

6 December 2010

ASX Code : STB
Berlin : SO3-Ber
Frankfurt : SO3-Fra

Share Price: \$1.60

Market Cap: \$111.0M

Shares on issue: 69.6M

ASX/TSX listed shares: \$2.6M

Top 20 shareholders – 48%

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LISTED EQUITY HOLDINGS

(ASX: MZM) - 3.957m shares
(ASX: MZMO) - 1.037m options
(ASX: AVZ) - 0.400m shares
(ASX: BUX) - 1.463m shares
(unlisted options) 0.750m options
(ASX: UNX) - 0.700m shares
(CDNX: CNI.V) - 130,000 shares
Auvex (Pte) - 1.000m options

MORE Ni-Cu-PGE MINERALISATION CONFIRMED AT ROSIE

- Massive, brecciated, stringer and disseminated sulphides continue to host significant grades of Ni-Cu-PGE mineralisation;
- Drilling is continuing to extend and define resources.

South Boulder Mines Ltd (ASX: STB) is pleased to announce that together with JV partner Independence Group NL (ASX: IGO) further assay results from drilling at the Rosie Ni-Cu-PGE Prospect have confirmed significant Ni-Cu-Co-PGE mineralisation.

Two diamond holes have recently been completed with assays returned from TBDD099 (Announced 22/11/2010) and wedge hole TBDD099W1. The hole intercepts are located above the position of Hole A and close to the position of Hole B respectively (Figure 1).

Hole TBDD099W1 (Hole B) intersected downhole intervals of;

- 5.00m @ 2.04% Ni, 0.61% Cu, 0.06% Co and 1.09g/t 6PGE's from 550.00m including;
- 3.83m @ 2.48% Ni, 0.75% Cu, 0.07% Co and 1.21g/t 6PGE's from 551.17m and a higher grade interval of;
- 1.20m @ 4.73% Ni, 1.10% Cu, 0.15% Co and 2.99/t 6PGE's from 552.52m.

The result further confirms the overall continuity of significant mineralisation at Rosie.

Drilling of the second wedge hole TBDD099W2 is in progress with results from that hole with additional details on further drilling to be released as they come to hand.

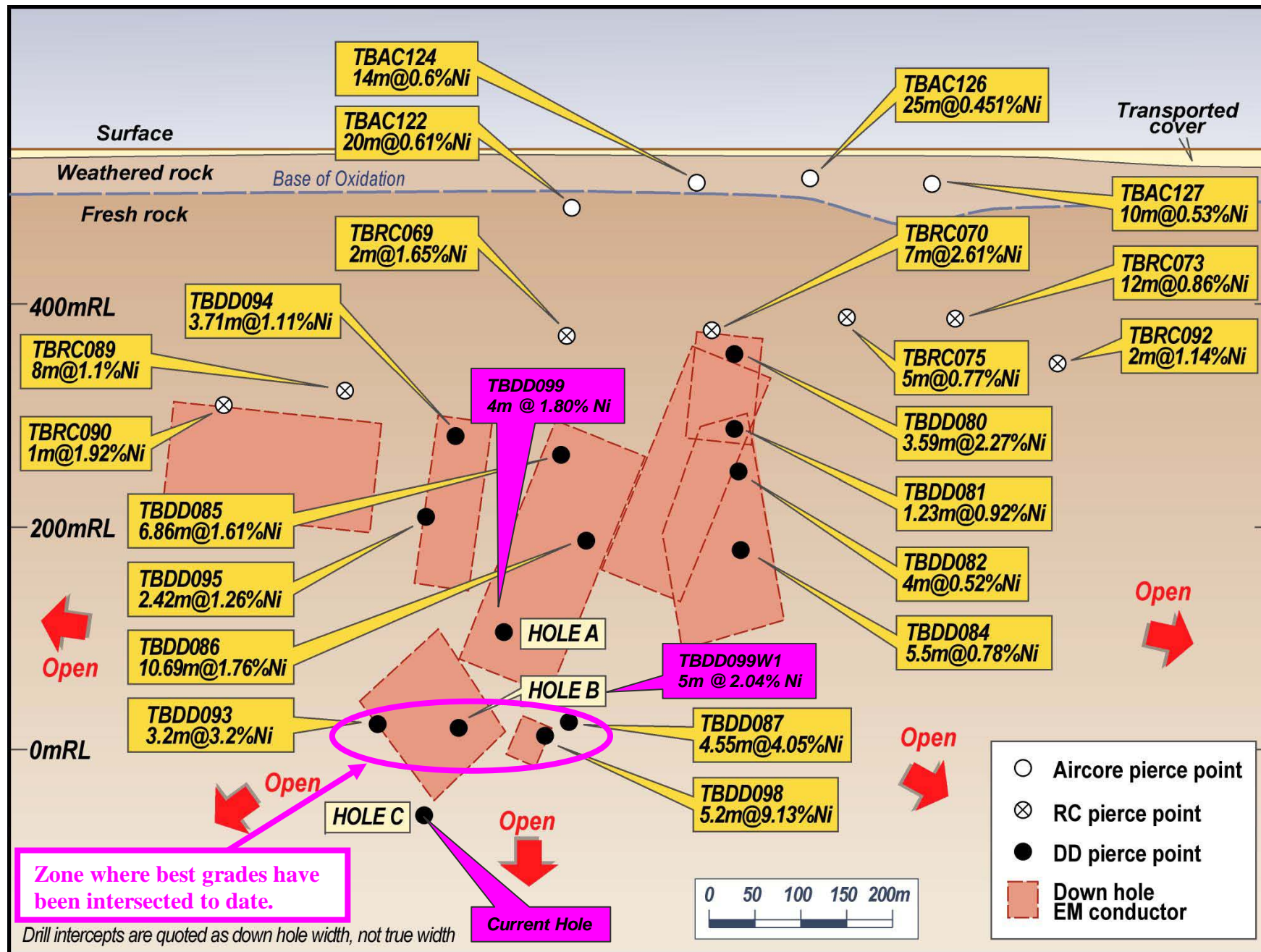


Figure 1: Rosie Deposit long section showing current drilling target zones and DHTEM plates with downhole intercepts.

Investor Coverage

Recent investor relations, corporate videos and broker/media coverage on The Company's projects can be viewed on the website in the "Media Centre" and "Investor Centre" sections by following the link www.southbouldermines.com.au.

About the Joint Venture

The Rosie and C2 Prospects are located approximately 120km NNW of Laverton, W.A in the Duketon Greenstone Belt. The deposits are approximately 2km apart and the mineralisation at both prospects is considered open in most directions. Mining Lease (M38/1252) was granted by the Department of Mines and Energy on the 19th of November 2010. The Mining Lease comprises a total of 19.13km².

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 of the grant of the relevant tenement. The data, interpretation 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 potash, nickel and gold.

More information:

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This ASX release has been compiled by Lorry Hughes using information on exploration results supplied by Independence Group who are the operator of the Duketon Nickel JV. Lorry Hughes is a member of the Australian Institute of Mining and Metallurgy. Mr Hughes is a geologist and he 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". Lorry Hughes consent to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The collar coordinates of TBDD099, TBDD099W1 and TBDD099W2 are (MGA94 zone 51) 402283E; 6943936N; Dip/Azi (-70/014). The true width estimates of the intervals is expected to be less than the down hole widths reported however they are not available at the time of this report.