

SECOND QUARTER ACTIVITY & CASHFLOW REPORT 31 MARCH 2018

HIGHLIGHTS OF EXPLORATION ACTIVITIES

WESTERN AUSTRALIA

- **Garden Gully Gold Project, Murchison Region (THX 100%)**
 - *Assays received from all Phase 5 drillholes and reported to market*
 - *CroPwn Prince delivered new significant intersections:*
 - *3.5m at 7.6 gAu/t from 109m downhole in TGGRC086*
 - *2.6m at 7.5 gAu/t from 130m downhole in TGGRC090*
 - *4.0m at 16.5 gAu/t from 166m downhole in TGGRC103*
 - *Lydia delivered new significant intersections:*
 - *11m at 2.9 gAu/t from 120m downhole in TGGRC096*
 - *9m at 4.8 gAu/t from 213m downhole in TGGRC097*
 - *10m at 2.6 gAu/t from 115m downhole in TGGRCDD098*
 - *All holes intercepted gold mineralisation*
 - *Transylvania delivered new significant intersections:*
 - *8m at 3.3 gAu/t from 68m downhole in TGGRC123*
 - *Battery delivered new significant intersections:*
 - *4m at 2.6 gAu/t from 52m downhole in TGGRC137*
 - *Air Core drilling programme undertaken to test for extensions of existing mineralisation and to identify new targets for follow-up*

CORPORATE

- **Cash position at 31 March 2018 (excluding equity investments): \$3.68 million**
- **Current marked to market value of equity investments: \$0.2 million**

SUBSEQUENT EVENTS SINCE 31 MARCH

- **Phase 6 drilling underway at Crown Prince: two rigs – one RC, one DD**
- **Testing for extensions of high grade gold mineralisation at Main Lode**
- **Testing for extensions of Northern Lode mineralisation**
- **An AC drilling programme was completed, consisting of 274 holes for 14,025m. Samples have been submitted, results will be reported when available**

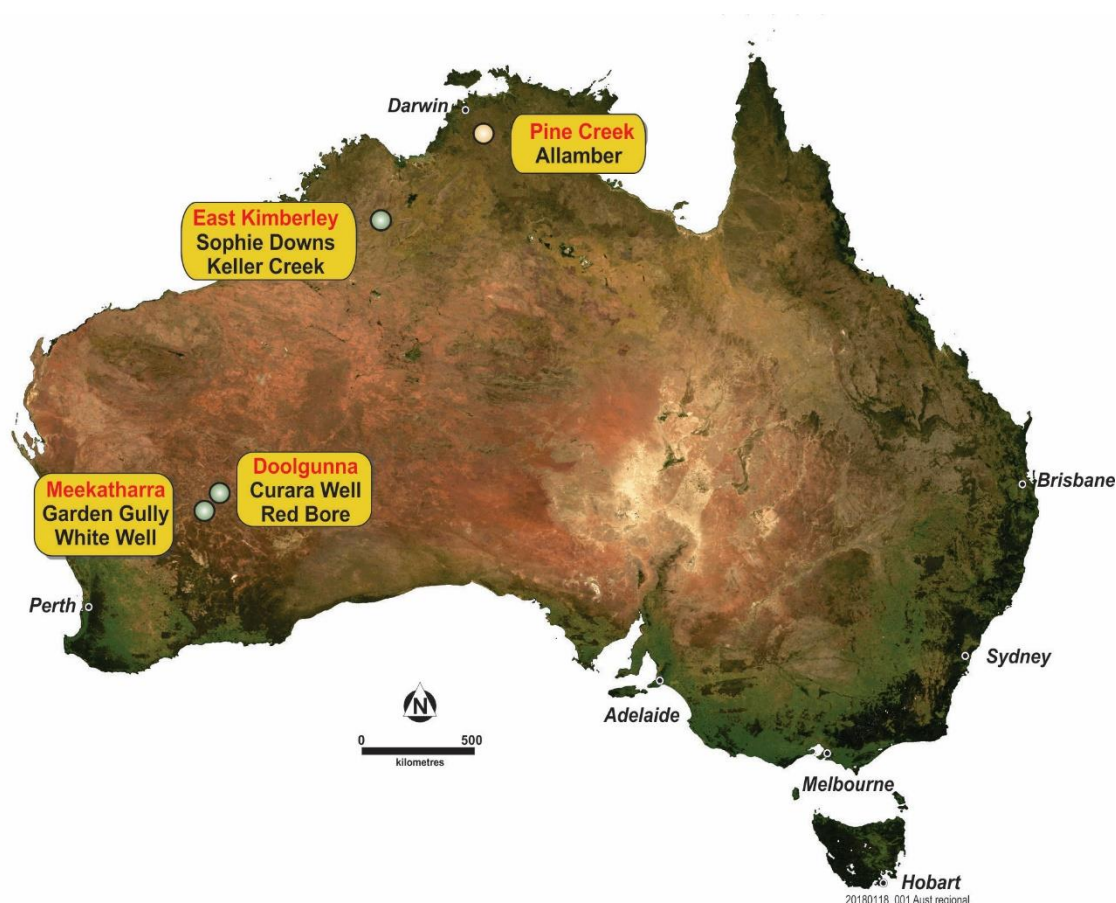


Figure 1. Map showing locations of Thundelarra's Australian projects.

Garden Gully Gold Project, WA (THX 100%)

The Garden Gully Project comprises 2 ELs and 15 PLs totalling approximately 78km², located about 15km north-northwest of Meekatharra (Figure 1). Records show the area produced 20,718 oz gold at an average grade of 21.7 gpt, mainly from the Crown Prince lease.

Excellent local infrastructure includes two operational gold treatment plants nearby: the Bluebird Plant (~3.1 Mtpa) operated by Westgold Resources and Doray Minerals' Andy Well plant (~300ktpa), although the latter is currently on care and maintenance since 01 November 2017. Westgold and Doray both have very active exploration programmes in the region in the search for more mineralisation to generate feed for their plants which have spare capacity. Both companies hold tenements that abut the Garden Gully project.

During the Quarter Thundelarra announced the results from drilling completed in the December 2017 quarter. At Lydia, all holes intercepted gold mineralisation in both the weathering profile and the underlying primary zone, confirming the presence of an extensive mineralisation system which is indicated to extend over about 500m strike, remaining open to the north and south and at depth.

The infill drilling on the campaign was within the north-western part of the main Lydia shear zone where a dilational jog is present, hosting multiple deep plunging mineralised shoots. Mineralisation is hosted by mafic rocks and is completely concealed by a thin transported overburden. The dominant plunge of the mineralised sulphidic shoots is south/south-westerly and consequently the azimuth of the holes drilled was towards the north-east to maximise the chance of intersections.

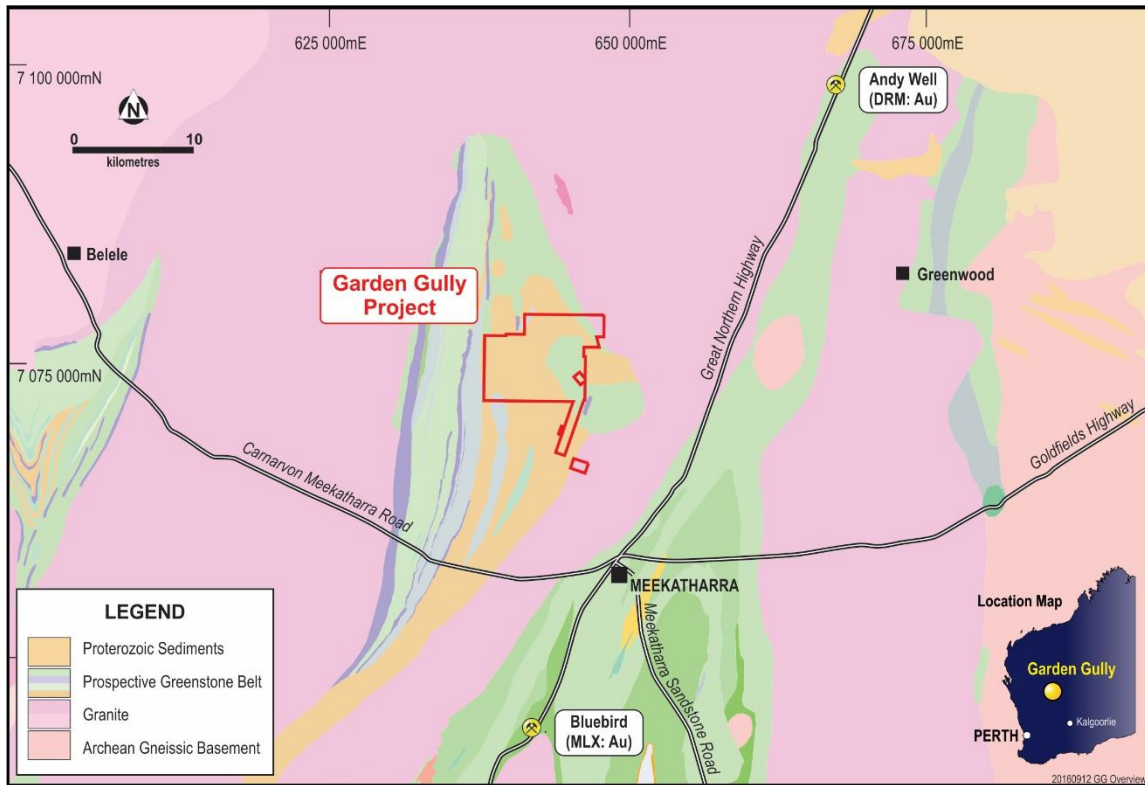


Figure 2. Garden Gully location showing proximity to local plant and infrastructure.

The programme was designed to test a possible extension of the mineralisation towards the north-west. The structural data from TGGRCDD098 indicates a plunge and down-dip extension of the mineralisation towards the south-west. As the approved POW did not contemplate this revised geological understanding, no deep drilling could be undertaken on the campaign and a new POW must be submitted and approved before these newly interpreted extensions can be tested.

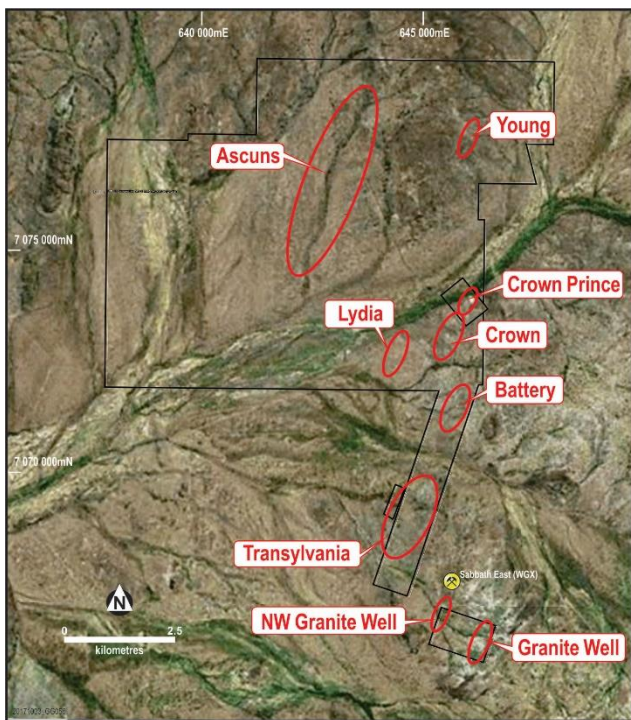


Figure 3. Garden Gully prospects on LandSat image.

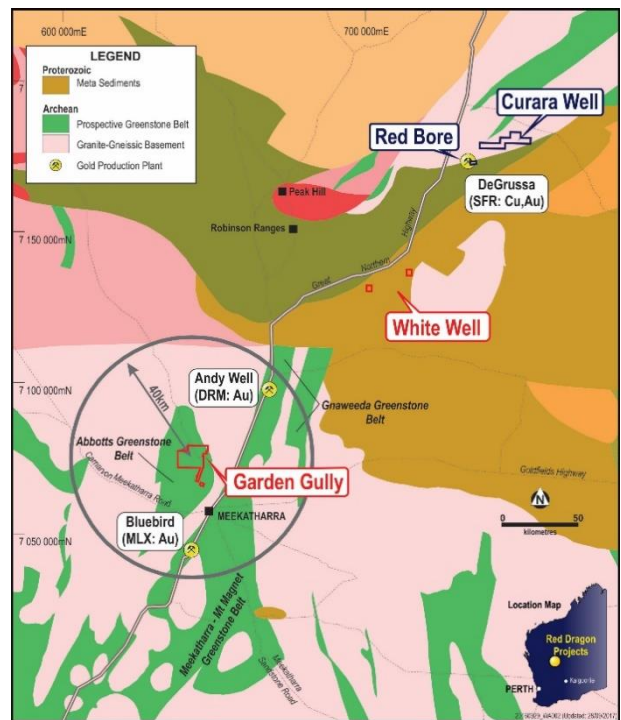


Figure 4. Garden Gully regional location.

A comprehensive description of the results and of the conclusions drawn from the holes drilled in the campaign can be found in the ASX announcement dated 17 January 2018.

Based on the results of this and previous drilling campaigns, the geology at Lydia essentially consists of a massive dolerite with localised sheared / foliated zones. In these shear zones, strongly foliated dolerite is better described as mafic schists. The transition from the massive undeformed dolerite to the mafic schist is gradual. An intrusive unit with porphyritic textures has also been intersected in the shear and is foliated and could be of lamprophyric or syenitic origin.

| Hole No | From | To | Interval | Au (g/t) | Prospect |
|-------------------|--------|--------|----------|------------|-------------------------|
| TGGRC087 | 81m | 89m | 8m | 2.6 | Lydia North-West |
| | and | | | | |
| | 127m | 137m | 10m | 1.9 | |
| TGGRC088 | 107m | 110m | 3m | 1.2 | Lydia North-West |
| | and | | | | |
| | 145m | 159m | 14m | 1.6 | |
| TGGRC089 | 182m | 185m | 3m | 1.7 | Lydia North-West |
| | and | | | | |
| | 187m | 193m | 6m | 1.1 | |
| TGGRC091 | 123m | 134m | 11m | 1.1 | Lydia North-West |
| TGGRC092 | 118m | 122m | 4m | 1.0 | Lydia North-West |
| TGGRC094 | 228m | 234m | 6m | 1.1 | Lydia North-West |
| TGGRC095 | 202m | 205m | 3m | 1.2 | Lydia North-West |
| TGGRC096 | 120m | 131m | 11m | 2.9 | Lydia North-West |
| | and | | | | |
| | 149m | 152m | 3m | 1.8 | |
| TGGRC097 | 76m | 80m | 4m | 1.0 | Lydia North-West |
| | and | | | | |
| | 213m | 222m | 9m | 4.8 | |
| TGGRCDD098 | 96.6m | 101.7m | 5.1m | 1.2 | Lydia North-West |
| | and | | | | |
| | 115.4m | 125.7m | 10.3m | 2.6 | |
| | and | | | | |
| | 130.6m | 134.3m | 3.7m | 2.9 | |
| | and | | | | |
| | 137.9m | 138.5m | 0.6m | 1.1 | |
| TGGRC112 | 142m | 148m | 6m | 1.1 | Lydia North-West |
| TGGRC114 | 137m | 149m | 12m | 1.8 | Lydia North-West |
| | inc'g | | | | |
| | 137m | 142m | 5m | 3.1 | |
| TGGRC115 | 137m | 142m | 5m | 1.1 | Lydia South-East |
| TGGRCDD116 | 186m | 188m | 2m | 1.3 | Lydia South-East |

Table 1. Significant intercepts from Lydia drillholes. See 17 Jan 2018 announcement for full details.

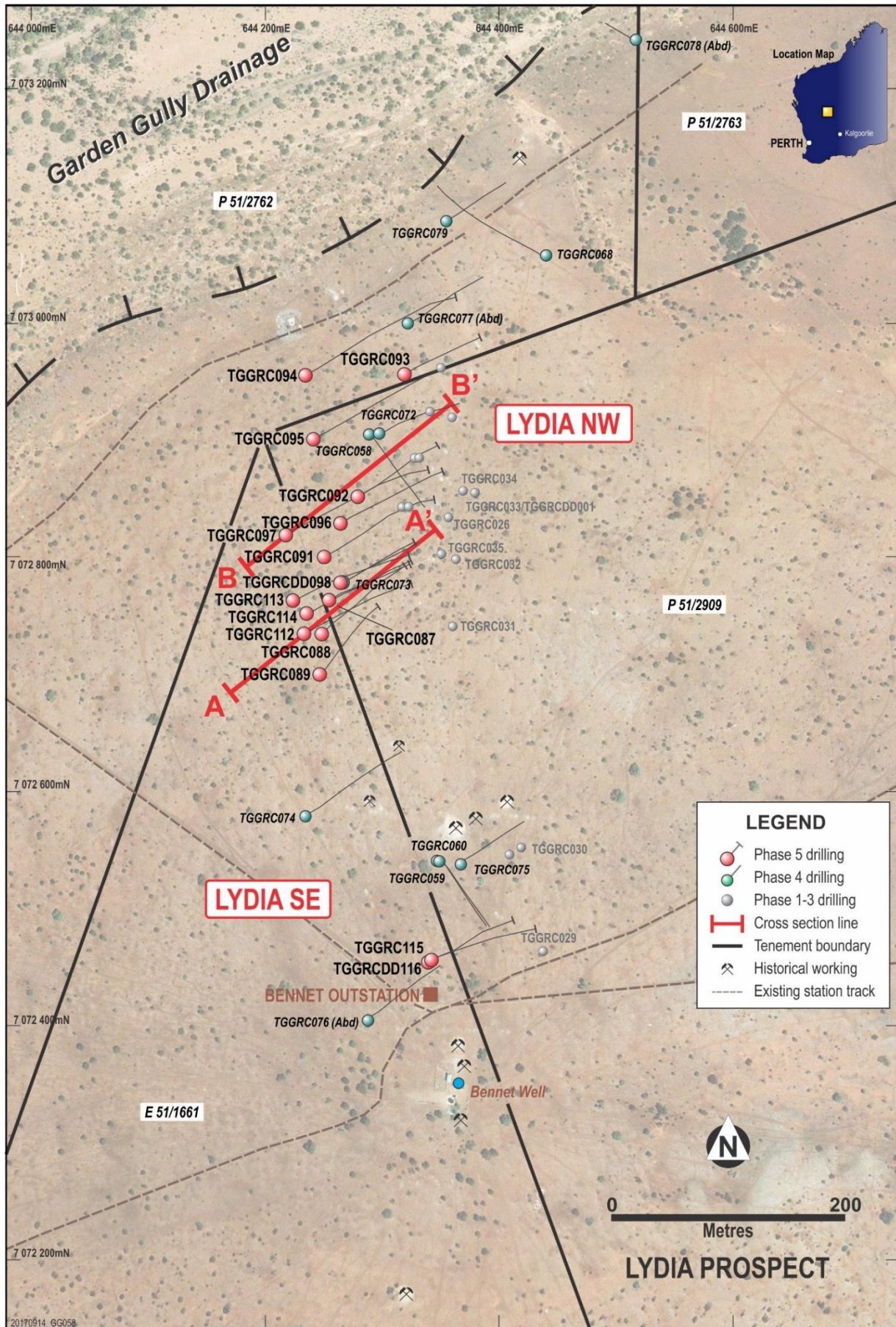


Figure 5. Distribution and surface projection of drill hole traces at Lydia Prospect.

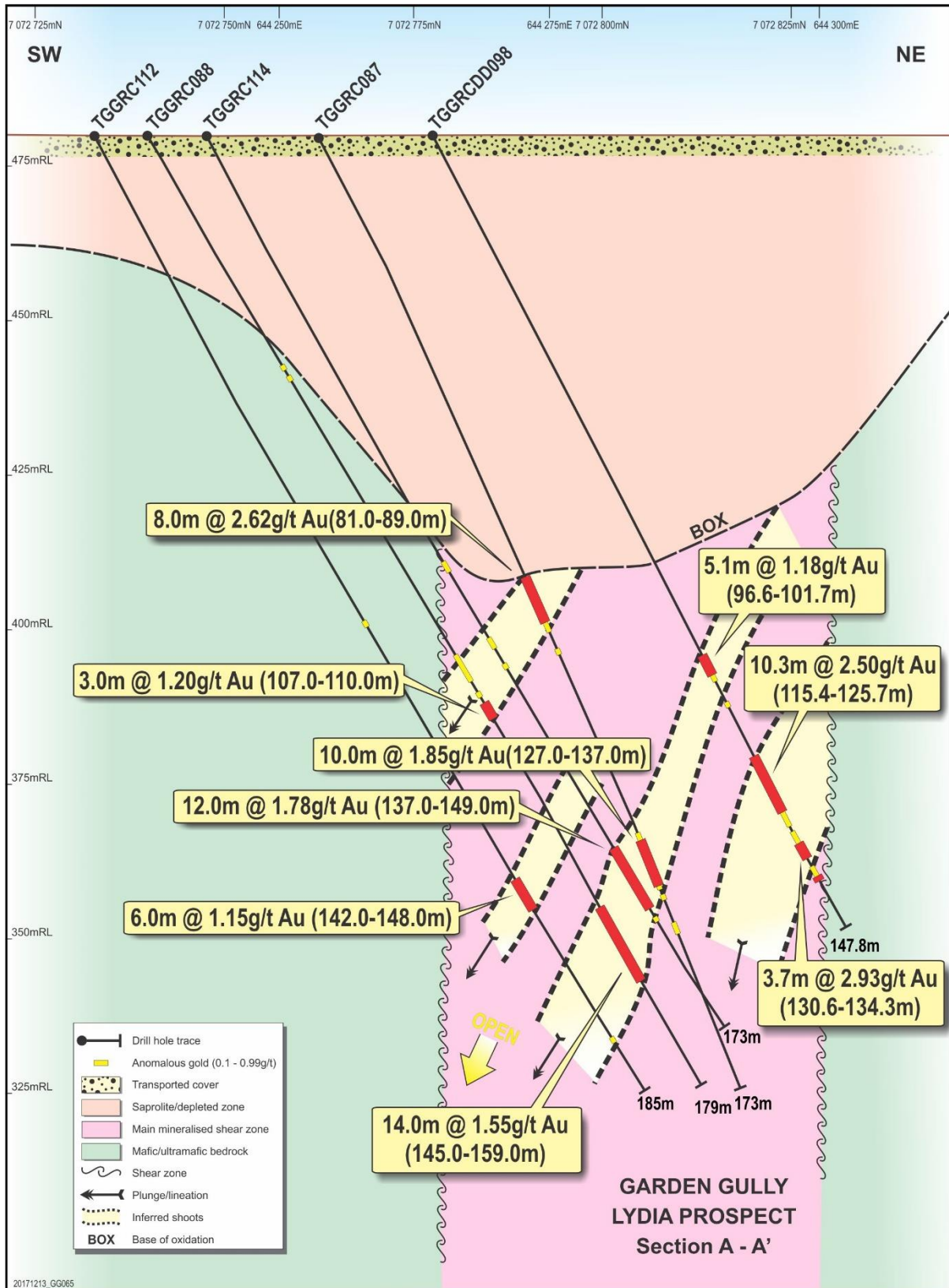


Figure 6. A-A' cross section through the main mineralised shear at Lydia NW Prospect.

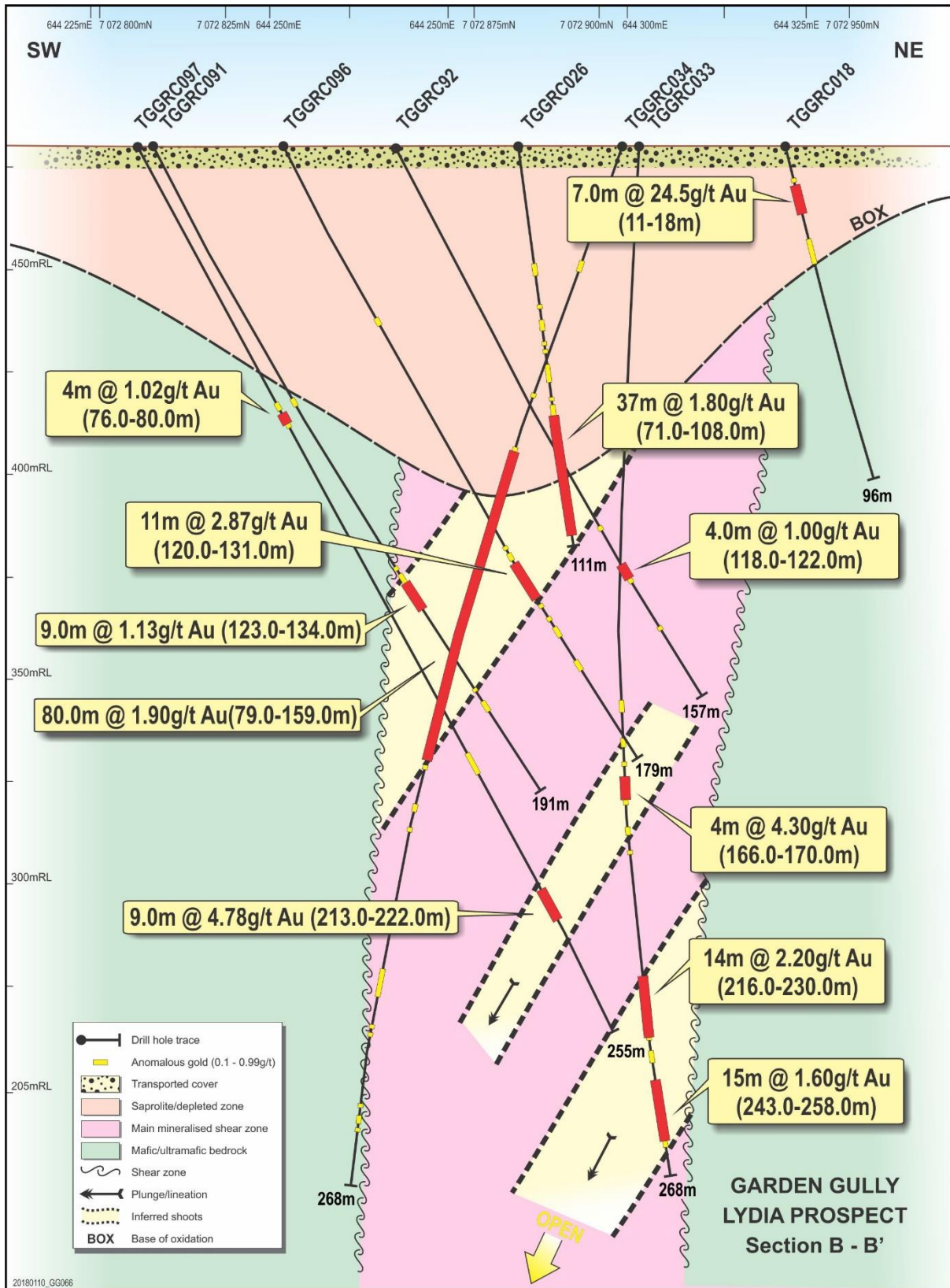


Figure 7. B-B' cross section through the main mineralised shear at Lydia NW Prospect.

Structural interpretation has identified three main deformation events. The mineralisation controls appear structural rather than rheological, with gold mineralisation associated with arsenopyrite in quartz-sericite-sulphide vein systems. The zones of highly mineralised veining are constrained within S2 shear zones, striking to the NNE and steeply dipping to the WNW. The mineralised shoots

follow the S1/S2 lineation, typically plunging at about 70° to the SSW. At vein scale, two main mineralisation styles are observed:

- Laminated orogenic-type stringers with fine grain gold-bearing arsenopyrite associated with the S1 schistosity;
- Gold-bearing arsenopyrite and pyrrhotite in silicified and sericitised quartz vein selvages. Sulphides are following S2 foliation and are more concentrated (and thus higher grade) in the multiple fold hinges.

The vein systems hosting the gold mineralisation are still open at depth and along strike.

The inaugural exploration drilling programme at Crown Prince comprised 4,534.7m total advance from 18 holes: 2,942.7m advance in 15 RC holes, of which five were pre-collars finished with diamond tails; and 1,592.0m advance in the eight DD holes.

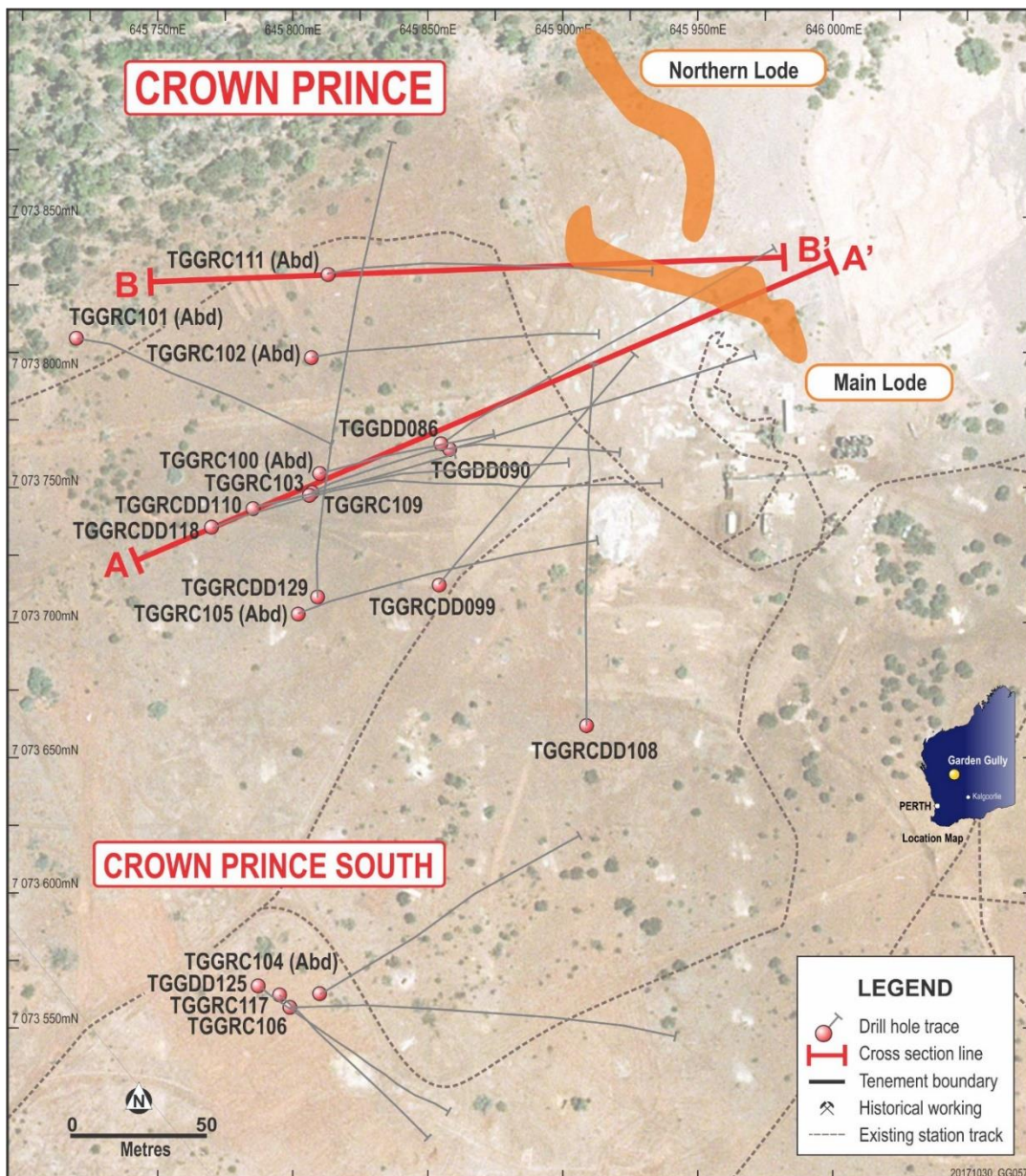


Figure 8. Distribution and surface projection of drill hole traces at Crown Prince Prospect.

Significant intersections are summarised in Table 2 and a cross-section (A-A' on Figure 3) through the Main Lode is presented in Figure 4. Figure 15 shows a further cross-section (B-B' on Figure 3) and Figure 14 provides a conceptual model showing interpreted positions of inferred down dip/plunge extensions of the Main and Northern Lodes, based on 3-D modelling of drilling data to date. These Main and Northern Lodes are interpreted as potentially dismantled elements of the same folded lode that plunges steeply to the south-west.

| Hole No | From | To | Interval | Au (g/t) | Comments |
|-------------------|--------|--------|----------|-------------|--|
| TGGDD086 | 104m | 106m | 2m | 1.4 | |
| | 109m | 111m | 2m | 13.0 | |
| <i>within</i> | 109m | 112.5m | 3.5m | 7.6 | Main Lode extension |
| | 138.9m | 140.1m | 1.2m | 1.9 | |
| TGGDD090 | 129.6m | 132.2m | 2.6m | 7.5 | |
| <i>within</i> | 129m | 132.6m | 3.6m | 5.5 | |
| <i>within</i> | 129m | 136.1m | 7.1m | 3.4 | Main Lode extension |
| TGGRCDD099 | 47m | 52m | 5m | 1.0 | |
| <i>and</i> | 55m | 60.9m | 5.9m | 1.4 | |
| <i>within</i> | 47m | 60.9m | 13.9m | 1.0 | Main Lode |
| | 151.1m | 156.1m | 5m | 4.1 | |
| <i>within</i> | 151.1m | 160.5m | 9.4m | 2.8 | |
| TGGRC103 | 166m | 170m | 4m | 16.5 | |
| <i>within</i> | 166m | 172m | 6m | 11.2 | Main Lode extension |
| | 185m | 195m | 10m | 2.6 | |
| <i>within</i> | 181m | 209m | 28m | 1.4 | |
| TGGRC104 | 36m | 38m | 2m | 1.3 | Crown Prince South |
| TGGRCDD108 | 219.8m | 223.6m | 3.8m | 3.5 | Main Lode extension |
| TGGRCDD110 | 241.3m | 244.3m | 3m | 14.1 | |
| | 259.2m | 261.4m | 2.2m | 7.0 | Interpreted at depth down plunge extension to Main Lode mined at Crown Prince. |
| <i>and</i> | 263.4m | 265.8m | 2.4m | 66.5 | |
| <i>within</i> | 259.2m | 267.2m | 8m | 22.3 | |
| TGGRC111 | 210m | 212m | 2m | 2.1 | Northern Lode extension |
| <i>within</i> | 210m | 219m | 9m | 1.2 | |
| TGGRCDD118 | 242.9m | 246.9m | 4m | 1.4 | Main Lode |
| | 259.9m | 260.9m | 1m | 2.2 | |
| | 266.9m | 269.9m | 3m | 1.0 | |
| TGGDD125 | 52m | 53.7m | 1.7m | 1.6 | Crown Prince South |

Table 2. Significant intercepts from Crown Prince drillholes: refer ASX releases of 12 December 2017 and 08 February 2018 for full details.

A comprehensive description of the results and of the conclusions drawn from the holes drilled at Crown Prince can be found in the ASX announcement dated 08 February 2018.

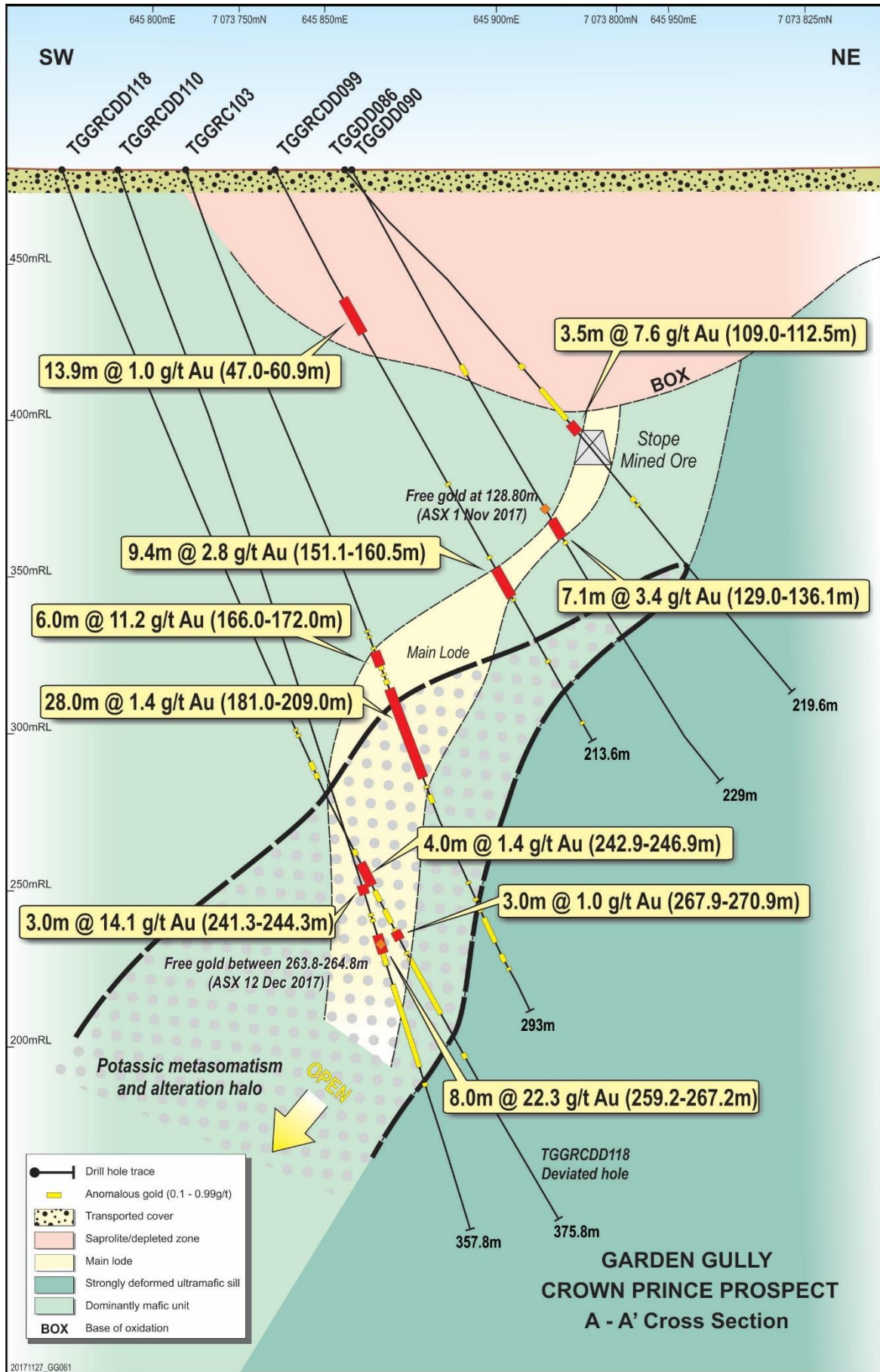


Figure 9. Crown Prince Prospect. Cross section A-A' through the Main Lode, looking north-westerly.

TGGRCD110 intersected the interpreted position of the Main Lode further down dip/plunge. Six occurrences of visible free gold were seen in the drill core (Figures 10-15). Assays confirmed the high tenor of the mineralisation:

- **2.40m at 66.5 gpt Au from 263.40m; within**
- **5.65m at 29.2 gpt Au from 260.80m; within**
- **8.00m at 22.3 gpt Au from 259.20m downhole.**

The presence of the Main Lode at 260m downhole (about 245m vertical depth) represents a down dip / plunge extension of about 130m below the recorded base of the historical workings.

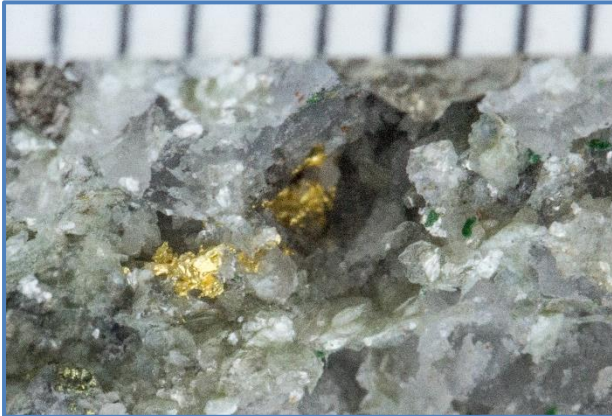


Figure 10. Free gold at 259.30m.



Figure 11. Free gold at 261.45m.

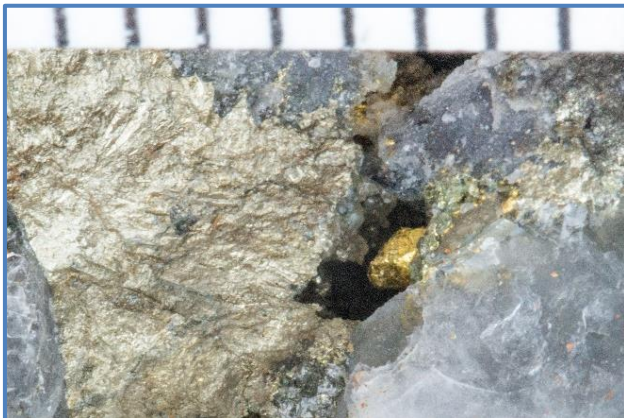


Figure 12. Free gold and sulphide at 263.80m.

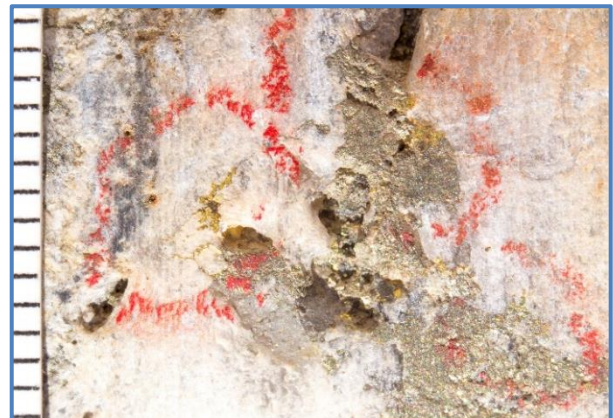


Figure 13. Free gold and sulphide at 264.10m.



Figure 14. Free gold at 264.70m.



Figure 15. Free gold and sulphide at 264.80m.

Figures 10 - 15: Visible gold occurrences logged in TGGRCD110. The scale bar shows millimetres. Details are in ASX releases of 15 November and 12 December 2017 and 08 February 2018.

Alteration increases with depth and there are indications of the presence of a stockwork system, which is indicative of real potential for a larger system to exist beneath the old mine. Petrology indicates the presence of potassic-boron metasomatism at depth which is associated with silica-carbonate-sericite-arsenopyrite-pyrite-pyrrhotite-chalcopyrite-sphalerite and magnetite alteration. Deep diamond drilling is required to test at depth the south-western plunge of the inferred mineralised body and the development of the mineralised system (Figure 9).

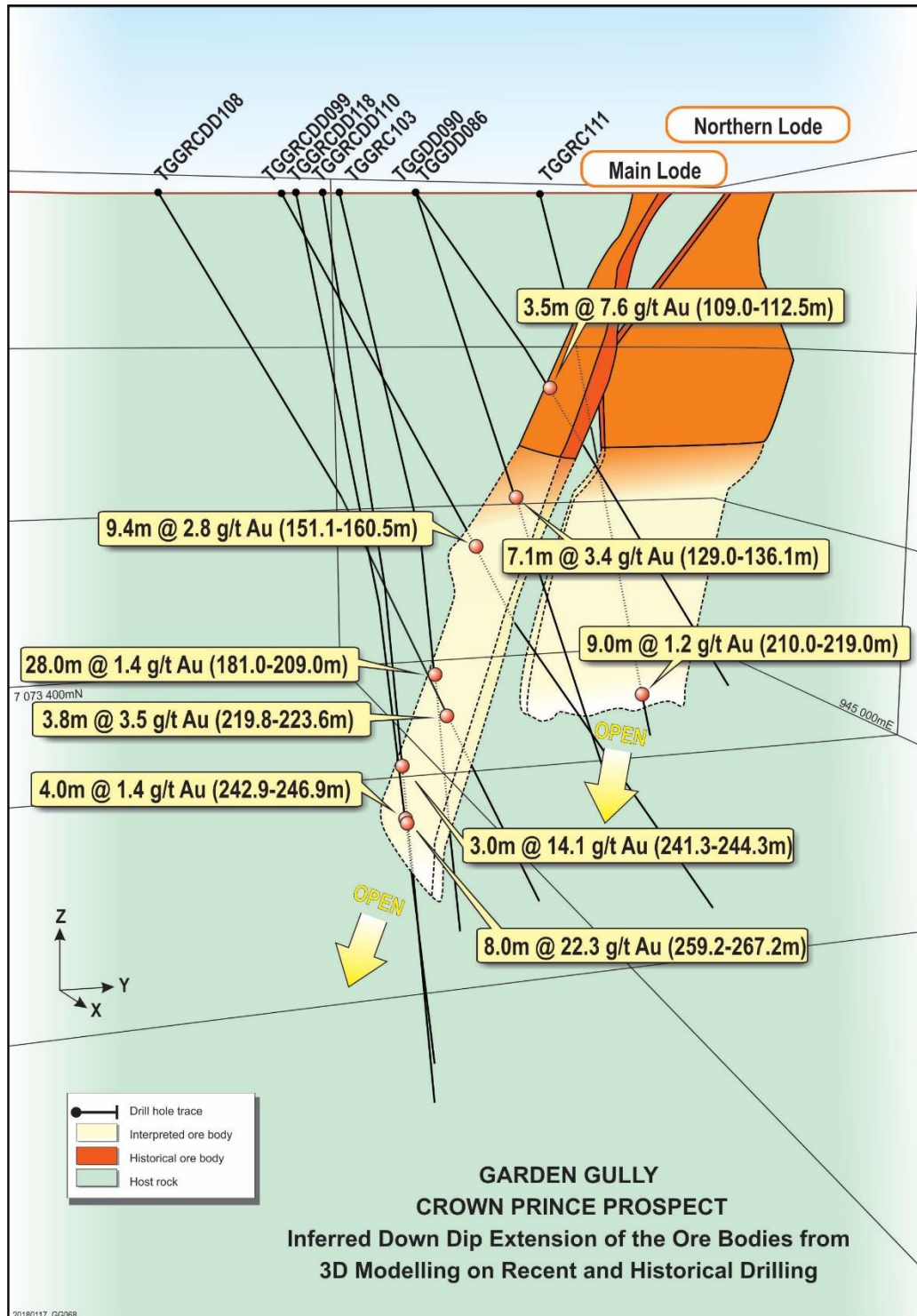


Figure 16. Conceptual model looking west: inferred down dip/plunge extensions of the Main and Northern Lodes at Crown Prince, generated from 3D modelling.

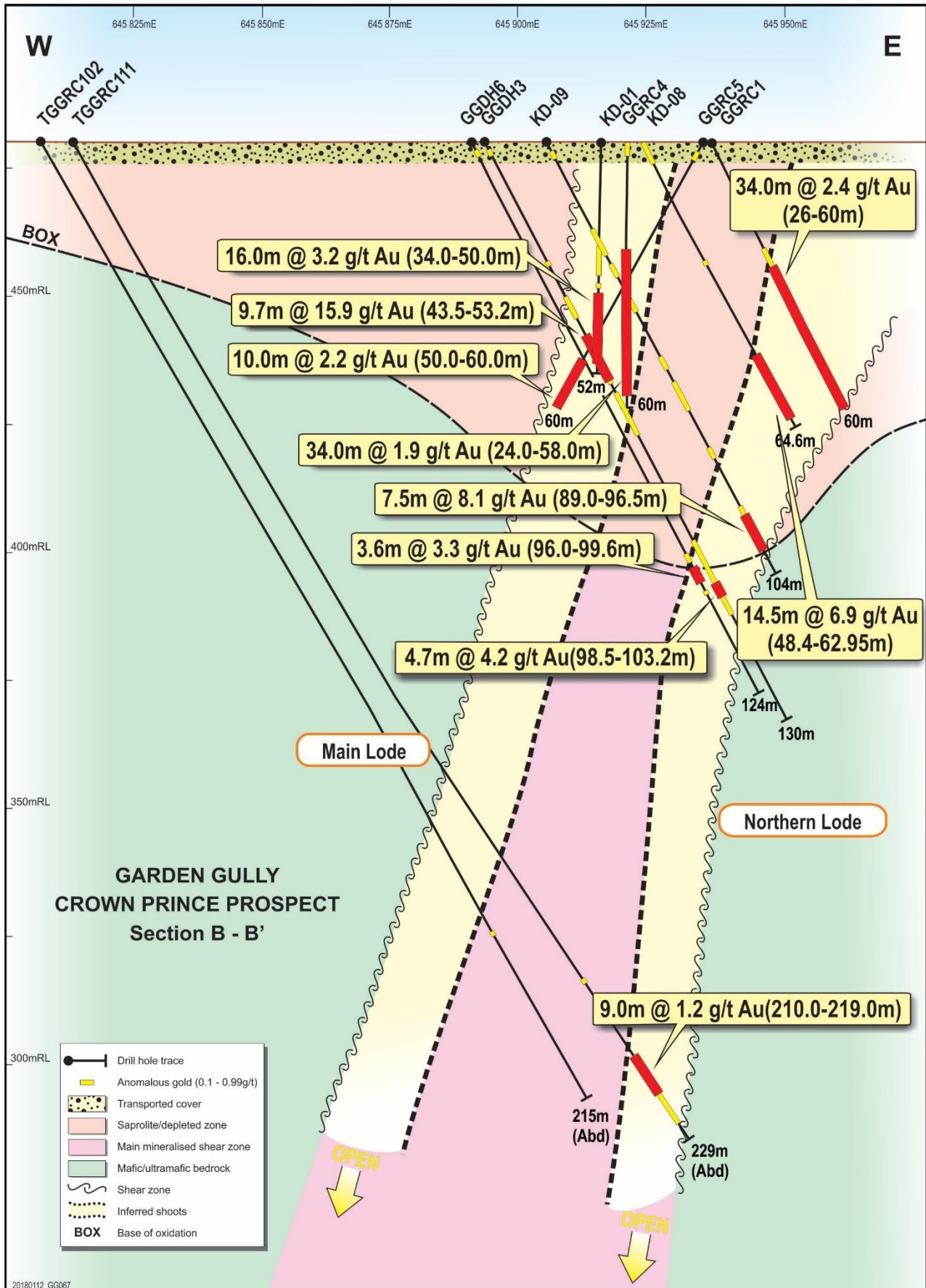


Figure 17. Inferred down dip / plunge extensions of Main and Northern Lodes (B-B' section on Figure 8).

| Hole ID | Easting | Northing | Depth (m) | Azimuth | Dip | | Prospect | Lease |
|------------|---------|----------|-----------|---------|-----|-----|--------------|----------|
| TGGRC107 | 645258 | 7072792 | 160 | 060 | -60 | abd | South Crown | P51/2909 |
| TGGRC119 | 645869 | 7071154 | 263 | 230 | -70 | | Battery | P51/2910 |
| TGGRC120 | 645669 | 7070847 | 215 | 310 | -60 | | Battery | P51/2910 |
| TGGRC121 | 644659 | 7069192 | 191 | 060 | -70 | | Transylvania | P51/2911 |
| TGGRC122 | 644736 | 7069254 | 185 | 290 | -70 | | Transylvania | P51/2911 |
| TGGRC123 | 644742 | 7069244 | 143 | 290 | -70 | | Transylvania | P51/2911 |
| TGGRC124 | 644627 | 7069394 | 197 | 050 | -60 | | Transylvania | P51/2911 |
| TGGRC126 | 644739 | 7069342 | 161 | 240 | -60 | | Transylvania | P51/2911 |
| TGGRC127 | 644748 | 7069344 | 155 | 240 | -70 | | Transylvania | P51/2911 |
| TGGRC128 | 644728 | 7069195 | 89 | 240 | -60 | | Transylvania | P51/2911 |
| TGGRC130 | 645265 | 7069587 | 215 | 060 | -60 | | Transylvania | P51/2911 |
| TGGRC131 | 644185 | 7067652 | 167 | 090 | -60 | | Transylvania | P29/2912 |
| TGGRC132 | 644253 | 7067675 | 155 | 230 | -60 | | Transylvania | P29/2912 |
| TGGRCDD133 | 646049 | 7065960 | 435.6 | 110 | -75 | | Granite Well | P51/2914 |
| TGGRC134 | 644264 | 7068138 | 215 | 060 | -60 | | Transylvania | P29/2912 |
| TGGRC135 | 644778 | 7069111 | 183 | 240 | -60 | | Transylvania | P51/2911 |
| TGGRC136 | 644814 | 7069584 | 263 | 240 | -60 | | Transylvania | P51/2911 |
| TGGRC137 | 645957 | 7071364 | 137 | 340 | -60 | abd | Battery | P51/2910 |
| TGGRC138 | 645905 | 7071579 | 11 | 300 | -60 | abd | Battery | P51/2910 |
| TGGRC139 | 645909 | 7071581 | 275 | 300 | -60 | | Battery | P51/2910 |
| TGGRC140 | 645728 | 7070901 | 207 | 340 | -60 | | Battery | P51/2910 |

Table 3. Details for latest holes drilled at Garden Gully prospects other than Lydia and Crown Prince (already reported). "TGGRC" = reverse circulation; "TGGDD" = diamond; "TGGRCDD" = diamond tail on an RC pre-collar. RLs not displayed individually as there is insufficient topographic variance to warrant detailed altimetric measurements between holes. General RL is 480m. Australian Geodetic Grid GDA94-50. Magnetic azimuth reported.

| Hole No | From | To | Interval | Au (g/t) | Comments |
|-----------------|------|------|-----------|------------|---------------------|
| TGGRC119 | 36m | 38m | 2m | 1.2 | Battery |
| | 101m | 103m | 2m | 1.2 | |
| <i>and</i> | 107m | 108m | 1m | 3.5 | |
| <i>within</i> | 101m | 108m | 7m | 1.0 | |
| TGGRC122 | 27m | 30m | 3m | 2.3 | Transylvania |
| TGGRC123 | 68m | 71m | 3m | 8.3 | Transylvania |
| <i>within</i> | 67m | 75m | 8m | 3.3 | |
| TGGRC126 | 28m | 32m | 4m | 2.1 | Transylvania |
| <i>within</i> | 28m | 36m | 8m | 1.5 | |
| TGGRC127 | 32m | 35m | 3m | 1.2 | Transylvania |
| <i>within</i> | 32m | 40m | 8m | 0.8 | |
| TGGRC137 | 52m | 56m | 4m | 2.6 | Battery |
| <i>within</i> | 52m | 58m | 6m | 1.9 | |

Table 4. Significant intercepts from Battery and Transylvania. Full details in ASX release of 20 February 2018.

A comprehensive description of the results and of the conclusions drawn from the holes drilled at Transylvania, Battery, South Crown and Granite Well can be found in the ASX announcement dated 20 February 2018. Evaluation and interpretation of the geological data continues to support the possible existence of a large mineralised system at depth beneath Garden Gully, acting as a single source for the mineralisation at these prospects and at Lydia and Crown Prince.

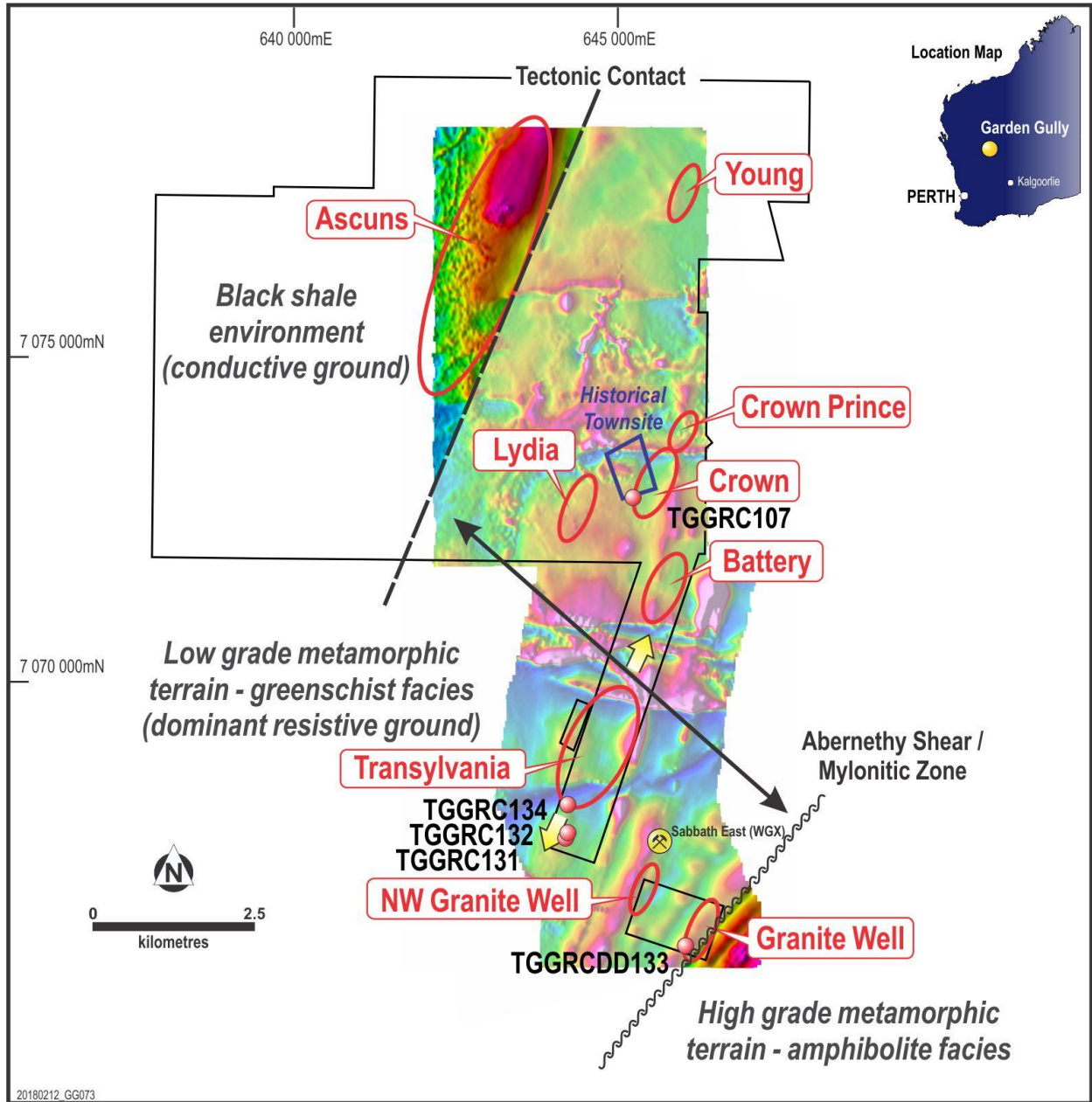


Figure 18. Prospect locations; and locations and distribution of collars for holes drilled at South Crown, southern Transylvania, and Granite Well shown on TMI image.

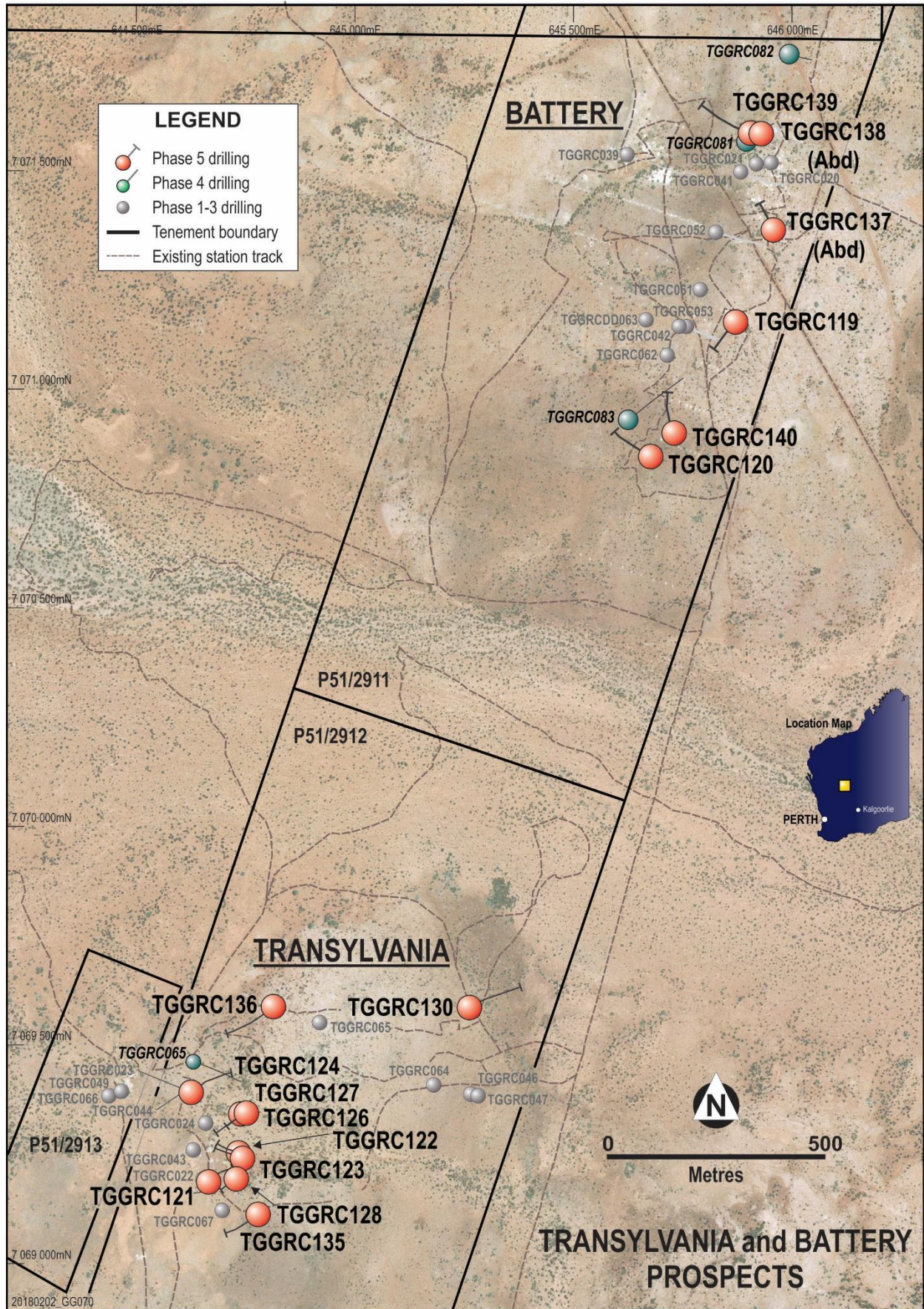


Figure 19. Distribution and surface projection of drill hole traces at Transylvania and Battery prospects.

Conclusions.

This current quarter Garden Gully drilling programme tested multiple targets and concepts and improved our understanding of the mineralisation at Crown Prince, Lydia, Transylvania, Battery and Granite Well prospects. It has extended known mineralisation and identified new mineralised structures. Lydia continues to grow and remains open at depth and to the north and south. Our first exploration of Crown Prince has confirmed the presence of high grade gold mineralisation at least 130m vertically below the deepest previously demonstrated mineralisation and it remains open. Transylvania is giving indications of possible repetitions of the mineralisation styles and structural settings now identified at Crown Prince and at Lydia.

The Garden Gully results to date are an unqualified success and continue to demonstrate that the project holds the potential for a significant new body of gold mineralisation in this proven gold province around Meekatharra.

The next phases of work will focus on advancing the Crown Prince and Lydia prospects – the high grades intercepted at Crown Prince make it a compelling target. We will also continue to evaluate the as yet untested parts of the extensive Garden Gully project area for further repetitions of the structures and mineralisation settings we have identified to date. The approach will be a programme of air core traverses to test below the thin veneer of transported cover. The evidence so far continues to point towards these individual prospects comprising elements of a much larger mineralising system at depth.

White Well Gold Project, WA (THX 100%)

White Well comprises 2 PLs for a total area of 308ha (~3km²). Located about 90km northeast of Meekatharra, the project is surrounded by tenements the subject of current active exploration by Sandfire following its October 2016 arrangement with local explorer Enterprise Metals.

No field work was carried out at White Well during the Quarter, but some exploratory drilling is scheduled for the June Quarter. The process of finalising the transfer of two additional titles into the project package is advancing.

Paynes Find Gold Project, WA (THX 100%)

Paynes Find comprises 1 EL and 2 PLs for a total area of approximately 28km². The Project is located approximately 140km south of Mount Magnet along the Great Northern Highway.

Review of all the data from exploration conducted to date led to the decision to surrender the tenements. No field work was conducted at Paynes Find during the Quarter.

Doolgunna Projects, WA**Red Bore (THX 90%); and Curara Well (THX 90%)**

Red Bore is a granted Mining Licence (M52/597), two square kilometres in area, located about 900km NNE of Perth in the Doolgunna region of Western Australia. Its western boundary is less than 600m from Sandfire Resources NL's operating DeGrussa copper-gold mine's processing plant.

During the Quarter our Joint Venture partner W Richmond continued the process of reviewing all previous exploration carried out on the licence, by both Thundelarra and other companies. An extensive aircore drilling programme of 275 vertical holes was planned to cover the entire Mining Lease on 100m spaced N-S drill transect lines using a nominal 50m collar spacing along the transect lines. The programme aims to sample the regolith and oxide zone of weathered bedrock for trace anomalies of Cu and Au. The resultant bedrock geology map will be tied to previous drilling results

and geophysical survey results to generate shallow to deep target zones for follow-up drilling into the fresh bedrock.

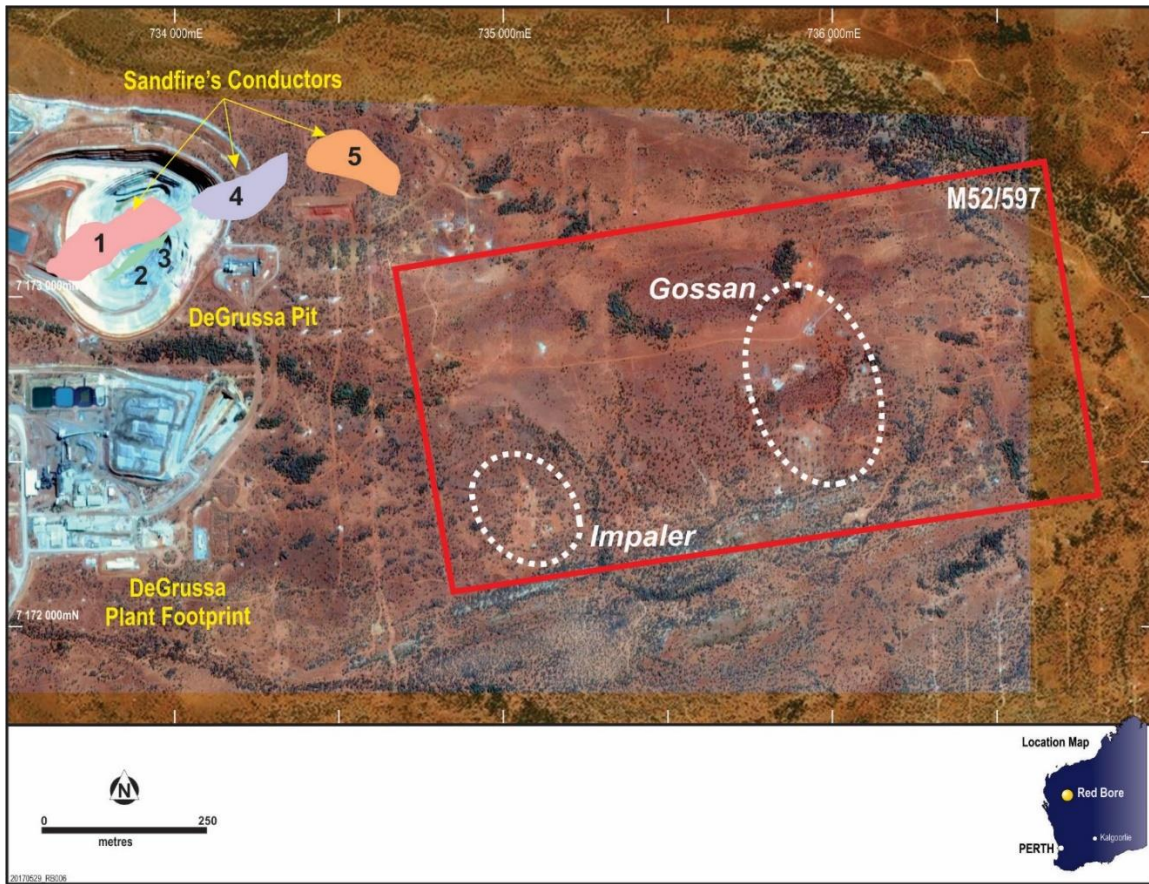


Figure 20. Red Bore lease on Landsat image, showing proximity of Red Bore to Sandfire’s infrastructure.

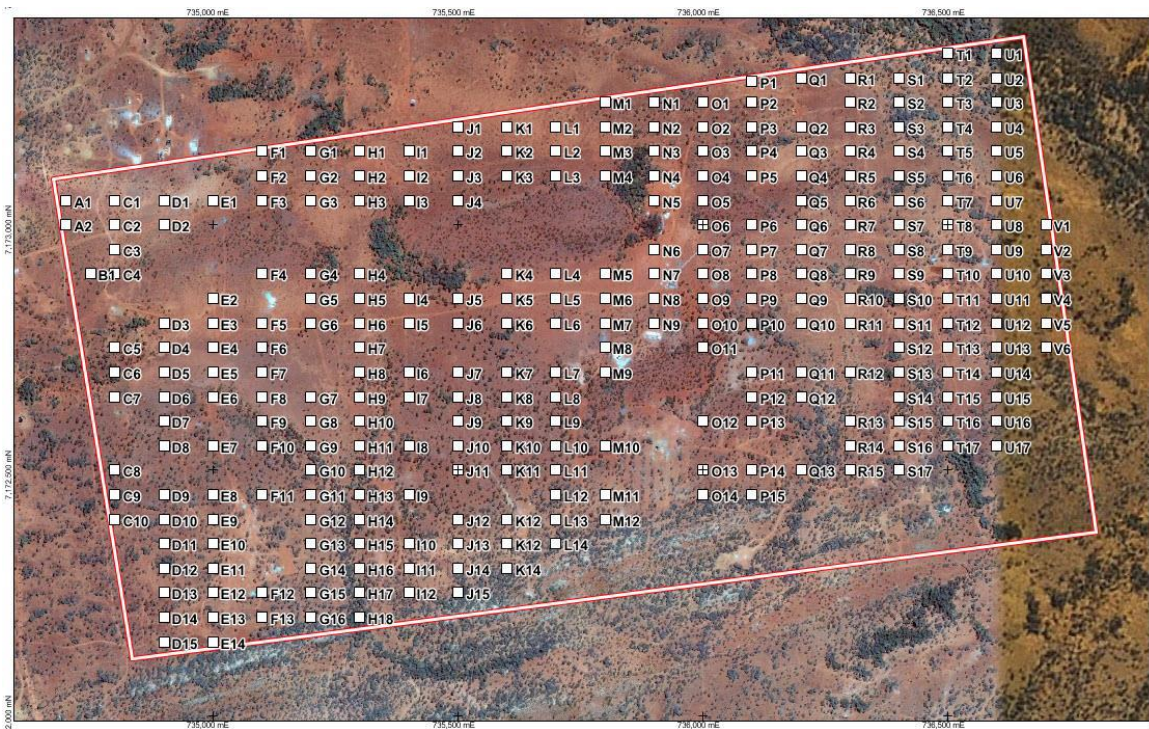


Figure 21. Red Bore lease on Google Earth air phot image showing planned aircore drillhole collars.

W Richmond's commitment to sole fund \$1.5 million (excl GST) on exploration by late January 2019 should equate to an aggressive work programme, always with the possibility of a discovery. This is highly significant for Thundelarra and its shareholders, as Thundelarra will be the only ASX-listed entry through which any investors could gain exposure to any exploration success at Red Bore.

No field work was carried out at the **Curara Well** project during the Quarter.

Sophie Downs, East Kimberley, WA (THX 100%)

Sophie Downs is approximately 30km to the north-east of Halls Creek in the East Kimberley region of Western Australia on Thundelarra's 100%-owned exploration license EL 80/3673.

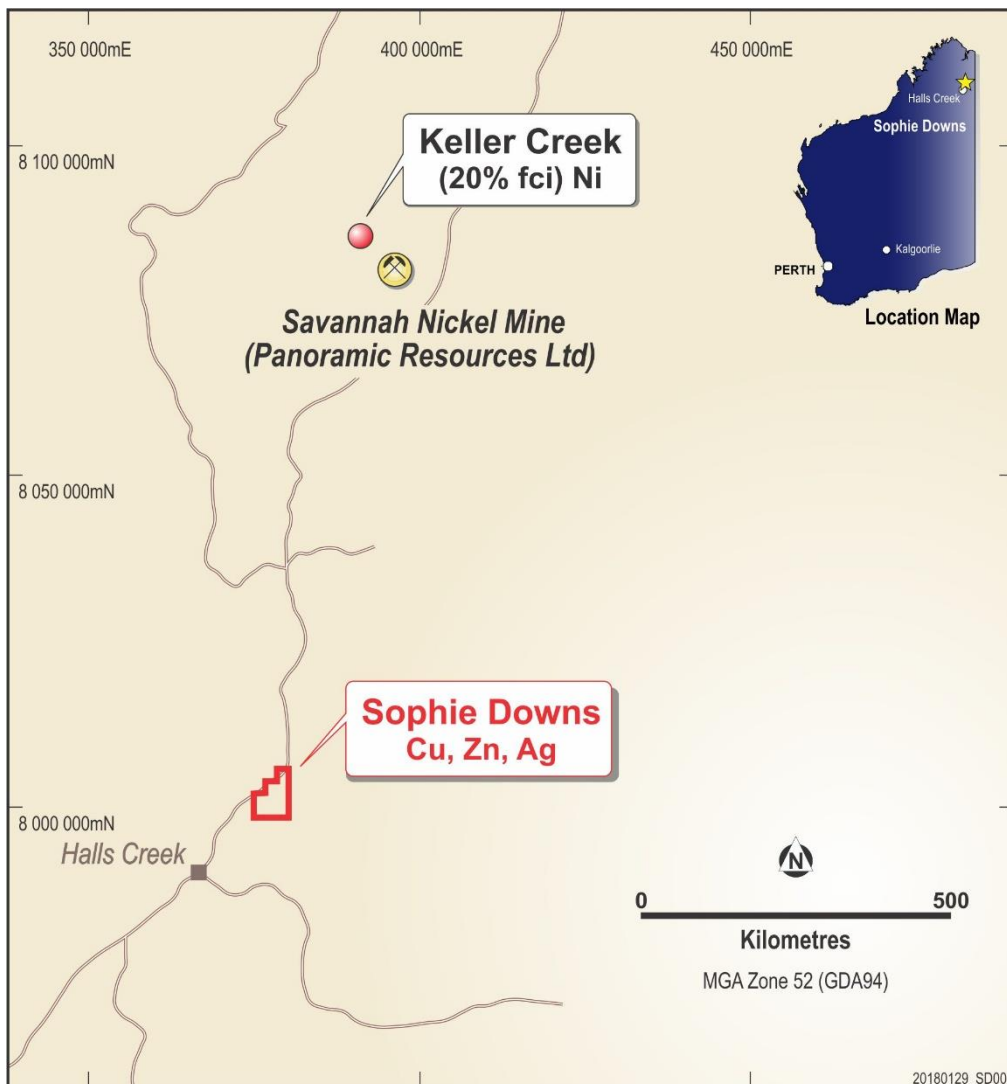


Figure 22. Sophie Downs and Keller Creek regional location map.

No fieldwork was carried out at Sophie Downs during the Quarter. Targets remain to be drill tested: conductors generated from earlier ground electromagnetic (EM) surveys interpreted as being graphitic horizons or possibly massive sulphides are among these targets. The possibility of extensions or repetitions of the zinc sulphide intersections from previous programmes also remains to be tested, as do a number of targets with potential for gold mineralisation. Halls Creek was the location of the first gold discovered in Western Australia in 1885 – before the Coolgardie gold rush that started in 1892, to be followed by Kalgoorlie's Golden Mile the next year. Drilling to test these various targets is contemplated for the June Quarter.

Allamber Project, Pine Creek, NT (THX 100%)

Allamber is approximately 180km south-east of Darwin and is part of the Pine Creek Orogen. The project is very well served by regional infrastructure, with sealed road, rail, and a gas pipeline running within 25km of the project area.

No work was carried out at Allamber during the Quarter. We continue to pursue our efforts to establish a land access agreement with the current owner to comply with the relevant Northern Territory legislation.

Exploration targets identified in late 2016 work programmes are still to be followed up (refer ASX announcement dated 16 December 2016) and will be scheduled once the relevant regulatory requirements have been met and satisfied.

CORPORATE

At 31 March 2018, cash was \$3.68 million. The marked to market valuation of equity investments held at the date of this report was \$0.20 million is additional to the reported cash balance.

The Annual General Meeting was held at the Celtic Club in West Perth on 23 February and was well attended.

We continue to evaluate opportunities consistent with our core commodity focus of gold. During the Quarter we assessed two such opportunities but chose not to proceed with either. We also evaluate copper opportunities presented to us. Such projects must offer the potential to deliver positive returns to shareholders, either through direct exploration success or by adding geological value to the project to attract interest prior to subsequent sale or disposal.

Thundelarra explores aggressively while managing expenditures carefully and prudently. We continue to ensure that Company funds are spent on persistent, rigorous and systematic exploration, as we firmly believe that this is the only path to discovery and thus to share price appreciation.

2018 will see more aggressive exploration at Garden Gully with the primary objective of proving the existence of commercial mineralisation that can deliver maiden resources as the first step on the path to production.

SUBSEQUENT EVENTS

Since the end of the March 2018 Quarter, the following subsequent events are noted:

- The air core drilling programme was completed, delivering 274 holes for 14,025m advance. The programme tested for new near-surface extensions of mineralised structures. Samples have been submitted for laboratory analysis and results will be reported when available.
- A Reverse Circulation and a Diamond rig commenced follow-up drilling at Crown Prince and other targets to test for extensions at the Main and Northern Lodes. About 10 RC holes for 2,500m advance and 7 DD holes for about 2,000m advance are planned.
- A video update summarising recent exploration activities was loaded to the website.

PRODUCTION AND DEVELOPMENT

None of Thundelarra's projects are at a production or development stage and consequently there were no activities during the quarter relating to production or development.

SCHEDULE OF TENEMENTS

| Project / Tenement | | Interest at Start of Quarter | Interest at End of Quarter | Acquired During the Quarter | Disposed During the Quarter | Joint Venture Partner/Farm-in Party |
|-----------------------------|----------|------------------------------|----------------------------|-----------------------------|-----------------------------|-------------------------------------|
| Western Australia | | | | | | |
| Sophie Downs | E80/3673 | 100% | 100% | - | - | - |
| Keller Creek | E80/4834 | 20% fci | 20% fci | - | - | Panoramic (PAN) |
| Red Bore | M52/597 | 90% | 90% | - | - | WR Richmond |
| Curara Well | E52/2402 | 90% | 90% | - | - | WR Richmond |
| Garden Gully Project | | | | | | |
| Garden Gully | E51/1661 | 100% | 100% | - | - | - |
| Garden Gully | E51/1737 | 100% | 100% | - | - | - |
| Garden Gully Meeka NW | P51/2760 | 100% | 100% | - | - | - |
| Garden Gully Meeka NW | P51/2761 | 100% | 100% | - | - | - |
| Garden Gully Meeka NW | P51/2762 | 100% | 100% | - | - | - |
| Garden Gully Meeka NW | P51/2763 | 100% | 100% | - | - | - |
| Garden Gully Meeka NW | P51/2764 | 100% | 100% | - | - | - |
| Garden Gully Meeka NW | P51/2765 | 100% | 100% | - | - | - |
| Garden Gully South | P51/2909 | 100% | 100% | - | - | - |
| Garden Gully South | P51/2910 | 100% | 100% | - | - | - |
| Garden Gully South | P51/2911 | 100% | 100% | - | - | - |
| Garden Gully South | P51/2912 | 100% | 100% | - | - | - |
| Garden Gully South | P51/2913 | 100% | 100% | - | - | - |
| Garden Gully South | P51/2914 | 100% | 100% | - | - | - |
| Garden Gully North | P51/2941 | 100% | 100% | - | - | - |
| Garden Gully North | P51/2948 | 100% | 100% | - | - | - |
| Crown Prince | P51/3009 | 100% | 100% | - | - | - |

| Project / Tenement | | Interest at Start of Quarter | Interest at End of Quarter | Acquired During the Quarter | Disposed During the Quarter | Joint Venture Partner/Farm-in Party |
|--------------------------------------|----------|------------------------------|----------------------------|-----------------------------|-----------------------------|-------------------------------------|
| Western Australia (continued) | | | | | | |
| Payne's Find Project | | | | | | |
| Paynes Find | E59/1648 | 100% | 0% | - | 100% | - |
| Paynes Find | P59/1929 | 100% | 0% | - | 100% | - |
| Paynes Find | P59/1930 | 100% | 0% | - | 100% | - |
| White Well Project | | | | | | |
| Doug's Find West | P51/2787 | 100% | 100% | - | - | - |
| Doug's Find East | P51/2788 | 100% | 100% | - | - | - |
| Northern Territory | | | | | | |
| Allamber Project | | | | | | |
| Brumby Gap | EL10043 | 100% | 100% | - | - | - |
| McKeddies | EL23506 | 100% | 100% | - | - | - |
| Allamber 1 | EL24549 | 100% | 100% | - | - | - |
| Mary River | EL25868 | 100% | 100% | - | - | - |
| Second Chance | EL28857 | 100% | 100% | - | - | - |

Table 5. Schedule of Tenements showing changes during the March 2018 Quarter.

Tony Lofthouse
Chief Executive Officer

THUNDELARRA LTD

REGISTERED OFFICE

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 PO Box 333, Nedlands, WA 6909

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www.thundelarra.com

info@thundelarra.com.au

ABN: 74 950 465 654

ACN: 085 782 994

ASX CODE: THX

Issued Shares: 635.1M

ASX CODE: THXOB (ex \$0.05 30-Sep-2019)

Quoted Options: 109.3M

Twitter: @thundelarra

Market Capitalisation: \$15.2M (at 23 April 2018)

Competent Person Statement

The details contained in this report that pertain to Exploration Results, Mineral Resources or Ore Reserves, are based upon, and fairly represent, information and supporting documentation compiled by Mr Costica Vieru, a Member of the Australian Institute of Geoscientists and a full-time employee of the Company. Mr Vieru has sufficient experience which is relevant to the style(s) of mineralisation and type(s) of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Vieru consents to the inclusion in this report of the matters based upon the information in the form and context in which it appears.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

THUNDELARRA LIMITED

ABN

74 950 465 654

Quarter ended ("current quarter")

31 MARCH 2018

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (6 months) \$A'000 |
|---|------------------------------------|--|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | - | - |
| 1.2 Payments for | | |
| (a) exploration & evaluation | (774) | (2,331) |
| (b) development | - | - |
| (c) production | - | - |
| (d) staff costs | (148) | (284) |
| (e) administration and corporate costs | (142) | (658) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | 50 | 64 |
| 1.5 Interest and other costs of finance paid | - | - |
| 1.6 Income taxes paid | - | - |
| 1.7 Research and development refunds | - | - |
| 1.8 Other | - | - |
| 1.9 Net cash from / (used in) operating activities | (1,014) | (3,209) |
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire: | | |
| (a) property, plant and equipment | (54) | (93) |
| (b) tenements (see item 10) | - | - |
| (c) investments | - | - |
| (d) other non-current assets | - | - |
| 2.2 Proceeds from the disposal of: | | |
| (a) property, plant and equipment | - | - |
| (b) tenements (see item 10) | - | - |
| (c) investments | - | - |
| (d) other non-current assets | - | - |
| 2.3 Cash flows from loans to other entities | - | - |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (6 months) \$A'000 |
|---|---|------------------------------------|--|
| 2.4 | Dividends received (see note 3) | - | - |
| 2.5 | Other | - | - |
| 2.6 | Net cash from / (used in) investing activities | (54) | (93) |

| | | | |
|-------------|---|--------------|--------------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of shares | - | 2,673 |
| 3.2 | Proceeds from issue of convertible notes | - | - |
| 3.3 | Proceeds from exercise of share options | - | - |
| 3.4 | Transaction costs related to issues of shares, convertible notes or options | - | - |
| 3.5 | Proceeds from borrowings | - | - |
| 3.6 | Repayment of borrowings | - | - |
| 3.7 | Transaction costs related to loans and borrowings | - | - |
| 3.8 | Dividends paid | - | - |
| 3.9 | Other – share issue costs | (315) | (320) |
| 3.10 | Net cash from / (used in) financing activities | (315) | 2,353 |

| | | | |
|------------|--|----------------|----------------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 34.1 | Cash and cash equivalents at beginning of period | 5,064 | 4,630 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (1,014) | (3,209) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (54) | (93) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | (315) | 2,353 |
| 4.5 | Effect of movement in exchange rates on cash held | - | - |
| 4.6 | Cash and cash equivalents at end of period | 3,681 | 3,681 |

Explanation necessary to understand the transactions included in items 3.1.

| 5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter \$A'000 | Previous quarter \$A'000 |
|--|----------------------------|-----------------------------|
| 5.1 Bank balances | 481 | 92 |
| 5.2 Call deposits | 3,200 | 4,972 |
| 5.3 Bank overdrafts | - | - |
| 5.4 Other (provide details) | - | - |
| 5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 3,681 | 5,064 |

6. Payments to directors of the entity and their associates

| | Current quarter \$A'000 |
|--|----------------------------|
| 6.1 Aggregate amount of payments to these parties included in item 1.2 | 51 |
| 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3 | - |
| 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2 | |

Thundelarra's financial year is from 1 October 2017 to 30 September 2018.

7. Payments to related entities of the entity and their associates

| | Current quarter \$A'000 |
|--|----------------------------|
| 7.1 Aggregate amount of payments to these parties included in item 1.2 | - |
| 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3 | - |
| 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2 | |

8. Financing facilities available

Add notes as necessary for an understanding of the position

| | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|---------------------------------|--|---|
| 8.1 Loan facilities | - | - |
| 8.2 Credit standby arrangements | - | - |
| 8.3 Other (please specify) | - | - |

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

| 9. Estimated cash outflows for next quarter | | \$A'000 |
|--|--------------------------------------|----------------|
| 9.1 | Exploration and evaluation | 700 |
| 9.2 | Development | - |
| 9.3 | Production | - |
| 9.4 | Staff costs | 163 |
| 9.5 | Administration and corporate costs | 140 |
| 9.6 | Other (provide details if material) | - |
| 9.7 | Total estimated cash outflows | 1,003 |

| 10. Changes in tenements (items 2.1(b) and 2.2(b) above) | Tenement reference and location | Nature of interest | Interest at beginning of quarter | Interest at end of quarter | |
|---|---|---------------------------|---|-----------------------------------|-----|
| 10.1 | Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced | E59/1648 | - | 100% | Nil |
| | | P59/1929 | - | 100% | Nil |
| | | P59/1930 | - | 100% | Nil |
| 10.2 | Interests in mining tenements and petroleum tenements acquired or increased | - | - | - | |

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:

Date: 24 April 2018

Print name: Frank DeMarte
Company Secretary

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been

prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.