

ASX Release

11 June 2009



ASX Code: STB

Share Price: 10.0 cents

Market Cap: \$6M

Shares on issue: 55.7M

Cash at Bank: \$2.5M
ASX/TSX listed shares: +\$1.1M

Top 20 shareholders – 48%

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LISTED EQUITY HOLDINGS

(ASX: MZM) - 4.150m shares
(ASX: MZMO) - 1.037m options
(ASX: IXR) - 1.325m shares
(ASX: AVZ) - 0.400m shares
(ASX: BUX) - 0.250m shares
(ASX: AGO) - 12,490 shares
(CDNX: CNI.V) - 130,000 shares

PRELIMINARY DRILLING RESULTS PROVIDE FURTHER ENCOURAGEMENT AT THE BULGE NICKEL PROJECT

South Boulder Mines Ltd (ASX: STB) is pleased to announce that follow up drilling to the highly encouraging nickel mineralisation encountered in the December drilling program has intersected further significant nickel sulphide mineralisation.

Managing joint venture partner, Independence Group (ASX: IGO) has advised that a 3 hole RC and diamond drilling program completed in May has discovered additional nickel mineralisation associated low level copper, platinum and palladium. The program was drilled to test for down dip extensions to mineralisation intersected in TBRC066 and TBDD071 and to test a DHEM conductor identified adjacent to TBDD073.

Best downhole intercepts include:

HOLE TBDD074

- 50.00m @ 0.92% Ni (0.04% Cu, 0.08g/t Pt + Pd) from 275.00m including ;
 - 6.00m @ 1.19% Ni (0.06% Cu, 0.08g/t Pt + Pd) from 276.00m and
 - 17.82m @ 1.11% Ni (0.05% Cu, 0.08g/t Pt + Pd) from 287.18m.

HOLE TBDD075

- 4.65m @ 1.24% Ni (0.06% Cu, 0.15g/t Pt + Pd) from 288.00m including;
 - 4.00m @ 1.37% Ni (0.06% Cu, 0.15g/t Pt + Pd) from 288.65m.

A full table of preliminary results is included below in Table 1. Further information relating to these results including geological cross sections, geological discussion and details of further exploration programs will be released once they become available from Independence.

Hole No.	Easting (m)	Northing (m)	RL (m)	Azimuth (degr)	Dip (degr)	E.O.H. (m)	From (m)	To (m)	Interval (m)	True width (m)	Ni (%)	Cu (%)	Pt+Pd (g/t)
TBDD067	401250	6945100	550	270	-60	504	419.00	434.00	15.00	11.5	0.51	0.02	0.03
includes							420.00	431.00	11.00	8.4	0.54	0.02	0.03
TBDD074	401145	6945400	550	270	-58	459.43	275.00	325.00	50.00	38.3	0.92	0.04	0.08
includes							276.00	282.00	6.00	4.6	1.19	0.06	0.08
includes							287.18	305.00	17.82	13.7	1.11	0.05	0.09
							330.00	331.00	1.00	0.8	0.45	0.01	0.04
							399.00	400.00	1.00	0.8	0.43	<0.01	0.02
TBDD075	401179	6945525	550	270	-60	327.05	288.00	292.65	4.65	3.6	1.24	0.06	0.15
includes							288.65	292.65	4.00	3.1	1.37	0.06	0.15
							297.37	302.00	4.63	3.5	1.01	0.05	0.11
includes							298.00	300.00	2.00	1.5	1.27	0.08	0.11

Table 1 – Compositated assay results included estimated true width intervals.

Results are expected during the current quarter and will be released as they become available.

About the Joint Venture

In early 2004, South Boulder entered a farm-out Joint Venture (JV) Agreement with Independence, whereby Independence can earn a 70% interest in the nickel rights on tenements held by South Boulder in the Duketon Project, by the completion of a Bankable Feasibility Study within 5 years. The data, interpretation, text and diagrams that form this ASX release have been provided courtesy of Independence.

About South Boulder Mines Ltd

Listed in 2003, South Boulder Mines (ASX: STB) is a diversified explorer primarily focused on gold, nickel, potash and phosphate.

More information:

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This ASX release has been compiled by Lorry Hughes using information on exploration results supplied by Tim Kennedy of Independence Group who are the operator of the Duketon Nickel JV. Lorry Hughes and Tim Kennedy are members of the Australian Institute of Mining and Metallurgy. Mr Hughes and Mr Kennedy are geologists and they have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are 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". Lorry Hughes and Tim Kennedy consent to the inclusion in the report of the matters based on his information in the form and context in which it appears.