



30 November 2009

ASX Online  
Manager  
Company Announcements  
ASX Limited

**Entity Name: South Boulder Mines Limited**  
ASX Code: STB

**South Boulder Mines Limited – Notification to Shareholders**

Please find attached the shareholder notification letter in relation to the South Boulder Mines Limited entitlement offer being dispatched to shareholders on 30 November 2009.

Yours faithfully

A handwritten signature in black ink that reads 'Dennis Wilkins'.

Dennis Wilkins  
Company Secretary



Dear Shareholder

**Details of South Boulder Mines Limited's Non-Renounceable Entitlement Offer**

On 26 November 2009, South Boulder Mines Limited (**South Boulder** or **Company**) announced a pro rata non-renounceable entitlement offer (**Entitlement Offer**).

The Entitlement Offer is a non-renounceable offer on the basis of 1 new share for every 10 held on the record date at an issue price of \$0.20 each. The Entitlement Offer is not underwritten and, if fully subscribed, will raise approximately \$1,114,159 (before costs).

On 30 November 2009, South Boulder lodged a copy of the Entitlement Offer with the ASX and the Entitlement Offer is available on the ASX website ([www.asx.com.au](http://www.asx.com.au)) and on the South Boulder website ([www.southbouldermines.com.au](http://www.southbouldermines.com.au)). It is anticipated that the Entitlement Offer will be sent to all eligible South Boulder shareholders on or around to 9 December 2009.

**Proposed Timetable**

The current proposed timetable for the Entitlement Offer is set out below. The dates are indicative only and South Boulder reserves the right to vary the dates subject to satisfying the requirements of the ASX listing rules (**Listing Rules**) and any other applicable law.

<b>26 November 2009</b>	<b>Announcement Date (or earlier)</b>
<b>1 December 2009</b>	<b>Ex Date</b>
<b>7 December 2009</b>	<b>Record Date 5.00pm (Perth Time)</b> The date on which South Boulder determines eligible shareholders
<b>8 December 2009</b>	<b>Opening Date</b> The date on which the Entitlement Offer opens
<b>9 December 2009</b>	<b>Mailing Date</b> Entitlement and Acceptance Form sent to all eligible shareholders
<b>23 December 2009</b>	<b>Closing Date*</b> The date on which the Entitlement Offer closes Applications must be received by 5.00pm (WST)
<b>29 December 2009</b>	<b>Shortfall announcement</b> The date on which New Shares are allotted.
<b>5 January 2010</b>	<b>Despatch Date</b> The date on which holding statements are sent to shareholders
<b>6 January 2010</b>	<b>Share Trading Date</b> The date on which New Shares commence trading on the ASX

\* Subject to the Listing Rules, the Directors reserve the right to extend the closing date of the Entitlement Offer. Any extension of the closing date will have a consequential effect on the anticipated date for allotment and issue of the new shares.



## **Dealing with Entitlements**

To participate, you need to complete your personalised Entitlement and Acceptance Form (to be posted out to shareholders on or around 9 December 2009) and provide the funds payable to South Boulder before 5pm on 23 December 2009. If you take no action, you will not be allocated any new shares and your entitlement will lapse.

## **Purpose of the Capital Raising**

The funds raised will be used to accelerate exploration of the Company's recent Terminator gold discovery as well as to step up exploration at a pipeline of other gold prospects within the Duketon Gold Project, north of Laverton in Western Australia, and for additional working capital.

## **Information Required to be Given to you in Accordance with the Listing Rules**

The Listing Rules require the Company to notify shareholders of certain information in advance of despatching the Entitlement Offer booklet. The following is the information prescribed by the Listing Rules which must be provided to you:

1. Up to 5,570,794 new shares could be issued under the Entitlements Offer.
2. The new shares to be issued will rank equally in all respects from the date of allotment with the existing class of quoted shares.
3. The issue price of the new shares is \$0.20 each.
4. The Company will apply for quotation of the new shares issued pursuant to the Entitlement Offer on the official list of the ASX.
5. The total funds from the Entitlements Offer will be used to accelerate exploration of the Company's recent Terminator gold discovery as well as to step up exploration at a pipeline of other gold prospects within the Duketon Gold Project, north of Laverton in Western Australia, and for additional working capital.
6. It is anticipated that the new shares will be allotted on 29 December 2009.
7. The total number and class of all securities quoted on the ASX including the maximum number of new shares to be issued in the Entitlement Offer and assuming none of the Company's options are exercised is 61,278,737 fully paid ordinary shares.
8. The following are the securities of the Company not quoted on the ASX: 1,000,000 unlisted 25 cent options expiring on 31 August 2010, 3,065,000 unlisted 20 cent options expiring on 24 March 2011, 3,750,000 unlisted 25 cent options expiring on 31 March 2011, 3,840,000 unlisted 30 cent options expiring on 31 March 2011, 3,800,000 unlisted 20 cent options expiring on 30 November 2012, 3,225,000 unlisted 50 cent options expiring on 13 June 2010, 2,950,000 unlisted 35 cent options expiring on 31 July 2013 and 8,550,000 unlisted 20 cent options expiring on 30 June 2014.
9. The Directors are not able to say when and if dividends will be paid in the future as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.



10. The Entitlement Offer does not require the approval of shareholders.
11. The Entitlement Offer is non-renounceable. This means that the entitlements cannot be traded on the ASX or any other exchange, nor can they be privately transferred.
12. The new shares in the Entitlement Offer will be offered on the basis of 1 new shares for every 10 existing shares held on the record date of 7 December 2009.
13. The Entitlement Offer relates to ordinary fully paid shares in the capital of the Company.
14. The record date to determine entitlements is 7 December 2009.
15. The Company has only one share register and therefore aggregation of holdings on different share registers does not apply.
16. In determining the entitlement to shareholders, any fractional entitlement will be rounded up to the nearest whole number.
17. The closing date for receipt of acceptances is 5.00pm WST on 23 December 2009.
18. The Entitlement Offer is not underwritten and there are no brokers to the issue.
19. The Entitlement Offer booklet and the accompanying Entitlement and Acceptance Form will be sent to you on or around 9 December 2009.
20. The latest date for despatch of certificates or entry of the new shares into your shareholding statement is 5 January 2010.

The above information was provided to the ASX on 30 November 2009.

For further information on your entitlement please contact your stockbroker or South Boulder's share registrar:

Security Transfer Registrars Pty Ltd  
Telephone: 08 9315 2333  
Fax: 08 9315 2233  
Email [registrar@securitytransfer.com.au](mailto:registrar@securitytransfer.com.au)

Yours faithfully

A handwritten signature in black ink that reads 'Dennis Wilkins'.

Dennis Wilkins  
Company Secretary