THUNDELARRA

INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED
31 MARCH 2014

THUNDELARRA LIMITED
ABN 74 950 465 654

INTERIM FINANCIAL STATEMENTS – 31 MARCH 2014

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THUNDELARRA LIMITED
ABN 74 950 465 654

CORPORATE DIRECTORY

DIRECTORS	Philip G Crabb Frank DeMarte Malcolm R J Randall	(Chairman) (Executive Director) (Non-Executive Director)
CHIEF EXECUTIVE OFFICER	Antony Lofthouse	
COMPANY SECRETARY	Frank DeMarte	
REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS	Suite 8 Level 1, 186 Hampden Road NEDLANDS WA 6009 Telephone: (08) 9389 6927 Facsimile: (08) 9389 5593 Email: info@thundelarra.com	
SHARE REGISTRY	Computershare Investor Services Pty Ltd Level 2, Reserve Bank Building 45 St Georges Terrace PERTH WA 6000	
AUDITORS	Stantons International Audit and Consulting Pty Ltd Level 2, 1 Walker Avenue WEST PERTH WA 6005	
SOLICITORS	Gilbert & Tobin 1202 Hay Street WEST PERTH WA 6005	
STOCK EXCHANGE LISTING	The Company's shares are listed and quoted on the Australian Securities Exchange Limited ("ASX"). Home Exchange: Perth, Western Australia	
ASX CODE	THX	
WEB	www.thundelarra.com	

THUNDELARRA LIMITED
ABN 74 950 465 654

DIRECTORS' REPORT

Your directors present financial statements for the half year ended 31 March 2014.

DIRECTORS
The names of the Company's directors in office during the half year and until the date of this statement are set out below. The directors were in office for the entire period unless otherwise stated.

Philip G Crabb	(Chairman)
Frank DeMarte	(Executive Director)
Malcolm J Randall	(Non-Executive Director)

RESULT
The consolidated entity incurred an after tax operating loss for the half year ended 31 March 2014 of $1,565,720 (31 March 2013 loss $3,168,875).

PRINCIPAL ACTIVITY
The principal activities of the consolidated entity during the financial half year were in the exploration for mineral resources in Australia.

REVIEW OF OPERATIONS
During the period, the Company continued its exploration activities in Australia.

EVENTS SUBSEQUENT TO REPORTING DATE
Since the end of the half year, the Directors are not aware of any matter or circumstance not otherwise dealt with in the Directors' Report or the Financial Statements, that have significantly, or may significantly affect, the state of the affairs or the operations of the Group in the future financial periods with the exception of the following, the financial effects of which have not been provided for in the 31 March 2014 Financial Report:

Expiry of Options
1,000,000 employee options exercisable at 25 cents each expired on 16 April 2014.

Sale of Uranium Interest in and around Hayes Creek
In May 2014, Thundelarra received the first tranche proceeds of $650,000 from the sale of its uranium interests in and around the Hayes Creek area.

Sale of Copernicus and East Kimberley Joint Venture Interests
In May 2014, Thundelarra sold its 21.99% participating interest in the Copernicus Joint Venture for $720,000 and its 31.45% participating interest in the East Kimberley Joint Venture for $80,000 subject to Ministerial consent which was granted on 26 May 2014 and completion of the formal documentation which is still in progress.

Acquisition of Tenements in the Northern Territory
In May 2014, pursuant to a Tenement Sale Agreement Thundelarra issued 2 million shares at an issue price of 5.5 cents each to acquire EL10043 and EL10167 located in the Northern Territory.

AUDITOR'S INDEPENDENCE DECLARATION
The Auditor's Independence Declaration to the Directors of Thundelarra Limited is set out on page 2 and forms part of the Directors' Report for the period ended 31 March 2014.

This statement is signed in accordance with a resolution of the Directors:

Frank DeMarte
Executive Director
Perth,

3 June 2014

Stantons International Audit and Consulting Pty Ltd
trading as
Stantons International
Chartered Accountants and Consultants

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Australia

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3 June 2014

Board of Directors
Thundelarra Limited
Suite 8, 186 Hampden Road
NEDLANDS, WA 6009

Dear Sirs

RE: THUNDELARRA LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Thundelarra Limited.

As Audit Director for the review of the financial statements of Thundelarra Limited for the period ended 31 March 2014, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Samir Tirodkar
Director

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 MARCH 2014

	Notes	Consolidated 31 March 2014 $	Consolidated 31 March 2013 $
REVENUE FROM CONTINUING OPERATIONS			
Revenue	3(a)	20,379	75,872
Other income	3(b)	78,870	158,233
		99,249	234,105
EXPENDITURE			
Depreciation and amortisation expenses		(28,861)	(75,855)
Employee benefits expenses	3(c)	(414,508)	(597,239)
Exploration expenses written off	3(d)	(864,112)	(1,941,871)
Administration expenses	3(e)	(357,488)	(788,015)
Profit/(Loss) from continuing operations before income tax expense		**(1,565,720)**	**(3,168,875)**
Research and development tax refund		-	-
Income tax expense		-	-
Net Profit/(Loss) from continuing operations for the period		**(1,565,720)**	**(3,168,875)**
Other comprehensive income		-	-
Total comprehensive income/(loss) for the period		**(1,565,720)**	**(3,168,875)**
Net Profit/(Loss) attributable to: Members of the parent entity		**(1,565,720)**	**(3,168,875)**
Comprehensive income/(loss) attributable to: Members of the parent entity		**(1,565,720)**	**(3,168,875)**

Earnings per share for profit/(loss) from continuing operations attributable to the ordinary equity holders of the parent entity:

	Notes	Cents per share	Cents per share
Basic earnings/(loss) for the half year	4	(0.60)	(1.41)
Diluted earnings/(loss) for the half year	4	(0.60)	(1.41)

The accompanying condensed notes form part of the financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2014

		Consolidated	
	Notes	**31 March 2014 $**	**30 September 2013 $**
ASSETS			
Current Assets			
Cash and cash equivalents	5	370,609	872,191
Trade and other receivables		15,904	181,692
Other financial assets		191,799	319,383
Total Current Assets		**578,312**	1,373,266
Non-Current Assets			
Other receivables		751,093	899,304
Property, plant and equipment		213,452	224,639
Mine development		60,527	60,527
Intangible asset		-	1,570
Total Non-Current Assets		**1,025,072**	1,186,040
TOTAL ASSETS		**1,603,384**	2,559,306
LIABILITIES			
Current Liabilities			
Trade and other payables		147,219	424,284
Provisions		181,880	189,843
Total Current Liabilities		**329,099**	614,127
Non-Current Liabilities			
Provisions		126,775	121,764
Total Non-Current Liabilities		**126,775**	121,764
TOTAL LIABILITIES		**455,874**	735,891
NET ASSETS		**1,147,510**	1,823,415
EQUITY			
Contributed equity	6	44,685,207	44,010,178
Reserves		7,565,308	7,350,522
Accumulated losses		(51,103,005)	(49,537,285)
TOTAL EQUITY		**1,147,510**	1,823,415

The accompanying condensed notes forms part of the financial statements.

CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 MARCH 2014

CONSOLIDATED	Issued Capital $	Accumulated Profit / (losses) $	Other reserves $	Total Equity $
Balance at 1 October 2013	44,010,178	(49,537,285)	7,350,522	1,823,415
Total comprehensive income for the period				
Profit/(Loss) for the period	-	(1,565,720)	-	(1,565,720)
Other comprehensive income/(loss)	-	-	-	-
Total comprehensive income/(loss) for the period	-	(1,565,720)	-	(1,565,720)
Transactions with owners recorded directly in equity:				
Contributions of equity, net of transaction costs	675,029	-	-	675,029
Recognised value of share based payments	-	-	214,786	214,786
Balance at 31 March 2014	44,685,207	(51,103,005)	7,565,308	1,147,510

CONSOLIDATED	Issued Capital $	Accumulated Profit / (losses) $	Reserves $	Total Equity $
Balance at 1 October 2012	40,554,842	(44,581,693)	7,276,748	3,249,897
Total comprehensive income for the period				
Profit/(Loss) for the period	-	(3,168,875)	-	(3,168,875)
Other comprehensive income/(loss)	-	-	-	
Total comprehensive income/(loss) for the period	-	(3,168,875)	-	(3,168,875)
Transactions with owners recorded directly in equity:				
Contributions of equity, net of transaction costs	2,652,351	-	-	2,652,351
Recognised value of share based payments	-	-	67,923	67,923
Balance at 31 March 2013	43,207,193	(47,750,568)	7,344,671	2,801,296

The accompanying condensed notes forms part of the financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 MARCH 2014

	Notes	Consolidated 31 March 2014 $	Consolidated 31 March 2013 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(381,593)	(1,197,483)
Other revenue received		73,312	158,223
Interest received		18,333	74,253
Net cash flows from/(used in) operating activities		(289,948)	(965,007)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for exploration and evaluation expenditure		(892,328)	(2,085,316)
Placement of security deposits		(21,329)	(4,658)
Payments for tenements		(60,000)	-
Payments for plant and equipment		(19,683)	(1,530)
Proceeds from sale of plant and equipment		9,136	-
Redemption of security deposits		169,541	-
Net cash flows from/(used in) investing activities		(814,663)	(2,091,504)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares and options		408,000	2,663,146
Proceeds from borrowings		200,000	-
Share issue costs		(4,971)	(10,795)
Net cash flows from financing activities		603,029	2,652,351
Net increase/(decrease) in cash and cash equivalents		(501,582)	(404,160)
Cash and cash equivalents at the beginning of the period		872,191	2,210,275
Cash and cash equivalents at the end of the period	5	370,609	1,806,115

The accompanying condensed notes forms part of the financial statements

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 MARCH 2014

(1) CORPORATE INFORMATION

This financial report includes the consolidated financial statements and notes of Thundelarra Limited and its controlled entities ("Consolidated Entity or Group").

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The consolidated half-year financial report is a general purpose financial report which has been prepared in accordance with AASB 134: *Interim Financial Reporting* and the Corporations Act 2001.

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Consolidated entity as the full financial report.

It is recommended that the half-year financial report be read in conjunction with the annual report for the year ended 30 September 2013 and considered together with any public announcements made by Thundelarra Exploration Ltd and its controlled entities during the period ended 31 March 2014 in accordance with the continuous disclosure obligations of the ASX listing rules.

The half year financial report complies with the Corporations Act 2001 and AASB 134 "Interim Financial Reporting.

Apart from the changes in accounting policy noted below, the accounting policies and methods of computation are the same as those adopted in the most recent annual financial report.

Changes in Accounting Policy
New and revised Accounting Standards and Interpretations

The consolidated entity has adopted all of the new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these new and revised Accounting Standards and Interpretations has not resulted in a significant or material change to the consolidated entity's accounting policies.

All new, revised or amending Accounting Standards or Interpretations hat are not yet mandatory have not been adopted early by the consolidated entity.

Basis of Consolidation

The half-year consolidated financial statements comprise the financial statements of Thundelarra Limited and its subsidiaries as at 31 March 2014 ('the Group').

Estimates

The preparation of the interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this consolidated interim financial report, the significant judgements made by management in applying the consolidated entity's accounting policies and the key sources of estimation were the same as those that applied to the consolidated financial report as at and for the year ended 30 September 2013.

Principles of Consolidation

The interim consolidated financial statements comprise of Thundelarra Limited and its subsidiaries (the Group) as at 31 March 2014.

The financial statements of the subsidiary are prepared for the same reporting period as the Parent company, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

All intercompany balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated.

Interests in Joint Ventures

The Group has interests in joint ventures that are jointly controlled operations.

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. The Group recognises its interest in the jointly controlled operations by recognising the assets that it controls and the liabilities that it incurs. The Group also recognises the expenses that it incurs and its share of the income that it earns from the sale of goods or services by the jointly controlled operations.

Tax Consolidation

The Company and its wholly owned Australian subsidiaries have formed a tax consolidated group with effect from 1 October 2008. The head entity within the group is Thundelarra Limited (previously Thundelarra Exploration Ltd).

Current income tax expenses/income and deferred tax liabilities and assets are recognised in the separate financial statements of members of the tax consolidated group using the 'separate taxpayer within the group' approach. This approach determines the tax obligations of entities within the tax consolidated group after accounting for any consolidated adjustments.

Any current tax liabilities/(assets) and deferred tax assets arising from unused tax losses of the subsidiaries are assumed by the head entity in the tax consolidated group and are recognised as amounts payable/(receivable) to/(from) other entities in the tax consolidated group.

Mineral Exploration and Evaluation

The application of the Group's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The determination of a Joint Ore Reserves Committee (JORC) resource is itself an estimation process that requires varying degrees of uncertainty depending on sub-classification and these estimates directly impact the point of deferral of exploration and evaluation expenditure. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalised, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalised is written off in the statement of comprehensive income in the period when the new information becomes available.

Exploration, evaluation and development costs are accumulated in respect of each separate area of interest. Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest. When an area of interest is abandoned or the directors decide that it is not commercial, any accumulated costs in respect of that area are written off in the financial period the decision was made. Each area of interest is also reviewed at the end of each accounting period and accumulated costs written off to the extent that they may not be recoverable in the future. Amortisation is not charged on costs carried forward in respect of areas of interest in the development phase until production commences.

Going Concern

The net loss for the Group for the half year ended 31 March 2014 was $1,565,720.

The financial statements have been prepared on a going concern basis. The ability of the Company to continue as a going concern and meet its planned expenditure commitments is subject to raising further equity.

As at the date of this report the Directors have a number of options available to them, and therefore believe it is appropriate to prepare the financial statements on a going concern basis. The following factors have been considered –

(1) the ability of the Company and Group to secure additional funding;

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 MARCH 2014

(2) ongoing management of the size and scope of the Company's operating activities including the level of exploration expenditure, in line with funds available to the Group, which may include the disposal of tenements that are not part of the future business plans; and

(3) the subsequent receipt of $650,000 from the sale of its uranium interests in and around the Hayes Creek area and $800,000 from the sale of its participating interest in the Copernicus Joint Venture and the East Kimberley Joint Venture.

In the event that the Company is unsuccessful with the above, and cannot raise any further equity, the Company may not be able to continue as a going concern and may not be able to realise its assets at their stated amounts. The Directors are confident the above measures will be successful or further capital could be raised if required.

3. REVENUE AND EXPENSES

Revenues and expenses from continuing operations:-

	Consolidated	
	31 March 2014 $	31 March 2013 $
(a) Revenue		
Bank interest received and receivable	20,379	75,872
(b) Other Income		
Rental income	-	158,223
Other income	73,312	10
Net gain on disposal of plant and equipment 3(f))	5,558	-
Net gain on disposal of assets note 3(g)	-	-
	78,870	158,233
Total Revenues	99,249	234,105
(c) Employee Benefits Expense		
Salaries and wages	(199,721)	(529,316)
Share based payments	(214,787)	(67,923)
	(414,508)	(597,239)
(d) Exploration Expenditure written off		
Exploration costs written off	(864,112)	(1,941,871)
(e) Other expenses		
Finance costs	-	-
Loss on disposal of plant and equipment	-	(4,025)
Decrease in market value of investments	(132,190)	(152,835)
General and other administrative expenses	(225,298)	(631,155)
	(357,488)	(788,015)
(f) Net gain on disposal of assets		
Proceeds on sale of plant and equipment	9,136	-
Carrying amount of plant and equipment sold	(3,578)	-
Profit/(Loss) on disposal	5,558	-
(g) Net gain on disposal of joint venture interest		
Proceeds on sale of joint venture interest	57,936	-
Carrying amount of joint venture interest	(57,936)	-
Profit/(Loss) on disposal	-	-

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 MARCH 2014

4. EARNINGS / (LOSS) PER SHARE

	Consolidated	
	31 March 2014 $	31 March 2013 $
Basic earnings/(loss) (cents per share)	(0.60)	(1.41)
Diluted earnings/(loss) (cents per share)	(0.60)	(1.41)
Weighted average number of ordinary shares on issue during the period used in the calculation of:		
• Basic earnings per share	259,149,942	224,332,959
• Diluted earnings per share	259,149,942	224,332,959

5. CASH AND CASH EQUIVALENTS

For the purposes of the half year Condensed Consolidated Statement of Cash Flows, cash and cash equivalents comprise the following:

	Consolidated	
	31 March 2014 $	30 September 2013 $
Cash at bank and in hand	196,907	699,410
Short-term deposits	173,702	172,781
	370,609	872,191

6. CONTRIBUTED EQUITY

(a) Issued and paid up capital

	Consolidated	
	31 March 2014 $	30 September 2013 $
Ordinary shares		
Issued and fully paid	44,685,207	44,010,178

(b) Movement in ordinary shares on issue

		Number of Shares	Issue Price $	Total $
1/10/2013	Opening balance	255,647,680		44,010,178
21/01/2014	Placement	3,176,470	0.034	108,000
5/03/2014	Placement	8,823,529	0.034	300,000
5/03/2014	Repayment of borrowing	5,882,353	0.034	200,000
24/03/2014	Acquisition of Interest in Red Bore	2,000,000	0.036	72,000
	Less: share issue costs			(4,971)
	At 31 March 2014	275,530,032		$44,685,207

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 MARCH 2014

6. CONTRIBUTED EQUITY (continued)

(b) Movement in options on issue

31 March 2014	Balance at the Beginning of the Period	Issued During the Period	Exercised During the Period	Expired During the Period	Balance at the End of Period
Unquoted options exercisable at 20 cents each on or before 28 February 2014	4,250,000	-	-	(4,250,000)	-
Unquoted options exercisable at 64 cents each on or before 25 February 2015	6,750,000	-	-	-	6,750,000
Unquoted options exercisable at 84 cents each on or before 27 February 2016	6,750,000	-	-	-	6,750,000
Unquoted options exercisable at 39 cents each on or before 30 June 2014	725,000	-	-	-	725,000
Unquoted options exercisable at 25 cents each on or before 16 April 2014	1,000,000	-	-	-	1,000,000
Unquoted options exercisable at 23 cents each on or before 28 February 2017	2,000,000	-	-	-	2,000,000
Unquoted options exercisable at 45 cents each on or before 16 April 2015	1,000,000	-	-	-	1,000,000
Unquoted options exercisable at 9 cents each on or before 31 October 2015	2,350,000		-	-	2,350,000
Unquoted options exercisable at 6 cents each on or before 28 February 2019	-	13,000,000	-	-	13,000,000
Unquoted options exercisable at 6 cents each on or before 18 March 2017	-	750,000	-	-	750,000
Total	24,825,000	13,750,000	-	(4,250,000)	34,325,000

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 MARCH 2014

7. SEGMENT INFORMATION

Thundelarra Limited operates within the exploration industry in Australia.

8. SUBSEQUENT EVENTS

Since the end of the half year, the Directors are not aware of any matter or circumstance not otherwise dealt with in the Directors' Report or the Financial Statements, that have significantly, or may significantly affect, the state of the affairs or the operations of the Group in the future financial periods with the exception of the following, the financial effects of which have not been provided for in the 31 March 2014 Financial Report:

Expiry of Options
1,000,000 employee options exercisable at 25 cents each expired on 16 April 2014.

Sale of Uranium Interest in and around Hayes Creek
In May 2014, Thundelarra received the first tranche proceeds of $650,000 from the sale of its uranium interests in and around the Hayes Creek area.

Sale of Copernicus and East Kimberley Joint Venture Interests
In May 2014, Thundelarra sold its 21.99% participating interest in the Copernicus Joint Venture for $720,000 and its 31.45% participating interest in the East Kimberley Joint Venture for $80,000 subject to Ministerial consent which was granted on 26 May 2014 and completion of the formal documentation which is still in progress.

Acquisition of Tenements in the Northern Territory
In May 2014, pursuant to a Tenement Sale Agreement Thundelarra issued 1 million shares at an issue price of 5.5 cents each to acquire EL10043 and EL10167 located in the Northern Territory.

9. CONTINGENT LIABILITIES

In the opinion of the Directors, there are no contingent liabilities as at 31 March 2014, and none have arisen as at the date of this financial report.

10. SHARE BASED PAYMENTS

(a) Recognised share based payment expenses

The expense recognised for services received during the period is shown in the table below:

	Consolidated	
	31 March 2014 $	31 March 2013 $
Expense arising from options issued to Directors, employees and contractors	214,786	67,923

(b) Issue of Employee Options

The Company has an Employee Share Option Plan in place which was approved by shareholders on 28 February 2013.

During the 6 months ended 31 March 2014:

(1) 5,000,000 unquoted options were issued to the CEO at an exercise price of 6 cents each and an expiry date of 28 February 2019 (2013: Nil). The fair value of the options at the grant date 28 February 2014 was 1.53 cents per option (2013: Nil);

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 MARCH 2014

(2) 8,000,000 unquoted options were issued to Directors at an exercise price of 6 cents each and an expiry date of 28 February 2019 (2013: Nil). The fair value of the options at the grant date 28 February 2014 was 1.53 cents per option (2013: Nil); and

(3) 750,000 unquoted options were issued to employees at an exercise price of 6 cents each and an expiry date of 18 March 2017 (2013: 2,350,000). The fair value of the options at the grant date 21 March 2014 was 1.45 cents per option (2013: 2.24 cents);

The fair value of the options has been calculated using the Black-Scholes Option Pricing Model applying the following inputs:

Number of Options	13,000,000	750,000
Exercise price (cents)	6 cents	6 cents
Life of the options (years)	5 years	3 years
Share price at grant date (cents)	3.30 cents	3.60 cents
Expected share price volatility (%)	99.4%	108%
Risk free interest rate (%)	3.29%	3.04%

(c) Directors and Employee Options

The following table illustrates the number and weighted average exercise price of and the movements in share options issued during the period:

	Number of Options	**WAEP $**
Outstanding at beginning of the period	24,825,000	0.50
Granted during the period	13,750,000	0.06
Exercised during the period	-	-
Lapsed during the period	(4,250,000)	0.20
Outstanding at end of the period	34,325,000	0.36
Exercisable at the end of the period	33,325,000	0.36

11. RELATED PARTY DISCLOSURES

The following table provides the total amount of transactions that were entered into with related parties for the half year ended 31 March 2014 and 2013:

Related party		Fees charged by related parties $	Amounts owed to related parties $	Amounts received from related parties $
Royal Resources Limited	2014	-	-	2,192
	2013	45,800	9,675	76,513
Aldershot Resources Ltd	2014	-	-	-
	2013	-	-	2,400
Ioma Pty Ltd	2014	-	-	200,000
	2013	-	-	-
Ragged Range Mining Pty Ltd	2014	-	-	-
	2013	-	-	304

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 MARCH 2014

No fees received in the normal course of business in 2014 for office rental, administrative and employee services (2013: $79,217) were received from companies of which F DeMarte, P G Crabb and Malcolm Randall are directors and shareholders.

12. INTEREST IN JOINT VENTURES

The Consolidated Entity also has a number of interests in joint ventures to explore for uranium and other minerals. The Consolidated Entity's share of expenditure in respect to these exploration and evaluation activities is either expensed or capitalised depending on the stage of development and no revenue is generated.

The Consolidated Entity's share in these joint venture activities is as follows:

Joint Venture	Principal Activities	Percentage Interest 31/3/2014	Percentage Interest 30/9/2013
Copernicus JV	Base metals	21.99%	21.99%
East Kimberley JV	Base metals	31.45%	37.15%
Pindan JV	Base metals	20%	20%
Great Gold Mines JV	Base metals	80%	80%
Lewis JV	Base metals	80%	80%
Richmond JV	Base metals	90%	-
GBS JV(1)	Uranium	70%	70%
Curara Well JV	Base metals	90%	100%

Note 1 – Subsequent to shareholders approval granted at the AGM on 28 February 2014, the Company sold its uranium interests in and around the Hayes Creek area. The consideration payable by the Purchaser is:

(i) $650,000 cash (this amount has been paid and is currently been held in a trust account waiting notification from the NT Department of Mines & Energy that the uranium interests have been registered in the Purchaser's name); plus

(ii) $900,000 worth of shares in the Purchaser's Parent. If no listing occurs within 24 months, $900,000 cash is payable in lieu, adjusted upwards per an agreed formula for increases in the uranium spot price.

13. COMMITMENTS

In the opinion of the directors, there are no outstanding commitments or contingencies at 31 March 2014 and none were incurred in the interval between the period end and the date of this interim financial report other than:

(a) Mineral tenement expenditure commitments

	Consolidated	
	31 March 2014 $	30 September 2013 $
Within one year	428,548	920,929
After one year but not more than five years	341,087	917,525
More than five years	279,832	340,601
	1,049,467	2,179,055

The Group has expenditure obligations with respect to mineral tenements and minimum expenditure requirements on mineral tenements that have not been recognised as a liability or payable in the financial statements.

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 MARCH 2014

These include commitments relating to tenement lease rentals and the minimum expenditure requirements of the Western Australian and Northern Territory Mines Department attaching to the tenements and are subject to re-negotiation upon expiry of the exploration leases or when application for a mining licence is made.

If the Group decides to relinquish certain leases and/or does not meet these obligations, assets recognised in the statement of financial position may require review to determine the appropriateness of carrying values. The sale, transfer or farm-out of exploration rights to third parties will reduce or extinguish these obligations.

These are necessary in order to maintain the tenements in which the Group and other parties are involved. All parties are committed to meet the conditions under which the tenements were granted in accordance with the relevant mining legislation in Western Australia and the Northern Territory.

(b) Operating Lease Commitments

	Consolidated	
	31 March 2014	**30 September 2013**
	$	**$**
Within one year	101,140	101,525
After one year but not more than five years	26,034	78,101
More than five years	-	-
	127,174	179,626

The Company has a commercial sub-lease on its corporate office premises. This is a non-cancellable lease expiring 30 June 2015 that has not been recognised as liability or payable in the financial statements.

(c) Bank Guarantee

As at the 31 March 2014, the Company has outstanding $100,000 (2013: $100,000) as a non-current guarantee provided by the Company's bank for corporate office lease.

(d) Bonds

As at the 31 March 2014, the Company has outstanding $651,039 (2013: $799,304) as non-current bonds provided by the Company's bank for mineral tenements in Australia.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Thundelarra Limited (the Company), I state that:

In the opinion of the directors:

(1) the financial statements and notes of the consolidated entity are in accordance with the Corporations Act 2001, including:

(a) giving a true and fair view of the financial position as at 31 March 2014 and the performance for the half-year ended on that date of the consolidated entity; and

(b) complying with Accounting Standard AASB 134: "Interim Financial Reporting" and the Corporations Regulations 2001; and

(2) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

Dated at Perth this 3 June 2014

Frank DeMarte
Executive Director

Perth, Western Australia

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INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
THUNDELARRA LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Thundelarra Limited, which comprises the condensed consolidated statement of financial position as at 31 March 2014, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity, and condensed consolidated statement of cash flows for the half-year ended on that date, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for Thundelarra Limited (the consolidated entity). The consolidated entity comprises both Thundelarra Limited (the Company) and the entities it controlled during the half year.

Directors' Responsibility for the Half-Year Financial Report

The directors of Thundelarra Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 March 2014 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Thundelarra Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Whilst we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by the directors or management.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been provided to the directors of Thundelarra Limited on 3 June 2014.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Thundelarra Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the consolidated entity's financial position as at 31 March 2014 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Stantons International

Samir R Tirodkar
Director

West Perth, Western Australia
3 June 2014