

## DRILLING AT PRISCILLA PROSPECT INTERSECTS 118 g/t GOLD

Thundelarra is pleased to report that the Company's first drilling program at the Priscilla Gold Prospect in the Northern Territory has intersected significant gold mineralisation.

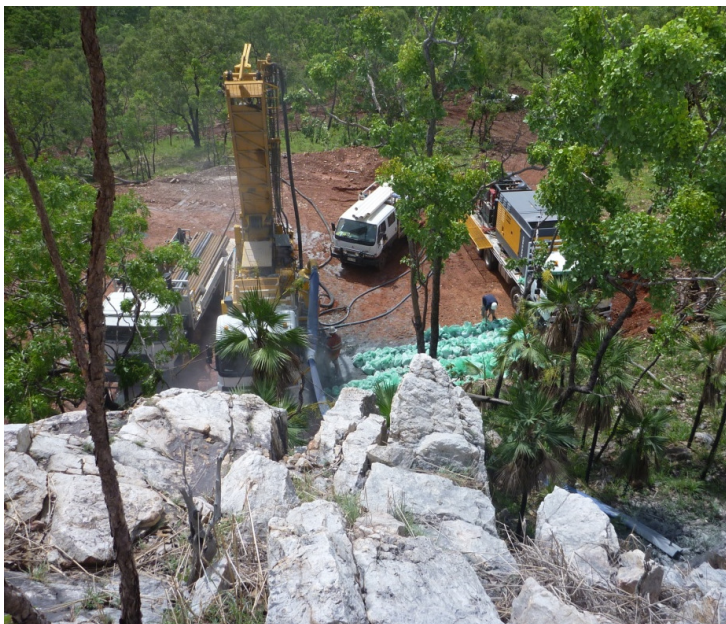
- **Multiple intercepts of elevated gold values were recorded over significant widths**
- **Hole TPCRC159 returned 4 metres at 118 g/t gold**
- **Only 3 out of 20 targets were tested by the initial drilling program**

In early December Thundelarra completed a 30 hole, 3,578 metre angled reverse circulation (RC) drilling program designed as a preliminary assessment of selected targets at the Priscilla Gold Prospect. Assays from the first 14 holes are now available with most holes returning significantly elevated gold values over widths of up to 12 metres. Hole TPCRC159 returned 4 metres at 118 g/t gold from 40 metres depth. Intercepts of greater than 0.5 g/t are presented in the following table with hole locations shown on the attached map.

The Priscilla Gold Prospect occurs in the central part of the Pine Creek Goldfield, some 160 kilometres south of Darwin and hosts numerous historical hardrock, alluvial and eluvial gold workings dating back to the early 1900's. The tenements occur 300 metres to the south and along strike from the operating Princess Louise gold mine and are located adjacent to the historic Iron Blow gold and silver mine. The area has undergone limited modern hardrock exploration with much of the prospect largely unexplored due to extensive prospector mining of gold bearing alluvial channels.

During 2011 Thundelarra carried out detailed mapping of the entire prospect at 1:1000 scale identifying 20 target areas, of which only 3 were tested during the initial drilling program. The preliminary results are highly encouraging, confirming that high grade, hardrock gold mineralisation does occur at Priscilla. Assays from the remaining 16 holes will be available in January and it is hoped that these results will provide further support for the potential of the prospect to host a significant gold deposit.

Drilling is currently suspended with the onset of the wet season, however access to Priscilla is relatively secure and should permit follow up drilling to commence early in the 2012 field season.



Drilling at the Priscilla Gold Prospect

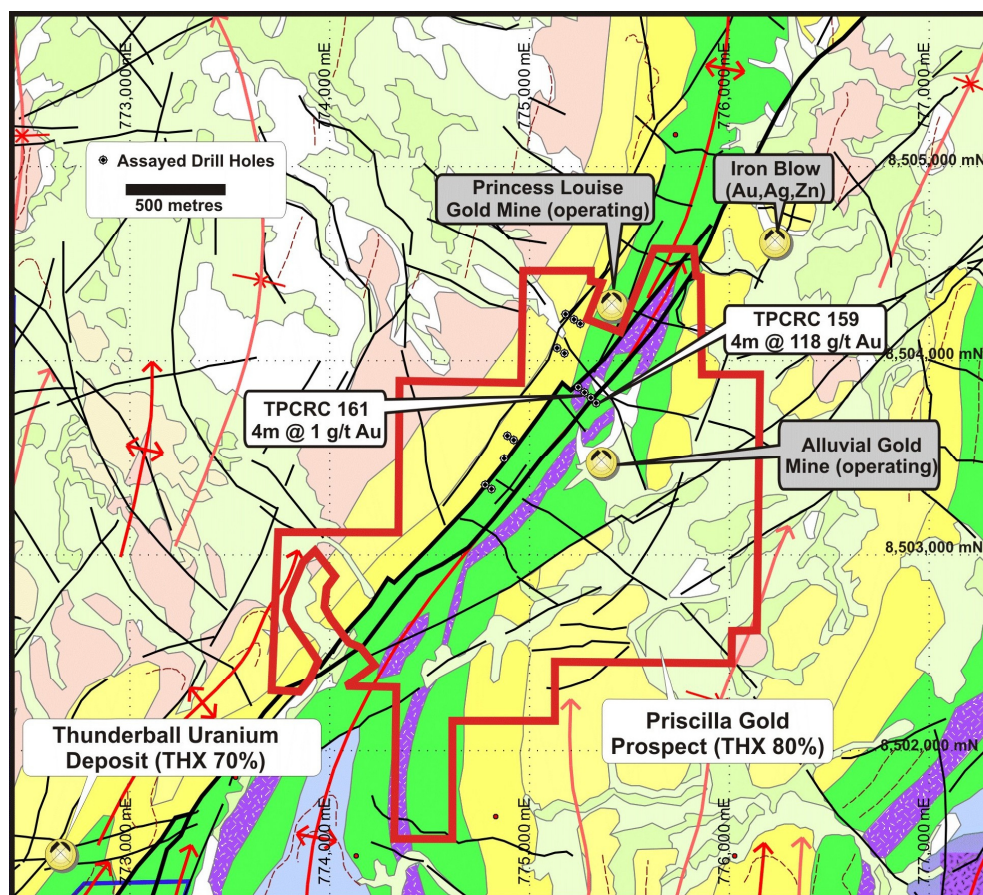
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**PRISCILLA GOLD PROSPECT – TABLE OF SIGNIFICANT INTERCEPTS (> 0.5 g/t)**

Hole No.	Prospect	East	North	Dip/Azi	From-To (m)	Interval (m)	Gold (g/t)
TPCRC149	Priscilla	775138	8504065	-60/121	4-8	4	0.5
and					60-64	4	0.9
TPCRC151	Priscilla	775181	8504239	-60/121	126-130	4	0.9
TPCRC154	Priscilla	774888	8503617	-60/131	60-64	4	0.7
TPCRC155	Priscilla	774873	8503494	-60/131	108-112	4	0.5
TPCRC159	Priscilla	775331	8503785	-60/131	16-20	4	1.4
and					36-40	4	118.0
TPCRC160	Priscilla	775306	8503810	-60/131	76-80	4	0.8
TPCRC161	Priscilla	775275	8503836	-60/131	84-88	4	1.0

Note: Datum is MGA Zone 52 GDA 94.

All samples taken as 4 metre composites, mineralised intercepts will be re-assayed on 1 metre intervals.

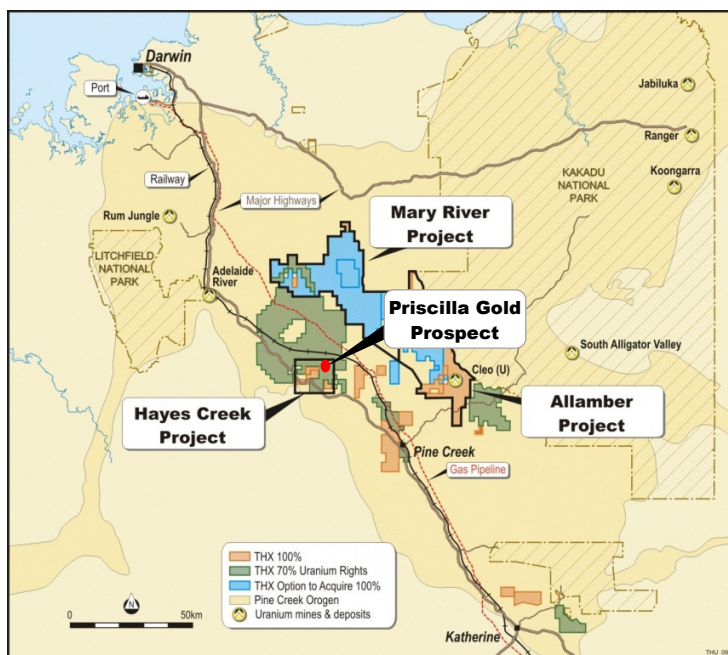


Priscilla Gold Prospect



Thundelarra holds an 80% interest in the Priscilla tenements, with Crocodile Gold Australia owning the remaining 20%.

Crocodile Gold has 3.2 million ounces of National Instrument 43-101 compliant measured and indicated mineral resources (51.8 million tonnes at an average grade of 1.9 g/t gold) and 2.1 million ounces of inferred mineral resources (36.4 million tonnes at an average grade of 1.8 g/t gold) within the Pine Creek Goldfield. Crocodile Gold is currently mining from the Mottram and Princess Louise open pit mines and is developing the Cosmo underground mine. Ore is processed at the 2.4 million tonne per year Union Reefs Mill.



Priscilla Gold Prospect Location Map

## ABOUT THUNDELARRA

Thundelarra has extensive exploration tenure in the Northern Territory's Pine Creek and Ngalia Basin regions where the Company has made a number of significant uranium discoveries. Exceptionally high grade mineralisation has been identified at Hayes Creek with drilling returning assays of up to 20.3%  $U_3O_8$ . In the Ngalia Basin Thundelarra has discovered a major uranium bearing paleochannel system demonstrating potential to host significant scale deposits with characteristics favourable for in-situ recovery (ISR). The Company has also discovered significant copper mineralisation in the Pine Creek region and has a number highly prospective gold targets.

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

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ASX CODES: THX & THXOA

Issued Shares: 154.8M

Market Cap: \$25M

## Component Person's Statement

The details contained in this report that pertain to Exploration Results, Mineral Resources or Ore Reserves 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.