

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

Share Price: \$1.84

Market Cap: \$129M

Shares on issue: 70.4M

Cash at Bank: \$3.8M
ASX/TSX listed shares: \$3.4M

Top 20 shareholders – 48%

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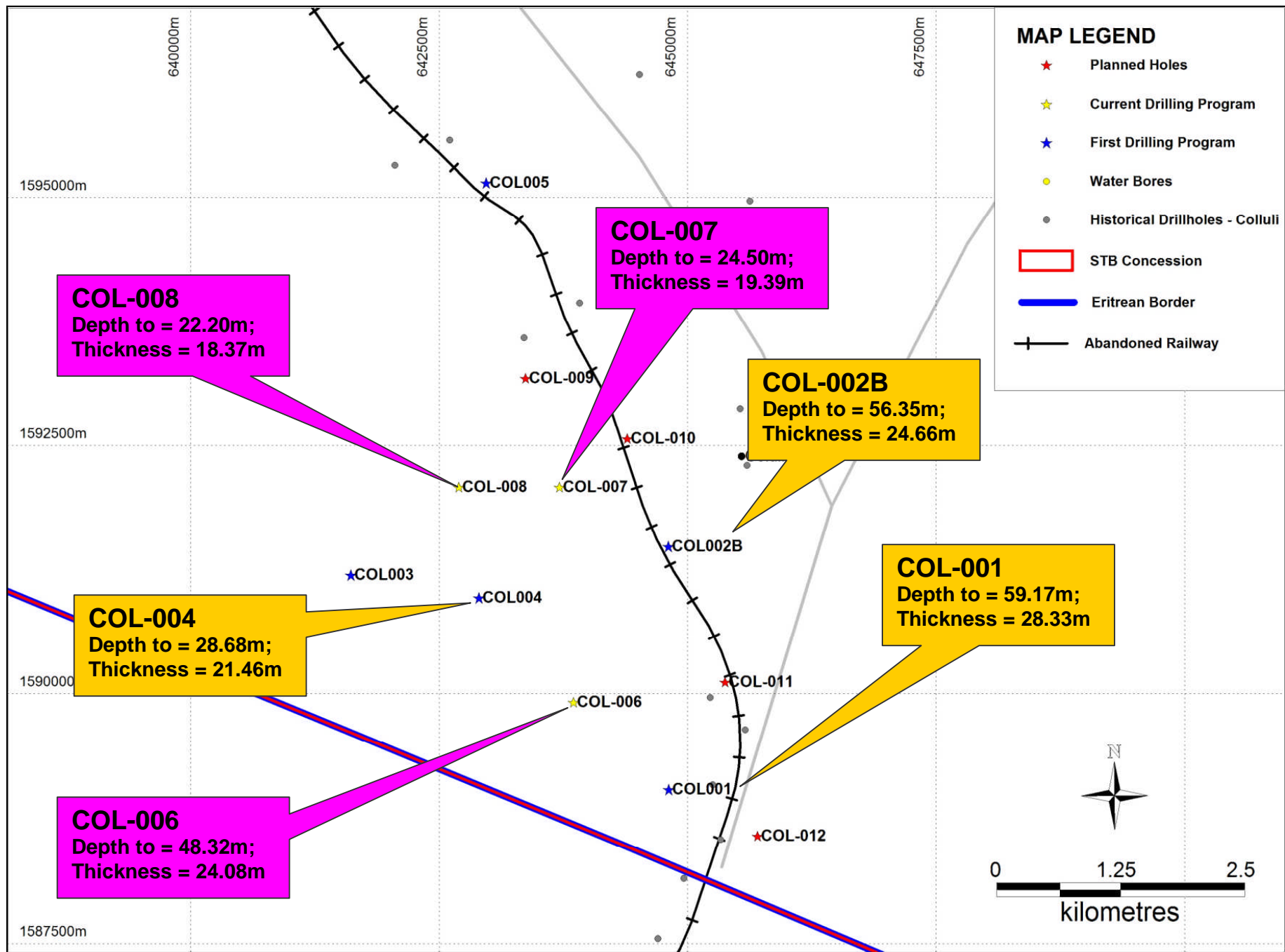
www.southbouldermines.com.au

LISTED EQUITY HOLDINGS

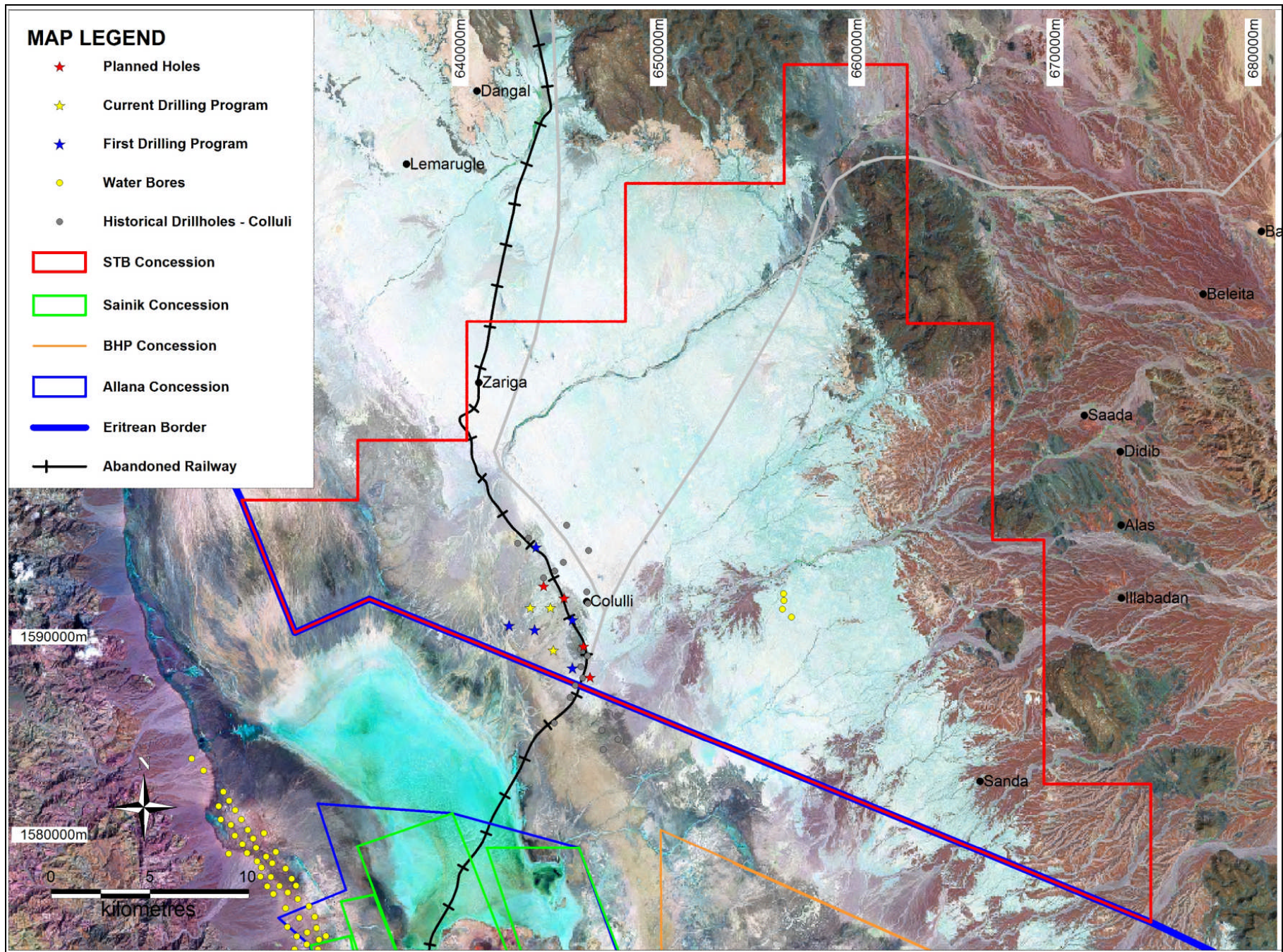
(ASX: MZM) - 3.957m shares
(ASX: MZMO) - 1.037m options
(ASX: AVZ) - 0.400m shares
(ASX: BUX) - 1.610m shares
(unlisted options) 0.750m options
(ASX: UNX) - 0.923m shares
(CDNX: CNI.V) - 130,000 shares
Auvex (Pte) - 1.000m options

MORE SHALLOW POTASH INTERSECTED AT COLLULI

- **Diamond core drilling (Col-007 and Col-008) has intersected additional shallow potash mineralisation and confirm the initial exploration target of 300-500Mt of potash ores with average grades of 21-25% KCl**
(The potential quantity and grade of the Colluli exploration target is conceptual in nature and there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.)
- **Col-007 and Col-008 were drilled as shown on the attached map (Figure 1) and confirms the extensive continuity of mineralisation over at least 4.5km². The mineralisation is considered open in all directions;**
- **Hole Col-007 and Col-008 intersected a total thickness of 19.39m and 18.37m of potash respectively;**
- **Hole Col-007 intersected;**
 - 0.95m of sylvinitite from 24.50m;
 - 9.71m of carnallitite from 38.29m;
 - 8.73m of kainitite from 46.00;
- **Hole Col-008 intersected;**
 - 2.40m of sylvinitite from 22.20m;
 - 6.73m of carnallitite from 32.45m;
 - 9.24m of kainitite from 39.18m;
- **The sylvinitite mineralization in Col-008 is the shallowest intersected to date and appears to be of a high grade nature from field diagnostic properties. Assays up to 44% KCl have been intersected over 3.44m from sylvinitite intercepts;**
- **The current drilling is part of a JORC/43-101 resource and mining engineering study into the open pit mining and processing operation with an initial starting capacity of 1.5Mt of potash p.a. The study will also examine the viability of additional production of up to 3Mt of potash p.a;**
- **Exploration results to date have confirmed Colluli as the world's shallowest buried evaporite potash deposit;**
- **Full drilling details and scoping study results will be released as the come to hand.**



Colluli Project plan showing current drill holes and planned holes. Holes shown in purple have assay results outstanding.



Colluli Project plan showing the exploration license and proximity to neighbouring potash projects.

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 South Boulder Mines Ltd

Listed in 2003, South Boulder Mines (ASX: STB) is a diversified explorer primarily focused on potash, nickel and gold. South Boulder has a 100% interest in the Colluli Potash Project in Eritrea and a 100% interest in the Duketon Gold Project in Western Australia.

Within the Duketon Gold Project area, South Boulder entered a farm-out Joint Venture (JV) Agreement with Independence, whereby Independence can earn a 70% interest in the nickel rights on JV 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.

About the Nickel Joint Venture

The Duketon Nickel JV has had recent success at The Rosie and C2 Nickel sulphide prospects where drilling has defined intercepts of **5.20m @ 9.13% Ni, 1.09% Cu, 0.21% Co and 7.09g/t PGE's at Rosie and 50m @ 0.92% Ni including 37m @ 1.05% Ni at C2**. The deposits 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. A Mining Lease application has been lodged with the Department of Mines and Energy. The Mining Lease application comprises a total of 19.13km².

More information:

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Disclaimer

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This ASX release has been compiled by Lorry Hughes using information on exploration results supplied by South Boulder Mines Ltd under supervision by ERCOSPLAN Ingenieurgesellschaft Geotechnik und Bergbau mbH. 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.

Quality Control and Quality Assurance

South Boulder Exploration programs follow standard operating and quality assurance procedures to ensure that all sampling techniques and sample results meet international reporting standards. Drill holes are located using GPS coordinates using WGS84 Datum, all mineralisation intervals are downhole and are true width intervals. Assay values are shown above a cut-off of 6% K₂O. The samples are derived from HQ diamond drill core which in the case of carnallite ores are sealed in heat sealed plastic tubing immediately as it is drilled to preserve the sample. Significant sample intervals are dry quarter cut using a diamond saw and then resealed and double bagged for transport to the laboratory. Halite blanks and duplicate samples are submitted with each hole.

Chemical analyses were conducted by Kali-Umwelttechnik GmbH Sondershausen, Germany utilising flame emission spectrometry, atomic absorption spectroscopy and ionchromatography. Kali-Umwelttechnik (KUTEC) Sondershausen1 have extensive experience in analysis of salt rock and brine samples and is certified according by DIN EN ISO/IEC 17025 by the Deutsche Akkreditierungssystem Prüfwesen GmbH (DAR). The laboratory follow standard procedures for the analysis of potash salt rocks • chemical analysis (K⁺, Na⁺, Mg²⁺, Ca²⁺, Cl⁻, SO₄²⁻, H₂O) and • X-ray diffraction (XRD) analysis of the same samples as for chemical analysis to determine a qualitative mineral composition, which combined with the chemical analysis gives a quantitative mineral composition.