



THUNDELARRA

EXPLORATION LTD

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28 April 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

ACTIVITIES REPORT FOR THE QUARTER ENDED 31 MARCH 2005

HIGHLIGHTS

- Early start to the 2005 East Kimberley field season.
- Diamond drilling program has commenced.
- Drilling planned for Lamboo gold and nickel-copper sulphide project in May 2005.
- Joint Venture Agreement signed covering additional tenements at Lamboo.
- Airborne HoistEM and magnetic surveys planned for May 2005.
- Joint Venture partner LionOre Mining Australia Pty Ltd (“LionOre”) has commenced field work in the East Kimberley.
- The amount of approximately \$3.5 million will be spent by LionOre and Thundelarra in the East Kimberley this field season, the bulk of which will be on geophysical surveys, reverse circulation and diamond drilling.

Thundelarra Exploration Ltd (“Thundelarra”) has the largest tenement holding within the East Kimberley with over 3,900 square kilometres of prospective nickel, gold and diamond tenure (see attached tenement location map). During the 2004 field season Thundelarra and its joint venture partners, LionOre Australia Ltd (“LionOre”) and Sally Malay Mining Ltd (“Sally Malay”) spent over \$3.5 million on exploring Thundelarra’s East Kimberley tenements. In 2005 a similar amount of money will be spent on the East Kimberley tenements.

Details of Thundelarra’s and LionOre’s work during the March 2005 quarter are presented below:

EXPLORATION

EAST KIMBERLEY PROJECTS

Thundelarra Funded Exploration

During the March quarter field exploration commenced on Thundelarra’s extensive East Kimberley ‘Retained Area’ tenements. At Lamboo, geological mapping and rock chip and soil sampling programs were undertaken in preparation for a drilling campaign planned for late May. The Lamboo project is prospective for magmatic nickel-copper sulphide and platinum-palladium mineralisation associated with the extensive mafic-ultramafic Lamboo Intrusive Complex (“LIC”) and epigenetic gold related to numerous quartz veins and major mineralised structures within the tenements. Historical exploration within the LIC during the 1980s returned encouraging gold intercepts including 5 metres @ 6.1 g/t gold from 21 metres in hole LDH4 and broad zones of platinum-palladium-gold mineralisation including 19 metres @ 0.93 g/t Pt+Pd+Au from 34 metres in hole LDH32. Thundelarra has now compiled all available historical information on the project and has commenced systematic field exploration over the 160 square kilometre project.

A total of 32 rock chip channel samples were collected from the previously identified Shifty’s Reef. Eight samples assayed above 10 g/t gold with the highest of 140 g/t gold. Six angled percussion drill holes are planned to determine the potential of the granite hosted quartz veins to host a high grade near surface gold resource that could be treated at the nearby Nicholsons Find plant (owned by Terra Gold Ltd).

A total of 115 soil samples were collected from the Attwell prospect within the LIC. An open ended 400 metre long gold, platinum and palladium anomaly was defined by the 100ppb gold contour with maximum values of 692ppb gold, 477ppb platinum and 387ppb palladium. The drill holes LDH4 and LDH32 mentioned above occur within this prospect. An extensive soil sampling and detailed geological mapping program is currently underway on the highly prospective LIC. Drilling is expected to commence at the completion of the field program and the planned airmagnetic survey.

In February Thundelarra entered into a joint venture with Great Gold Mines NL (“GGM”) on three granted exploration licences in the East Kimberley. Tenements E80/2559 and 2567 are adjacent to Thundelarra’s Lamboo project while the third tenement, E80/2574, is contiguous with the central Panton North project. Under the terms of the joint venture Thundelarra may earn 80% equity in the tenements by the expenditure of \$200,000 over three years and GGM will retain a 20% free carried interest to the completion of a Bankable Feasibility Study. At this stage the joint venture excludes nickel, cobalt and magnesium but includes all other commodities.

In May 2005, Thundelarra will conduct a number of airborne geophysical surveys over the East Kimberley project. A 2,000 line kilometre helicopter borne HoistEM survey is planned for early May to cover well defined nickel target areas within the Panton, Togo, Billymac and Frank Hill projects. Detailed airmagnetic surveys are also planned for the Chamberlain and Lamboo project areas. A recently completed photo study of the Chamberlain diamond project utilising all available hyperspectral information, air magnetic data and historical indicator mineral results identified a number of high priority photo features that will be assessed in the field at the completion of the airmagnetic survey.

It is hoped that this survey will identify a number of possible “blow-out” features along kimberlite dykes that are known to occur within the Chamberlain tenements.

Copernicus Joint Venture

On the 18 April 2005 Thundelarra advised to the Australian Stock Exchange that in respect to the Heads of Agreement for Copernicus – Salk Joint Venture dated 7 July 2003 (“Heads of Agreement”) between Thundelarra and Sally Malay Exploration Pty Ltd (“SMY”) on 15 April 2005 Thundelarra advised SMY that:

- (i) in the Board’s view SMY has not delivered a Feasibility Study for the purposes of the Heads of Agreement;
- (ii) accordingly, SMY has not earned a 60% joint venture interest in the Copernicus project in accordance with the requirements of the Heads of Agreement; and
- (iii) the joint venture contemplated by the Heads of Agreement has not been formed.

Thundelarra commenced diamond drilling at the Copernicus project on the 17 April 2005 using a multi-purpose drill rig. The initial holes are targeting the strong off-hole electromagnetic anomalies detected in the Copernicus North prospect and the broad zones of nickel-copper sulphide mineralization intersected at the blind Salk North discovery. In due course three diamond holes will also be drilled into the Copernicus Deeps target once all existing data is assessed and a rig capable of drilling the 500-600 metre deep holes is contracted (see attached geological long section).

The Copernicus tenement has the potential to host a significant sulphide resource of the Voisey’s Bay-Sally Malay style and Thundelarra will focus much of its exploration effort on this project over the coming months.

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

Under the terms of the East Kimberley joint venture with LionOre, LionOre is earning a 60% interest in approximately 1,500 square kilometres of Thundelarra’s East Kimberley tenement holding by spending \$5 million over 5 years (see attached East Kimberley Project map).

During the quarter, LionOre recommissioned their Mabel Downs base camp and completed preliminary work programs for the highly rated Keller Creek, McKenzie Spring and Fletcher Creek prospects. Ground Disturbance Approvals were granted by the Department of Industry and Resources over six prospect areas and a number of Heritage Clearance surveys were successfully conducted. Drilling programs will be planned once all the planned ground electromagnetic surveys are completed.

CORPORATE

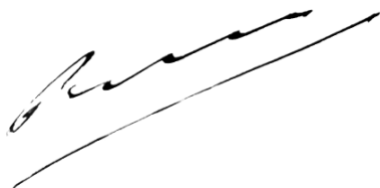
Underwriting of Listed Options Secured

On 21 March 2005 Thundelarra announced that it had entered into an Underwriting Agreement with BB Capital Pty Ltd (“Underwriter”) for all of the listed options expiring on 30 April 2005 with an exercise price of 20.5 cents each raising \$609,802.

An underwriting fee of 4% will be paid to the Underwriter on any shortfall of shares not taken up by optionholders.

At the date of this report 2,164,700 listed options have been exercised by option holders raising \$443,763.50.

Yours faithfully
THUNDELARRA EXPLORATION LTD

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

PHIL CRABB
Chairman

For further information about Thundelarra Exploration Ltd.

Website: www.thundelarra.com

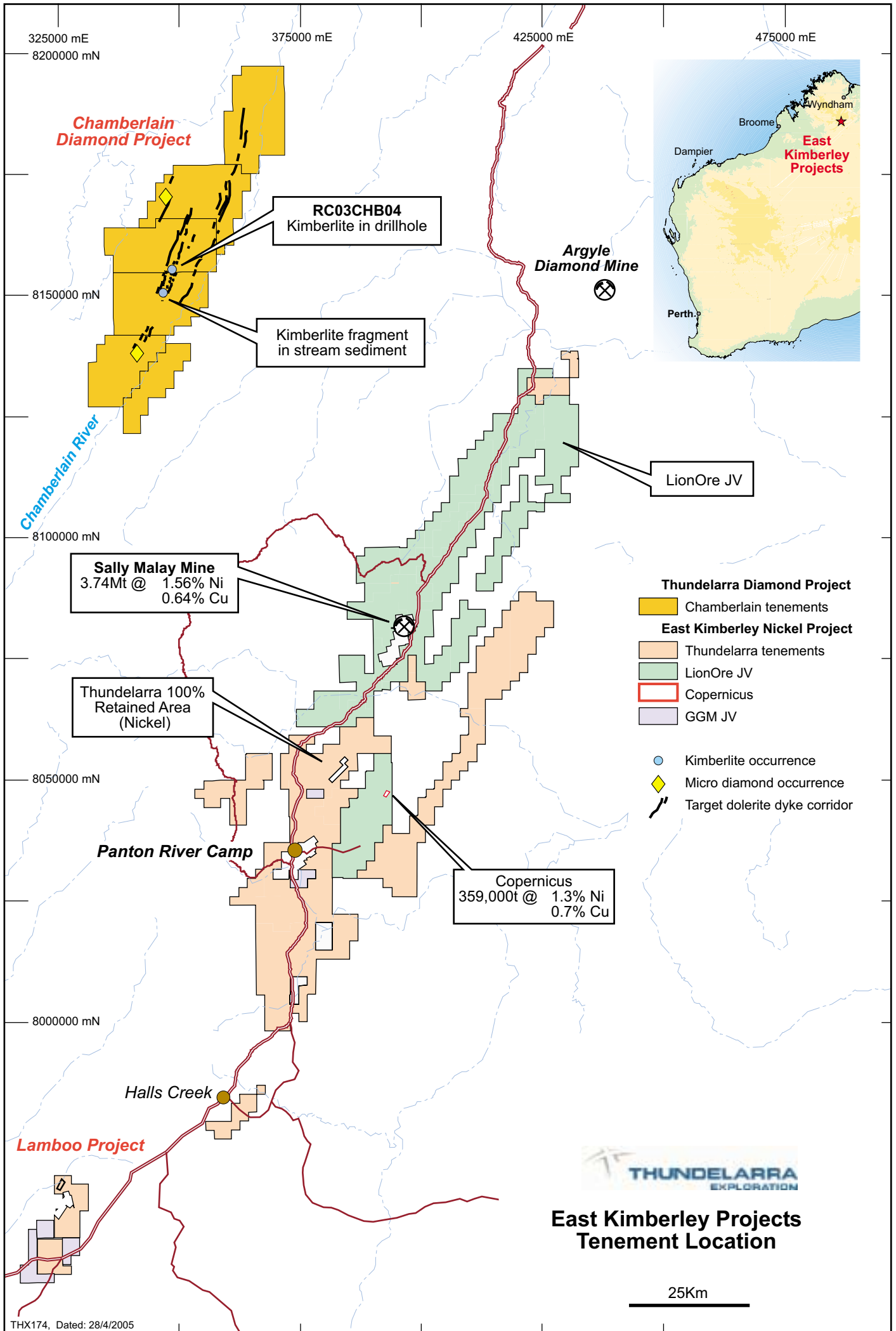
Contacts:

Philip Crabb
Chairman
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.



103400 mE

103000 mE

102600 mE

300 mRL

0 mRL

-200 mRL

E80/2716 (Thundelarra - LionOre JV)

MLA80/540 (Thundelarra 100%)

Hangingwall

Copernicus North Prospect

Oxide

Copernicus Open Pit Indicated Resource
359,000t @ 1.3%Ni, 0.7% Cu, 0.05% Co

Footwall

Copernicus Project

**Geological Long Section showing existing
Copernicus North Drill Holes
and Proposed Holes**

CORC040
2m @ 1.10%Ni, 0.98% Cu

CORC051
14m @ 1.45%Ni, 1.16% Cu

CORC035
3m @ 2.75%Ni, 1.36% Cu

CORC039
12m @ 1.63%Ni, 0.96% Cu

CORC043
intersected pyroxenite dyke

CORC052
7m @ 0.96%Ni, 0.62% Cu

TARGET ZONE

103250mN
Exploration Drill Traverse

103350mN
Exploration Drill Traverse

Ni-Cu sulphide mineralisation

Existing mineralised drill hole showing
DHEM direction to greater conductance

Existing barren drill hole showing DHEM
direction to off hole anomaly

Proposed down plunge exploration drill hole

100m

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

085 782 994

Quarter ended ("current quarter")

31 MARCH 2005

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for		
(a) exploration and evaluation	(207)	(576)
(b) development	-	-
(c) production	-	-
(d) administration	(273)	(571)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	52	132
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	(428)	(1,015)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	(204)	(222)
(c) other fixed assets	(17)	(187)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	2	4
(c) other fixed assets	22	22
1.10 Loans to other entities	(148)	(254)
1.11 Loans repaid by other entities	143	146
1.12 Other (provide details if material)	-	-
Net investing cash flows	(202)	(491)
1.13 Total operating and investing cash flows (carried forward)	(630)	(1,506)

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(630)	(1,506)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	14	16
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	-	-
Net financing cash flows		14	16
Net increase (decrease) in cash held		(616)	(1,490)
1.20	Cash at beginning of quarter/year to date	4,334	5,208
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	3,718	3,718

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	137
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	550
4.2 Development	-
Total	550

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	(20)	77
5.2 Deposits at call	3,577	4,097
5.3 Bank overdraft	-	-
5.4 Other (bank guarantees)	161	160
Total: cash at end of quarter (item 1.22)	3,718	4,334

Appendix 5B
Mining exploration entity quarterly report

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	-	-	-	
6.2	Interests in mining tenements acquired or increased	Panton North Lamboos West Lamboos South Togo North	E80/2290 E80/2259 E80/2567 E80/2574	35% Nil Nil Nil	50% Earning 80% Earning 80% Earning 80%

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 <i>(description)</i>	-	-	-
7.2	Changes during quarter			
	(a) Increases through issues	-	-	-
	(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-
7.3	+Ordinary securities	73,955,726	-	-
7.4	Changes during quarter			
	(a) Increases through issues	67,000	\$0.205	\$0.205
	(b) Decreases through returns of capital, buy-backs	-	-	-
7.5	+Convertible debt securities <i>(description)</i>	-	-	-
7.6	Changes during quarter			
	(a) Increases through issues	-	-	-
	(b) Decreases through securities matured, converted	-	-	-

Appendix 5B
Mining exploration entity quarterly report

7.7	Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
		2,974,644	2,974,644	\$0.205	30/04/2005
		1,265,000	-	\$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
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	67,000	-	\$0.205	30/04/2005
7.10	Expired during quarter				
7.11	Debentures <i>(totals only)</i>	-	-		
7.12	Unsecured notes <i>(totals only)</i>	-	-		

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:
(Director /Company Secretary)

Date: 28 April 2005

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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