



THUNDELARRA

EXPLORATION LTD

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Thundelarra Exploration Ltd
ABN 74 950 465 654
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The Manager
Companies Announcement Office
Australian Stock Exchange Limited
Level 4
20 Bridge Street
SYDNEY NSW 2000

Via Electronic Lodgement

Dear Sir/Madam

EAST KIMBERLEY PROJECTS - EXPLORATION UPDATE

The 2005 exploration campaign on Thundelarra Exploration Ltd's ("Thundelarra") East Kimberley Projects is about to commence. Thundelarra's field team will mobilise to the Panton camp next week to site holes for the initial drill programs planned for the Lamboo and Panton North projects. A multi-purpose drilling rig has been contracted for the season and will move to site within the fortnight to await the breaking of the summer monsoon. The proposed programs for the year are as follows:

Nickel-Copper

Thundelarra's nickel-copper exploration campaign in 2005 will focus on the prospective corridors defined by the extensive surveys completed in 2004 (see attached East Kimberley map). A 2,000 line kilometre airborne Hoist EM survey is scheduled to commence late March with follow-up anomaly assessment and drilling planned for April-May.

LionOre Joint Venture

Importantly, LionOre Australia Pty Ltd ("LionOre") is planning an increased exploration program on the East Kimberley Joint Venture for the 2005 season. LionOre is proposing to spend approximately \$1.9 million on its managed tenements, primarily directed towards surface geochemical sampling, geophysical EM and IP surveying, and RC and diamond drilling. The targets include Keller Creek, McKenzie Springs, Fletchers Creek and Nortons Intrusions. Access Permits to the Violet Valley Aboriginal Reserve have been issued and exploration will commence within this extensive area once all heritage surveys are undertaken. LionOre's exploration team has been strengthened, comprising two experienced geologists and two field assistants, together with support from three geological consultants with extensive specialised nickel experience.

Gold

Towards the end of 2004, significant gold mineralisation was discovered associated with a number of quartz reefs on Thundelarra's Lamboo Project. Rock chip sampling of the various reefs returned results of up to 111 g/t gold from veins that can be traced for over a 1 kilometre within the Project. Thundelarra has now integrated all historical information with the recent rock sampling results and the detailed hyperspectral data to generate a number of targets that warrant immediate drill testing. This drilling program will commence as soon as the weather conditions permit. The Lamboo Project has the potential to host a near surface high grade open-cut gold resource that could be treated through the nearby Nicholsons gold plant.

Diamonds

In December of 2004 Thundelarra announced that it had entered into an agreement to acquire the 1,000 sq km Chamberlain diamond project from Rio Tinto Exploration Pty Limited. This project has the potential to host significant diamond mineralisation associated with "blow-outs" along kimberlite dykes paralleling the numerous dolerites within the tenements. A detailed low level airborne magnetic survey is scheduled to commence late March to early April to identify any possible "blow-out" features within a well defined 50 kilometre corridor. All priority anomalies will be ground assessed in May.

This year will see over \$3 million spent by Thundelarra and its joint venture partners on the East Kimberley tenements. A large proportion of this planned expenditure will be on geophysical surveys and drilling. Shareholders and investors will be advised of results as they are received and assessed.

Yours sincerely
THUNDELARRA EXPLORATION LTD



Philip G Crabb
CHAIRMAN

For further information about Thundelarra Exploration Ltd.

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Contacts:

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Thundelarra Exploration Ltd

or

Brian Richardson
Director of Exploration
Thundelarra Exploration Ltd

The resource estimates have been prepared by Geologists who are members of the Australian Institute of Geoscientists and are competent persons for the purposes of JORC Code (1999). Other information in this report, insofar as it relates to resource estimation and exploration activities, are based on information compiled by Mr Brian Richardson who is a Corporate Member of the Australasian Institute of Mining and Metallurgy and who have more than ten years experience in the field of the activity being reported on. This report accurately reflects the information compiled by the member.

