

NOTICE LETTERS TO SHAREHOLDERS

Thundelarra Exploration Ltd ("Company") is pleased to advise that the attached letters will be sent to the following shareholders today in accordance with the notice requirements for the recently announced non renounceable Rights Issue:

- (1) shareholders registered as resident in Australia and New Zealand; and
- (2) shareholders registered in any country or jurisdiction outside of Australia and New Zealand advising them that the Company will not be extending the Rights Issue to them.

For further Information please contact:

Mr Tony Lofthouse
Chief Executive Officer
+61 8 9321 9680

ASX CODES: THX & THXOA



THUNDELARRA

EXPLORATION LTD

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Thundelarra Exploration Ltd
ABN 74 950 465 654
ARBN 085 782 994
ASX THX



28 August 2012

[Name of Shareholder]
[Address]
[Address]

Dear Shareholder

NON RENOUNCEABLE RIGHTS ISSUE - DETAILS

On 24 August 2012 Thundelarra Exploration Ltd ACN 085 782 994 ("**Company**") announced that the Company would be conducting a pro-rata non renounceable rights issue to shareholders of up to approximately 89,014,464 fully paid ordinary shares in the capital of the Company ("**Shares**") on the basis of one (1) Share for every two (2) Shares held at 5.00 pm (WST) on 10 September 2012 ("**Record Date**") at an issue price of 5 cents per share ("**Right Issue**"). The Rights Issue will raise up to approximately \$4,450,723 (before expenses), if all of the entitlements are taken up (excluding any Shares that may be issued as a result of any options exercised prior to the Record Date).

The Rights Issue is not underwritten.

The Rights Issue will be made to all registered shareholders on the Record Date who are recorded on the Company's register as residing in Australia and New Zealand.

The Rights Issue is made pursuant to a prospectus lodged with the Australian Securities and Investments Commission ("**ASIC**") on 24 August 2012 ("**Prospectus**") and released to the Australian Securities Exchange ("**ASX**") on the same date. The Prospectus is available on the Company's website at www.thundelarra.com or on the ASX website (company announcements section, ASX code: THX) at www.asx.com.au.

It is anticipated that the Prospectus will be sent to all shareholders in Australia and New Zealand on 13 September 2012.

Proposed Timetable*

The current proposed timetable for the Rights Issue is set out below. The dates are indicative only and the Company reserves the right to vary the dates subject to the Corporations Act 2001 (Cth), the Listing Rules of the ASX ("**Listing Rules**") and other applicable law.

Prospectus lodged with ASIC and ASX	24 August 2012
Securities quoted on an "Ex" basis	4 September 2012
Record Date to determine Entitlements pursuant to the Rights Issue	10 September 2012
Prospectus with Entitlement and Acceptance form dispatched to Shareholders	13 September 2012

Closing date for acceptance and receipt of applications under the Rights Issue	27 September 2012
Notify ASX of under subscriptions	2 October 2012
Allotment of Shares	4 October 2012
Despatch of holding statements	5 October 2012

** The Directors reserve the right to vary the key dates without prior notice, subject to ASX Listing Rules.*

*** The Directors may extend the Closing Date by giving at least six Business Days notice to the ASX prior to the Closing Date. As such, the date the Shares are expected to commence trading on the ASX may vary.*

Information required to be given to you in accordance with Listing Rules:

Pursuant to the Listing Rules, the Company is required to provide to you certain information before proceeding with the Rights Issue. This letter contains all the information required by Appendix 3B of the Listing Rules.

- Up to a maximum of 89,014,464 Shares will be issued pursuant to the Rights Issue (assuming no existing options are exercised prior to the Record Date).
- The Shares rank equally in all respects from the date of allotment with the existing class of quoted Shares.
- The issue price of the Shares will be \$0.05 each.
- The Company will apply for quotation of the Shares issued pursuant to the Rights Issue on the official list of the ASX.
- The Shares will be fully paid ordinary shares in the capital of the Company.
- The funds raised by the Rights Issue will be used towards the expenses of the Rights Issue, ongoing exploration and the evaluation on the Company's base metal projects located in Western Australia, ongoing exploration and evaluation activities on the Company's uranium projects located in the Northern Territory, administration expenses and general working capital of the Company.
- It is expected that the Shares will be entered into uncertificated holdings on 5 October 2012.
- The total number and class of all securities quoted on the ASX (including the maximum number of Shares to be issued under the Rights Issue on an undiluted basis – i.e. assuming none of the Company's existing options are exercised prior to the Record Date) is as follows:

Number	Class
267,043,391	Ordinary shares
6,778,130	Quoted Options exercisable at 20 cents each on or before 29 March 2013

- The following are the securities of the Company not quoted on the ASX:

Number	Class
280,000	Options exercisable at 32 cents each on or before 30 September 2012
4,250,000	Options exercisable at 50 cents each on or before 28 February 2013
4,250,000	Options exercisable at 20 cents each on or before 28 February 2014
6,750,000	Options exercisable at 64 cents each on or before 25 February 2015
1,160,000	Options exercisable at 96 cents each on or before 20 September 2013

6,750,000	Options exercisable at 84 cents each on or before 27 February 2016
1,025,000	Options exercisable at 39 cents each on or before 30 June 2014
2,000,000	Options exercisable at 23 cents each on or before 28 February 2017
1,000,000	Options exercisable at 25 cents each on or before 16 April 2014
1,000,000	Options exercisable at 25 cents each on or before 16 April 2015

10. The Company currently has no dividend policy. However, pursuant to the Constitution of the Company, the Directors may from time to time declare a dividend to be paid to the shareholders entitled to the dividend. No dividend may be paid except out of profits.
11. No shareholder approval for the Rights Issue is required.
12. The Rights Issue is ***non renounceable***. This means that shareholders who do not wish to subscribe for all or some of the Shares offered under the Rights Issue may not sell or trade any of their respective rights.
13. The Shares to be offered under the Rights Issue will be offered on the basis of one (1) Share for every two (2) Shares held by eligible shareholders at 5.00pm WST on the Record Date (i.e. 10 September 2012).
14. The offer under the Rights Issue relates to ordinary fully paid shares in the capital of the Company.
15. The ***record date*** to determine entitlements is 10 September 2012.
16. The Ex date is 4 September 2012.
17. Holdings on different registers (or subregisters) will not be aggregated for calculating entitlements.
18. In determining the entitlement of shareholders, any fractional entitlement will be round up to the nearest whole number.
19. The Company will not be sending an offer under the Rights Issue to any shareholders who are not recorded on the Company register as resident in Australia or New Zealand as at the Record Date.
20. The closing date for receipt of acceptances is 5.00pm WST on 27 September 2012.
21. The Rights Issue is not underwritten.
22. There is no broker to the Rights Issue.
23. The Company reserves the right to pay a commission of up to 3% (exclusive of GST) of amounts subscribed through any licensed securities dealers or Australian financial services licensees in respect of any valid Shortfall Application Form lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian financial services licensee.
24. The Prospectus for the Rights Issue and the accompanying Entitlement and Acceptance Form will be sent to shareholders on 13 September 2012.
25. Existing option holders may participate in the Rights Issue upon exercise of their options. The Company sent a notice to option holders on 27 August 2012 to notify option holders of their right to participate in the Rights Issue upon exercise of their options.

26. There is no rights trading available to the shareholders in relation to Rights Issue.
27. The latest date for entry of the securities into your security holdings is 8 October 2012.
28. If you wish to take up all or part of your entitlement, complete the accompanying Entitlement and Acceptance Form in accordance with the instructions set out in the form. Forward your completed Entitlement and Acceptance Form, together with payment for the amount shown on the form or for such lesser amount as you wish to apply for, so as to reach the Company's share registry no later than 5.00 pm (WST) on 27 September 2012 ("**Closing Date**").
28. Shareholders who have subscribed for their entitlement under the Rights Issue in full may also apply for additional Shares in addition to their entitlement. Refer to the brief instructions on page 9 of the Prospectus, together with section 1.8 of the Prospectus if you wish to apply for additional Shares. A single cheque or BPAY payment should be used for the application money for your entitlement and the number of additional Shares for which you wish to apply.
29. Any entitlements not taken up by eligible shareholders may become available as shortfall (**Shortfall**) which may be placed by the Company. The offer of any Shortfall is a separate offer made pursuant to the Prospectus (**Shortfall Offer**) and will remain open after the Closing Date. Shares offered pursuant to the Shortfall Offer will be issued at the same issue price as the Shares offered to eligible shareholders under the Rights Issue.
30. Non-shareholder applicants can apply for Shares under the Shortfall Offer by completing the Shortfall Application Form attached to the Prospectus and returning it together with a single cheque for the appropriate application monies (at \$0.05 per Share applied for) to the address shown on the Shortfall Application Form. The Directors reserve the right, subject to the requirements of the Listing Rules and the Corporations Act, to place any of the Shortfall at their discretion within 3 months after the Closing Date (in accordance with Listing Rule 7.2 exception 3).
31. If you do not wish to accept part or all of your entitlement, you are not obliged to do anything.

The above information was provided to the ASX on 28 August 2012.

This letter is not a prospectus and does not constitute an offer of securities. An offer of Shares under the Rights Issue will only be made in, or accompanied by, a copy of the Prospectus sent to all eligible shareholders. Before deciding whether to apply for Shares under the Rights Issue, you should consider the terms of the Prospectus carefully. If in doubt, consult with your professional adviser.

For further information on your entitlement please contact the Company on (08) 9321 9680 (within Australia) and +61 8 9321 9680 (outside Australia), or the Company's share register – Computershare on 1300 850 505 (within Australia) and +61 3 9415 4000 (outside Australia), or your stockbroker.

Yours faithfully

THUNDELARRA EXPLORATION LTD



Frank DeMarte
COMPANY SECRETARY



THUNDELARRA

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Thundelarra Exploration Ltd
ABN 74 950 465 654
ARBN 085 782 994
ASX THX



28 August 2012

[Name of Overseas Shareholder]
[Address]
[Address]

Dear Overseas Shareholder

NON RENOUNCEABLE RIGHTS ISSUE

As you may be aware, Thundelarra Exploration Ltd ("**Company**") is currently undertaking a pro-rata non-renounceable rights issue ("**Rights Issue**" or "**Offer**") pursuant to a prospectus dated 24 August 2012 ("**Prospectus**"). The Company anticipates that the Rights Issue will close on 27 September 2012.

The Prospectus is for a non renounceable rights issue to existing shareholders in Australia and New Zealand of up to approximately 89,014,464 fully paid ordinary shares in the capital of the Company ("**Shares**") on the basis of 1 Share for every 2 Shares held at 5.00 pm (WST) on 10 September 2012 ("**Record Date**") at an issue price of 5 cents per Share. The Rights Issue will raise approximately \$4,450,723 (before expenses), if all of the entitlements are taken up (excluding any Shares that may be issued as a result of any options that are exercised prior to the Record Date).

The Company has determined, pursuant to Listing Rule 7.7.1(a) of the Listing Rules of ASX Limited ("**ASX Listing Rules**"), that it would be unreasonable to make the Offer to any person located in any country or jurisdiction outside of Australia and New Zealand. Accordingly, the Company will not be extending the Offer to shareholders located in any country or jurisdiction outside of Australia or New Zealand

Should you have any queries please contact the Company on +61 8 9321 9680 or the Company's Share Registry on +61 3 9415 4000.

Yours faithfully

THUNDELARRA EXPLORATION LTD

Frank DeMarte
COMPANY SECRETARY