

## ASX Release

30 July 2007



### Gold Drilling Program Begins at Duketon

**South Boulder Mines Limited (STB) has commenced an 8,500 metre exploratory aircore drilling program at its 100% owned Duketon Gold Project, north of Laverton.**

The program will target several project areas including Hack Bore, Thompson's Bore, and Henry's Bore (see Figure 1), and is expected to be completed in late August 2007. First results are expected within approximately three weeks.

Drilling at Hacks Bore is targeting a coherent 20 parts per billion (ppb) gold in soil anomaly (against a 1ppb gold background), covering an area of approximately 2800m x 500m (see Figure 2).

South Boulder Mines Managing Director Liam Cornelius said: "Hack Bore is located within the same structural corridor that hosts the 1 million ounce Moolart Well Gold Deposit owned by Regis Resources NL. Hacks Bore is located 25km south of Moolart Well.

"Previous drilling at Thompson's Bore by Normandy Mining Ltd returned +1 gram per tonne gold over a 1 kilometre strike length. This new drilling will target strike extensions along this structural corridor, in addition to infill drilling."

"Drilling at Henry's Bore will target the buried southern strike extension of the historic Henry's Bore gold mineralisation," he said.

#### About South Boulder Mines Ltd

South Boulder is focused on gold and nickel exploration within the Duketon Project.

The Duketon Project covers approximately 2,000km<sup>2</sup> of the under-explored Duketon Greenstone Belt located north of Laverton.

In early 2004, STB signed a farm-out Joint Venture agreement with Independence whereby Independence can earn a 70% interest in the nickel rights on tenements held by South Boulder within the Duketon Project by completing a BFS within 5 years. The Duketon Nickel Joint Venture covers approximately 80 strike kilometres of ultramafic rich stratigraphy in the Duketon Greenstone Belt.

The Duketon Greenstone Belt, situated between Windarra and BHP Billiton's Collurabbie discovery, is considered highly prospective for Ni-Cu-PGE mineralisation.

In late 2005, South Boulder entered into a Uranium Joint Venture with Uranex NL (Uranex) (ASX:UNX) whereby Uranex can earn a 65% interest in the uranium rights on P38/3298.

P38/3298 abuts E38/1732 which contains the Thatcher Soak uranium deposit.

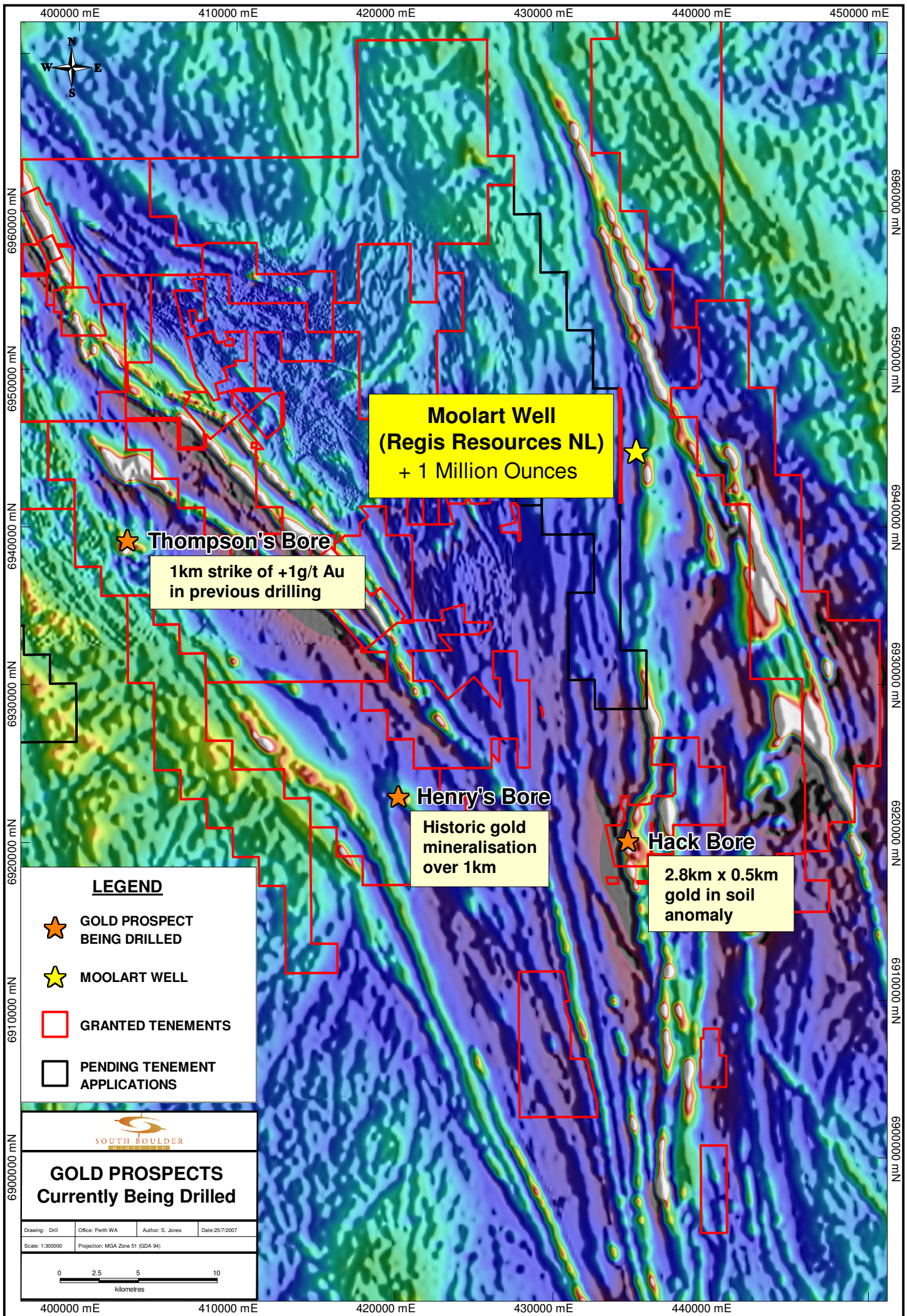


Figure 1

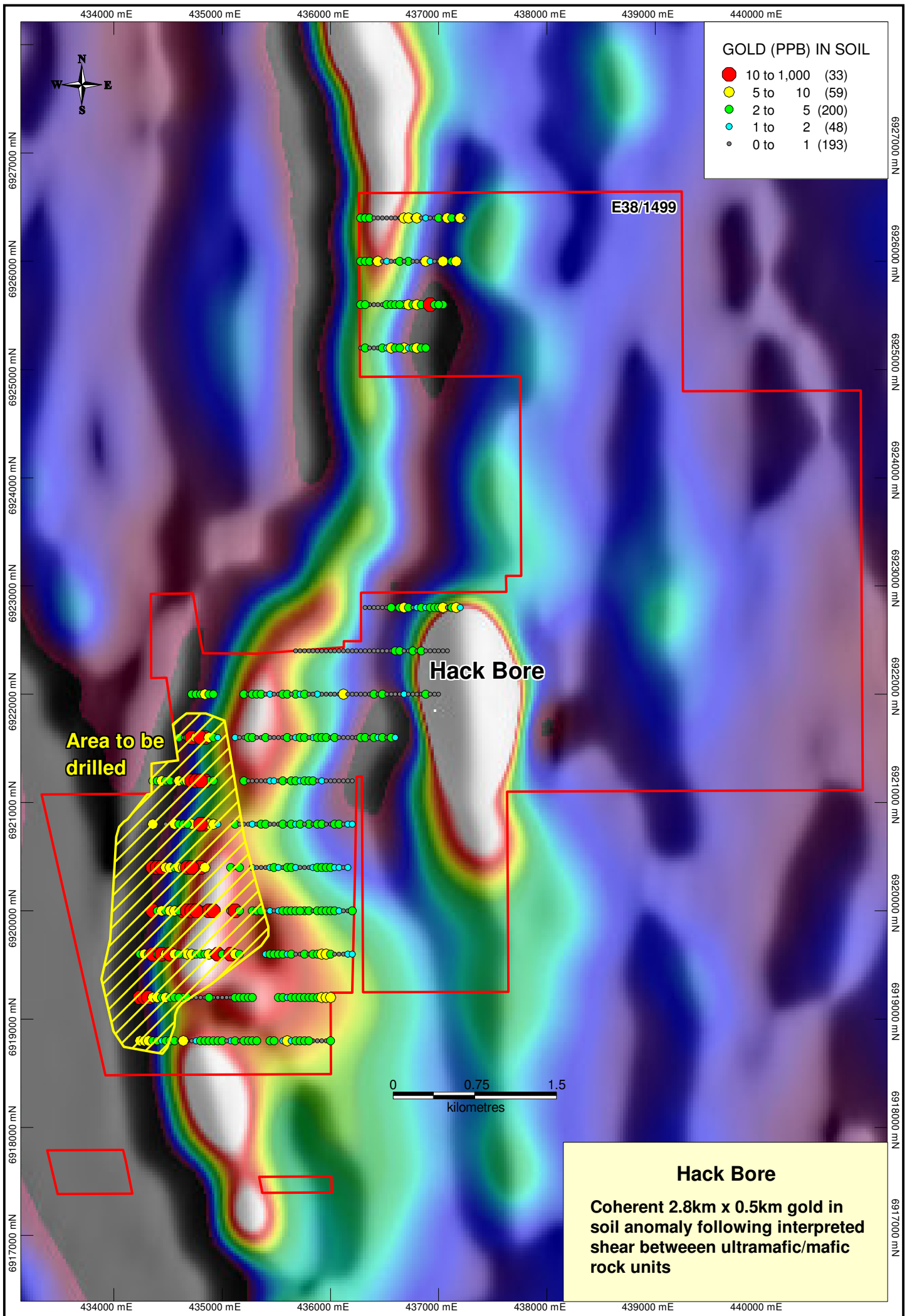


Figure 2

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*The Information in this report that relates to exploration results is based on information compiled by Liam Cornelius, who is a member of the Australian Institute of Geoscientists. Mr Cornelius is a geologist 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 2004 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Liam Cornelius consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*