THUNDELARRA
EXPLORATION LTD

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

31 October 2005

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

Via Electronic Lodgement

Dear Sir/Madam

ACTIVITIES REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2005

HIGHLIGHTS

- LionOre intersects nickel-copper sulphides at Keller Creek **6.77 metres @ 1.98% nickel; 0.53% copper**.
- Copernicus North diamond drilling intersects **13 metres @ 0.99% nickel and 1.34% copper and 12 metres @ 1.09% nickel and 0.78% copper**.
- Mabel Hill drilling intersects two zones of nickel-copper sulphide mineralisation.
- DHEM anomalies identified at Mabel Hill, Bow River and Highway prospects.
- Board allocates exploration budget for Australian uranium exploration.

INTRODUCTION

Thundelarra Exploration Ltd ("Thundelarra") is one of the largest tenement holders within the East Kimberley with over 3,300 square kilometres of prospective nickel, gold and diamond tenure (see attached tenement location map). The majority of the tenements are subject to the East Kimberley Joint Venture, where LionOre Mining Australia Pty Ltd ("LionOre") is earning a 60% equity by spending $5 million over 5 years. LionOre have budgeted approximately $1.9 million for the East Kimberley nickel project in 2005.

The Chamberlain (see page 5) and Copernicus (see page 4) projects are excluded from this joint venture.

Details of Thundelarra's and LionOre's work during the September 2005 quarter are presented below:

EXPLORATION

EAST KIMBERLEY PROJECTS

Thundelarra Funded Exploration

During the September 2005 quarter Thundelarra conducted exploration programs on a number of prospects within the East Kimberley project area. Field assessment commenced on the Lamboo project, down-hole electromagnetic surveys were conducted at various prospects and drilling programs were completed at Mabel Hill and Copernicus (particularly Copernicus North and Copernicus Deeps). An airborne magnetic survey was also flown over part of the Chamberlain diamond project. Encouraging results were returned from most areas explored as detailed below:

Lamboo Project

The Lamboo project is located 40 kilometres ("kms") south west of Hall Creek and consists of 5 tenements covering approximately 80 km^2. Thundelarra holds 100% equity in 3 of the tenements and is earning an 80% equity in the remaining tenements held by Great Gold Mines Ltd by spending $200,000 over 3 years.

The project covers the poorly exposed Lamboo Intrusive Complex ("LIC"). This is a structurally complex layered intrusion at least 23 kms long and 1.5 kms in width, with at least a 20 km strike length within the Lamboo project tenements. The project is prospective for ortho magmatic nickel-copper sulphide mineralisation associated with the LIC, platinum group elements ("PGE") associated with numerous mapped chromitite seams, gold mineralisation related to the southern extension of the Nicolson fault structure and quartz veins within granite bodies.

During the 1980's and 1990's the area was subjected to exploration for PGE mineralisation associated with numerous chromitite seams discovered within the ultramafic units of the LIC. A reverse circulation ("RC") and diamond drilling program conducted between 1985-1988 resulted in the discovery of some significant widths of low grade PGE mineralisation eg. LDH32:40 metres @ 0.72 g/t platinum+palladium+gold including 19 metres @ 0.93 g/t. While some narrow high grade intervals may correlate with chromitite lenses, several broad intercepts show good correlation to finely disseminated sulphides (generally 1-2%). Petrological work showed that the sulphides are primarily magmatic.

The wide zones of PGE, copper and nickel sulphide mineralisation combined with evidence of alteration and the apparent structural complexity in parts of the LIC indicate that it is very prospective for large tonnage bulk mineable PGE-copper-nickel deposits.

During the late 1980's and early 1990's, the area was subjected to exploration for structurally controlled hydrothermal gold deposits. Several occurrences were located north of the Lamboo homestead. The most significant of these was known as Shifty's Reef where 12 RC holes were drilled to test a quartz veined zone in the Bow River Granite. Several encouraging intersections were made including PWRC05, 8 metres @ 5.7 g/t gold. Significantly gold was also intersected in hole LDH4, 5 metres @ 6.1 g/t gold from 9 metres within the ultramafic unit of the LIC. This hole is located within the interpreted southern extension of the Nicolson shear within the most structurally complex zone of the intrusion. The Nicolson gold mine is located approximately 6 kms north east of LDH4 and outside of the project.

Thundelarra's exploration effort has concentrated primarily on the search for magmatic nickel-copper sulphides associated with the LIC. In 2004 a hyperspectral survey was flown across the project the results of which clearly defined the prospective contacts of the extensive ultramafic unit. In late 2004 an airborne electromagnetic survey (HoistEM) was conducted identifying 6 conductor anomalies within the tenements located at or near the prospective ultramafic contacts. All these targets occur beneath a shallow cover sequence of black soil and will be drill tested either later this season or early next year.

Field exploration programs are continuing on this project involving geological mapping and sampling. Mapping and sampling of the newly discovered Midnight North prospect has identified a dunitic portion of the LIC. Rock sampling returned up to 6.00% copper, 0.5% nickel and 277 ppb gold. A gossan caprock returned 358 ppb platinum+palladium+gold and chromitite horizons up to 973 ppb platinum+palladium+gold and 7.3% chromium.

Rock sampling at the Attwell prospect identified chromitite with up to 2479 ppb platinum+palladium+gold and 16.4% chromium. The eastern portion of this prospect has a 400 metre x 200 metre gold geochemical anomaly peaking at 692 ppb.

Once all results from these programs are available a drilling program will be planned to test not only the nickel-copper targets but also the large low grade PGE targets and a number of priority gold in soil anomalies associated with the interpreted Nicolson shear.

Mabel Hill Prospect

The Mabel Hill prospect is located in the Panton North tenement, E80/2290, approximately 70 kms north east of Halls Creek. A small gossan was discovered at the prospect in the 1970's and a limited drill program conducted shortly after discovery, intersected 3.8 metres @ 1.43% nickel and 0.3% copper within an embayment within a mafic/ultramafic intrusion. In 2004 Thundelarra conducted a ground electromagnetic survey which identified 2 target conductors, each 70 metres in strike length and stacked above each other. During the quarter Thundelarra drilled a single RAB drillhole (TKB001) to a total depth of 84 metres. This intersected the gabbro-norite intrusive and returned 1 metre at 1.46% nickel, 0.13% copper and 240 ppb platinum+palladium from 41 metres and 8 metres @ 0.38% nickel from 60 metres. The hole was terminated due to drilling difficulties before reaching the target depth of the lower EM target.

Along strike from the Mabel Hill prospect a number of as yet untested HoistEM anomalies occur and present as drill targets for the 2006 field season.

Bow River Prospect

The Bow River prospect is located 15 kms north of Warmun and is situated over a discreet ground electromagnetic anomaly identified in 2004. Thundelarra drilled 2 holes into the prospect in 2004 but failed to intersect a source for the electromagnetic anomaly. During the current quarter a DHEM survey identified an off hole EM anomaly paralleling the 2 holes drilled. Further drilling will test the anomaly, located on the margin of the mineralised Bow River mafic intrusion.

Highway Prospect

The Highway prospect is located 8 kms south west of the Mabel Hill prospect and covers a gossan occurrence discovered by Thundelarra in 2003. Gossan sampling returned a best value of 0.37% nickel, 0.75% copper and 4.4 ppm platinum+palladium+gold. A ground EM survey identified a 100 metre long conductor. One hole, TKC003 intersected 1 metre of massive pyrrhotite sulphide mineralisation from 37 metres (0.07% nickel, 0.4% copper) remobilised into a gabbro granite contact. A DHEM survey conducted this quarter located an off hole EM anomaly interpreted to be the intact sulphide body at the base of the pyroxenite and will be drill tested early next year.

Copernicus Project

During the quarter Thundelarra completed 5 diamond holes into the Copernicus North and Copernicus Deeps prospects for a total of 1,890 metres. A DHEM survey was also conducted on holes drilled by Thundelarra this year. Hole CORBD057, designed to test the midpoint of the mineralised horizon within the Copernicus North prospect intersected **13 metres @ 0.99% nickel and 1.34% copper** from 235 metres. Hole CORBD058, located 50 metres grid north was designed to test the upper margin of the geophysical plate and intersected **12 metres at 1.09% nickel and 0.78% copper** from 255 metres. All significant intercepts returned from Thundelarra's drilling of the Salk and Copernicus North prospect this year are presented in Table 1.

The 3 holes drilled into the Copernicus Deeps prospect (down plunge extension of Copernicus North) intersected a strongly magnetic rock unit that caused considerable interference with the downhole camera surveys. This interference has meant that the 3 dimensional location of the holes in space cannot be accurately determined and hence the actual position of any DHEM anomaly cannot be calculated with any degree of accuracy. As several of the holes were over 400m in depth the estimated and actual bottom hole location can vary considerably. In light of this, Thundelarra decided that the final geophysical interpretation of the DHEM data and the assaying of the core samples from the 3 holes would be completed after a gyroscopic down hole survey is conducted (scheduled for mid November 2005). This will allow a more precise interpretation of the geophysical and analytical results. Gyroscopic surveys are not affected by the magnetic properties of the surrounding rock.

Table 1 Significant Drill Intercepts – Copernicus Project 2005
> 0.5% Nickel

Hole	Location	Grid East	Grid North	Depth (m)	Collar Azimuth (magnetic)	Collar Dip	Intercepts
SARD9	Salk	3850	5210	96	124	-60	62-65m: 3m@ 0.67% Ni, 0.47% Cu 67-68m: 1m@ 0.86% Ni, 0.1% Cu
SARD10	Salk	3825	5240	117	124	-60	65-72m: 7m@ 0.63% Ni, 0.79% Cu 74-75m: 1m@ 0.72% Ni, 0.67% Cu 77-84m: 7m@ 0.87% Ni, 0.58% Cu 89-96m: 7m@ 0.62%Ni, 0.35% Cu
CORCD053	Link	55363	102875	138	113	-60	85.1-86.6m: 2m @ 1.3% Ni, 0.8% Cu
CORCD054	Link	55349	102900	132	113	-60	99.9-102.6m: 2.7m @ 0.5% Ni, 0.60% Cu
CORBD055	Copernicus North	55260	10300	210	116	-65	184.5–191.1m:6.6m @ 2.85% Ni, 1.37% Cu (**weight average 6.6m @ 3.02% Ni, 1.34% Cu)** 193-195m: 2m @ 0.82% Ni, 0.03% Cu
CORBD057	Copernicus North	55198	103050	264	116	-65	235-248m : 13m @ 0.99% Ni, 1.39% Cu.
CORBC058	Copernicus North	55205	103100	273	114	-70	255-267m: 12m @ 1.09% Ni, 0.78% Cu.

Chamberlain Diamond Project

A detailed air magnetic and radiometric survey was completed over the Chamberlain diamond project during the quarter. The survey of 3,000 kms was centred on the previously recognised dolerite dyke swarms and the possible kimberlite dykes that are interpreted to parallel these dolerites. The target is large kimberlite "blow-outs" that may occur disrupting the highly linear magnetic signature of the proximal dolerites.

Previous exploration by Rio Tinto Exploration Ltd discovered narrow kimberlite dykes within the project area.

Thundelarra has now compiled a database of all relevant historical work over the project, completed the interpretation of the regional hyperspectral survey conducted in 2004 and carried out a photogeological study of the area. The 4 layers of information including the recent magnetic interpretation are currently being interrogated to rank the targets identified to date.

LionOre Joint Venture (Thundelarra 100%-LionOre earning 60%)

LionOre has supplied the following report for activities completed during the quarter.

Keller Creek

At the Keller Creek prospect, diamond drilling has intersected nickel-copper sulphides associated with the intrusion contact and footwall fissure zones. Footwall fissure zone intersections to date include **6.77 metres @ 1.98% nickel and 0.53% copper** from 36.8m in LEKD22, and **5 metres @ 0.69% nickel and 0.45% copper** from 23 metres in LEKC18. Intersections to date on the western contact zone include **16.25 metres @ 0.4% nickel and 0.2% copper** from 104.8 metres in LEKD23, and **18 metres @ 0.57% nickel and 0.27% copper** from 267 metres in LEKD40, some 200 metre down dip of the former, including **5 metres @ 0.94% nickel and 0.38% copper** from 269 metres and **5 metres @ 0.78% nickel & 0.27% copper** from 280 metres. On the northern contact, some 200-300m along strike from the former holes, intersections include **7.3 metres @ 0.4% nickel** from 134 metres in LEKD25, and down dip of this, an as yet unassayed zone of 2.75 metres of breccia and massive sulphides from 421.9 metres in LEKD43. The intrusion appears to continue at depth, plunging off to the south east. Drill hole locations are presented in Table 2.

Table 2 Drill Hole Locations – Keller Creek Prospect

Hole id	AMG E	AMG N	Dip	Azi (AMG)	RC	DD tail	Total depth	Objective
LEKC0018	390480	8086570	-50	180	110.0		110.0	
LEKD0022	390480	8086580	-75	180	15.0	57.5	72.5	Test down dip of LEKC0018
LEKD0023	390335	8086260	-60	270	45.0	96.5	141.5	Test central basal contact
LEKD0025	390700	8086535	-60	360	75.0	126.5	201.5	Test northern basal contact
LEKD0040	390337	8086260	-60	90	60	378.2	438.2	Test central basal contact
LEKD0043	390700	8086525	-60	180	60	404	464.0	Test northern basal contact

Elsewhere, new gossanous zones associated with intrusive mafics have also been identified, detailed aeromagnetic surveying of the Keller Creek and Sally Downs Bore prospect areas has been completed; and new targets have been identified and ranked for field checking prior to the end of the field season, to allow heritage clearance priorities to be defined and organized for the start of the 2006 field season.

Uranium Exploration

Due to the rate the world has been depended on the stored energy in the non renewable fossil fuels (coal, oil and natural gas) and the need to develop known alternative energy sources such as uranium the board of Thundelarra has recently decided to allocate a budget for uranium project generation and exploration in Australia. Today Australia's share of the world's uranium resources in the low cost category is about 30%. Other countries with major uranium deposits are Canada, Kazakhstan, South Africa, Namibia, Brazil, Russian Federation and the USA. To date, Thundelarra has focussed most of its resources on nickel-copper exploration in the East Kimberley.

Thundelarra is currently assessing several uranium opportunities within Australia and has recently applied for a number of exploration licences.

CORPORATE

Investments in Publicly Listed Companies

Aldershot Resources Ltd

Thundelarra currently hold 5.4% of the issued capital of Aldershot Resources Ltd ("Aldershot"). Aldershot a Canadian listed global uranium explorer has over 14 uranium projects globally including 11 within Australia.

Due to Aldershot's heavy commitment to its existing Canadian project an opportunity exists for Thundelarra to generate is own uranium project with Australia either in its own right or jointly with Aldershot.

United Kimberley Diamonds NL

Thundelarra currently holds 23% of the issued capital of United Kimberley Diamonds NL.

Yours sincerely
THUNDELARRA EXPLORATION LTD

PHILIP CRABB
Chairman

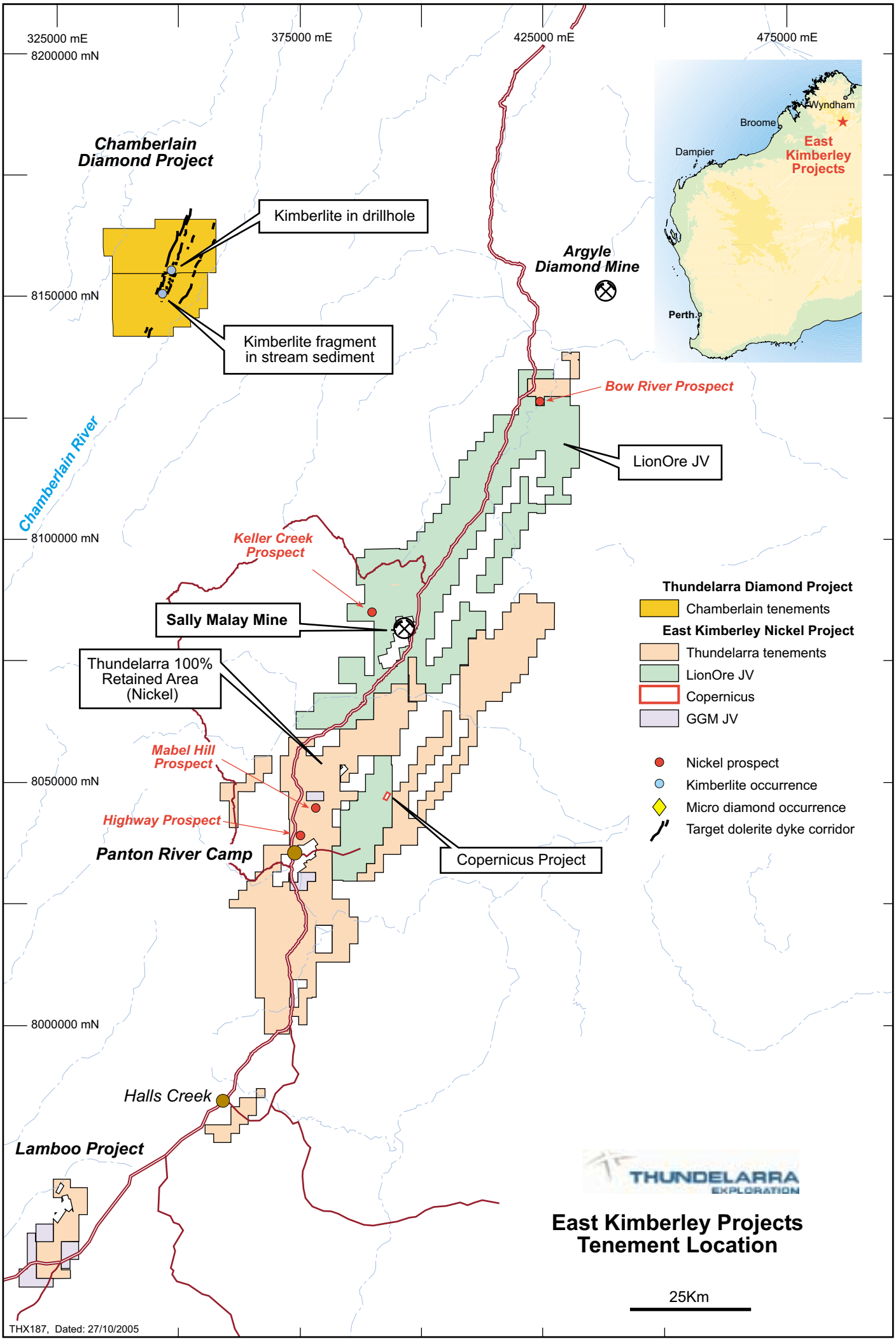
For further information about Thundelarra Exploration Ltd.

Website: www.thundelarra.com

Contacts:

Philip Crabb	or	Brian Richardson
Chairman		Director of Exploration
Thundelarra Exploration Ltd		Thundelarra Exploration Ltd

The details contained in this report that pertain to ore and mineralisation is 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.


325000 mE
375000 mE
425000 mE
475000 mE
8200000 mN
8150000 mN
8100000 mN
8050000 mN
8000000 mN
Chamberlain Diamond Project
Kimberlite in drillhole
Kimberlite fragment in stream sediment
Argyle Diamond Mine
Wyndham
Broome
Dampier
Perth
East Kimberley Projects
Bow River Prospect
LionOre JV
Chamberlain River
Keller Creek Prospect
Sally Malay Mine
Thundelarra 100% Retained Area (Nickel)
Mabel Hill Prospect
Highway Prospect
Panton River Camp
Copernicus Project
Halls Creek
Lamboo Project
Thundelarra Diamond Project
Chamberlain tenements
East Kimberley Nickel Project
Thundelarra tenements
LionOre JV
Copernicus
GGM JV
Nickel prospect
Kimberlite occurrence
Micro diamond occurrence
Target dolerite dyke corridor
THUNDELARRA EXPLORATION
East Kimberley Projects
Tenement Location
25Km
THX187, Dated: 27/10/2005

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98.

Name of entity

THUNDELARRA EXPLORATION LTD

ACN	Quarter ended ("current quarter")
085 782 994	**30 SEPTEMBER 2005**

Consolidated statement of cash flows

			Current quarter $A'000	Year to date (9 months) $A'000
Cash flows related to operating activities				
1.1	Receipts from product sales and related debtors			
1.2	Payments for	(a) exploration and evaluation	(883)	(2,063)
		(b) development	-	-
		(c) production	-	-
		(d) administration	(288)	(1,127)
1.3	Dividends received		-	-
1.4	Interest and other items of a similar nature received		51	248
1.5	Interest and other costs of finance paid		-	-
1.6	Income taxes paid		-	-
1.7	Other (provide details if material)		-	-
	Net Operating Cash Flows		(1,120)	(2,942)
	Cash flows related to investing activities			
1.8	Payment for purchases of:	(a)prospects	-	-
		(b)equity investments	-	(222)
		(c) other fixed assets	-	(187)
1.9	Proceeds from sale of:	(a)prospects	-	-
		(b)equity investments	-	4
		(c)other fixed assets	2	25
1.10	Loans to other entities		(23)	(489)
1.11	Loans repaid by other entities		6	208
1.12	Other (provide details if material)		-	-
	Net investing cash flows		(15)	(661)
1.13	Total operating and investing cash flows (carried forward)		(1,135)	(3,603)

1.13	Total operating and investing cash flows (brought forward)	(1,135)	(3,603)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	625
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – share issue costs	-	(25)
	Net financing cash flows	-	600
	Net increase (decrease) in cash held	(1,135)	(3,003)
1.20	Cash at beginning of quarter/year to date	3,340	5,208
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	**Cash at end of quarter**	2,205	2,205

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	143
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Thundelarra's financial year is from the period 1 October 2004 to 30 September 2005.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Not Applicable

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Not Applicable

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	350
4.2	Development	-
	Total	350

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	(52)	101
5.2	Deposits at call	2,194	3,158
5.3	Bank overdraft	-	-
5.4	Other (bank guarantees)	63	81
	Total: cash at end of quarter (item 1.22)	2,205	3,340

Changes in interests in mining tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	Bow River Bow River Alice Downs Alice Hill North	E80/2750 E80/2751 E80/2569 E80/2578	4 Blocks 10 Blocks 51 Blocks 40 Blocks	2 Blocks 5 Blocks 26 Blocks 20 Blocks
6.2	Interests in mining tenements acquired or increased	Turkey Hill Spring Creek Fork West Spring Creek Keller West	E80/3276 E80/3293 E80/3294 E80/3323	Nil Nil Nil Nil	100% 100% 100% 100%

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	**Preference +securities** *(description)*	-	-	-	-
7.2	Changes during quarter				
	(a) Increases through issues	-	-	-	-
	(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3	**+Ordinary securities**	76,930,370	76,930,370	-	-
7.4	Changes during quarter				
	(a) Increases through issues	-	-	-	-
	(b) Decreases through returns of capital, buy-backs	-	-	-	-
7.5	**+Convertible debt securities** (*description)*	-	-	-	-
7.6	Changes during quarter				
	(a) Increases through issues	-	-	-	-
	(b) Decreases through securities matured, converted	-	-	-	-

7.7	**Options** *(description and conversion factor)*			*Exercise price*	*Expiry date*
		1,245,000	-	$0.325	28/03/2008
		1,771,000	-	$0.475	28/02/2007
		11,000,000	-	$0.655	20/11/2007
		1,970,000	-	$0.675	26/02/2009
		375,000	-	$0.325	20/04/2009
		390,000	-	$0.220	31/05/2009
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter				
7.11	**Debentures** *(totals only)*	-	-		
7.12	**Unsecured notes** *(totals only)*	-	-		

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX (see note 4).

2 This statement does give a true and fair view of the matters disclosed.

Sign here: Date: 27 October 2005

(Director /Company Secretary)

Print name: FRANK DE MARTE

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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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