer rains. At the Hayes Creek project deep diamond drilling will be employed to test for extensions to the Thunderball uranium resource, targeting a zone of intense deformation that has been identified on the hinge of the Thunderball anticline and the prospective contact between the Gerowie Tuff and Zamu Dolerite. Further drilling will also be carried out on a number of other prospects at Hayes Creek that returned high grade intercepts from initial drill testing in 2010 with the aim of defining additional uranium resources.

At the Allamber project, on the eastern side Thundelarra's Pine Creek tenure, extensive drilling is planned to follow up significant uranium (up to 3,926 ppm U_3O_8) and copper (up to 7 metres at 9.69%) drill intersections achieved in late 2010 (see ASX 6 December 2010). There is a high degree of confidence, based on a detailed review of historical work and last year's drilling results, that the existing uranium resource at Allamber can be expanded significantly.

It is anticipated that, based on typical weather patterns, drilling could commence at Hayes Creek late this month, with work at Allamber to follow approximately one month later. 20,000 metres of RC and diamond drilling has been budgeted for the Pine Creek region in 2011.

For Further Information Contact: Brett Lambert - Managing Director +61 8 9321 9680



Mud-Rotary Drilling at Ngalia Basin in 2010

ABOUT THUNDELARRA

Thundelarra controls in excess of 8,000 square kilometres of tenure in the Northern Territory's Pine Creek and Ngalia Basin uranium provinces. The Company has made a number of significant uranium discoveries in both regions and has JORC compliant resources at both the Hayes Creek and Allamber Projects. Exceptionally high grade mineralisation has been identified at Hayes Creek with drilling returning assays of up to 20.3% U₃O₈. In the Ngalia Basin Thundelarra has discovered a major uranium bearing paleochannel system demonstrating potential to host significant scale deposits and characteristics favourable for in-situ recovery (ISR).

In Western Australia Thundelarra controls 11 tenements in the Doolgunna region totalling 1,500 square kilometres, including ground immediately along strike from Sandfire Resources' DeGrussa deposit. Recent drilling by Thundelarra has intersected significant high grade copper-gold mineralisation. The Company also retains substantial base metals exploration tenure in the East Kimberly and a 40% interest in the Copernicus nickel sulphide mine.

Thundelarra is very well funded and is aggressively exploring its key projects with the aim of progressing its discoveries through to commercial production.

REGISTERED OFFICE

Level 3, 1060 Hay St West Perth WA 6005
PO Box 7363 Cloisters Square WA 6850

Ph: +61 8 9321 9680
Fax: +61 8 9321 9670
ABN: 74 950 465 654

www.thundelarra.com.au
info@thundelarra.com.au
ACN: 085 782 994

ASX CODES: THX & THXOA

Issued Shares: 153.5M

Market Cap: \$64M

Competent Person's Statement

The details contained in this report that pertain to ore and mineralisation 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.