



THUNDELARRA

EXPLORATION LTD

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3 May 2005

Thundelarra Exploration Ltd
ABN 74 950 465 654
ACN 085 782 994

The Manager
Companies Announcement Office
Australian Stock Exchange Limited
Level 4
20 Bridge Street
SYDNEY NSW 2000

Via Electronic Lodgement

Dear Sir/Madam

SUCCESSFUL CONVERSION OF OPTIONS

The directors of Thundelarra Exploration Ltd are pleased to announce that the conversion of the Company's listed options which expired on 30 April 2005, with an exercise price of 20.5 cents has been completed and 2,517,700 or 84.6% of the options have been exercised.

Pursuant to the Underwriting Agreement between the Company and BB Capital Pty Ltd dated 21 March 2005, a placement of the 456,944 option shortfall of a total 2,974,644 options will be made to the Underwriters.

Conversion of the options together with the underwritten shortfall at the exercise price of 20.5 cents raises a total of \$609,802 for the Company.

The directors of Thundelarra wish to thank the shareholders and optionholders for their continued support of the Company.

Yours sincerely
THUNDELARRA EXPLORATION LTD

Frank DeMarte
COMPANY SECRETARY