



THUNDELARRA

30 August 2017

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Thundelarra Limited
ABN 74 950 465 654
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ASX THX

Dear Shareholder



NOTICE TO INELIGIBLE SHAREHOLDERS OF RENOUNCEABLE RIGHTS ISSUE

We write to you as the registered holder of Thundelarra Limited (ASX: THX) (**Thundelarra** or the **Company**) shares as at today's date. As advised in the Company's ASX announcement dated 28 August 2017, Thundelarra is undertaking a renounceable pro-rata rights issue to eligible shareholders of ordinary fully paid shares in the Company at an issue price of \$0.025 per share and on the basis of 2 new shares (**New Shares**) for every 5 shares held at the record date on Friday, 1 September 2017 (**Record Date**), together with one free attaching option (**Attaching Option**) for every two New Shares issued pursuant to this offer (**Rights Issue**). The Attaching Options are intended to be quoted, and will be exercisable at \$0.05 each on or before 30 September 2019. Pursuant to the Rights Issue, the Company will issue up to approximately 169.4 million New Shares and 84.7 million Attaching Options to raise approximately \$4.23 million before costs.

The Rights Issue is partially underwritten to \$1 million (**Underwritten Amount**) by CPS Capital Group Pty Ltd (**CPS Capital**). The Company will pay CPS Capital an underwriting fee of 5.5% of the Underwritten Amount, a lead manager fee of 2.5% of the amount raised under the Rights Issue and a placement fee of 5.5% of any shortfall placed beyond the Underwritten Amount and all excluding GST. The Underwriter will also be issued 5,000,000 options in the Company on the same terms as the Attaching Options.

The Rights Issue is available to all Thundelarra shareholders (**Shareholders**) registered on the Record Date whose registered address is in Australia or subject to certain offer restrictions, New Zealand (**Eligible Shareholders**).

Subject to the satisfactory completion of the Rights Issue, funds will be used to progress drilling at the flagship Garden Gully Gold Project and for general working capital.

Ineligible Shareholders

The Company has determined, pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules, that it would be unreasonable to make offers under the Prospectus to ineligible foreign shareholders. Accordingly, in compliance with ASX Listing Rule 7.7.1(b), the Company wishes to advise that you it will not be extending the Rights Issue to you.

In compliance with ASX Listing Rule 7.7.1(c), the Company has appointed CPS Capital (**Nominee**) as nominee for foreign holders with registered addresses outside of Australia and New Zealand (**Ineligible Foreign Shareholders**). The Company advises these Ineligible Foreign Shareholders that the Nominee will arrange for the sale of the rights to subscribe for the new securities under the Rights Issue that would have been given to these Ineligible Foreign Shareholders, and if they are sold, for the net proceeds to be sent to the Ineligible Foreign Shareholders. The Nominee will have an absolute and sole discretion (subject to market conditions) to determine the timing and the price at which the rights may be sold and the manner of any such sale. CPS will be paid for its services as Nominee on standard industry terms and conditions.


Any interest earned on the proceeds of the sale of these rights will firstly be applied against expenses of such sale, including brokerage, and any balance will accrue to the Ineligible Foreign Shareholders.

The net proceeds of the sale of these rights will then be forwarded by the Company as soon as practicable to the Ineligible Foreign Shareholders, in proportion to their share of such rights (after deducting brokerage commission and other expenses). Please note it is possible that no net proceeds will be available for distribution to Ineligible Foreign Shareholders, after the costs of the sale have been paid to the Nominee. We will inform you in due course of the outcome of the sale of your rights.

There is no guarantee that the Nominee will be able to sell the rights of Ineligible Foreign Shareholders on ASX and Ineligible Foreign Shareholders may receive no value for the rights. Both the Company and the Nominee take no responsibility for the outcome of the sale of such rights or the failure to sell such rights.

For all enquiries concerning the Rights Issue, please contact the Company Secretary, Frank DeMarte, by telephone on +61 8 9389 6927 and for all general shareholder enquiries, please contact Computershare Investor Services Pty Limited on 1300 850 505.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Philip Crabb', written over a thin horizontal line.

Philip Crabb
Non-Executive Chairman