

## ASX Release

25 January 2007



### Second uranium tenement granted

- **P38/3298 granted.**
- **35% free carry to BFS.**
- **Issue of 275,000 fully paid Uranex NL shares to South Boulder.**
- **Current value \$605,000.**
- **Drilling to commence as soon as a suitable drill rig is sourced.**

**South Boulder Mines Ltd (South Boulder) (ASX code STB) is pleased to announce that prospecting licence P38/3298 has been granted. P38/3298 abuts E38/1732 which contains the Thatchers Soak uranium deposit.**

In September 2006, South Boulder entered into a Uranium JV with Uranex NL (Uranex) (ASX code UNX), whereby Uranex can earn a 65% interest in the uranium rights on P38/3298 for the consideration of 275,000 fully paid Uranex shares.

South Boulder will retain a 35% free carry to the completion of a bankable feasibility study to be completed within 6 years of the grant of P38/3298.

UNX closed yesterday at \$2.20, valuing the 275,000 shares at \$605,000.

In May 2005, South Boulder sold 100% of its uranium rights on E38/1732 to Goldstream Mining NL (Goldstream) (ASX code GDM) for the consideration of 1.5M fully paid Goldstream shares - 200,000 of which were issued immediately.

Goldstream subsequently on-sold the uranium rights to E38/1732 to Uranex NL.

As previously announced, the recent grant of E38/1732 will result in the issue of the remaining 1.3M shares to South Boulder.

Goldstream closed yesterday at 73.5 cents, valuing the 1.5M shares South Boulder holds in Goldstream at \$1,102,500.

The granting of E38/1732 (212.3km<sup>2</sup>) and P38/3298 (1.27km<sup>2</sup>) will result in the payment of \$1,560,500 worth of shares to South Boulder within 7 days - taking the total value of the aforementioned deals to \$1,707,500.

E38/1732 and P38/3298 are located approximately 134 km east of Laverton and contain the historic Thatchers Soak uranium deposit discovered by BP Minerals in 1977.

The granting of E38/1732 and P38/3298 allows a planned 540 hole drill programme to proceed.

The programme will commence as soon as a suitable drill rig is sourced.

## **About South Boulder Mines Ltd**

Listed in 2003, South Boulder is focused on exploration within the Duketon Project.

The Duketon Project covers approximately 2,250 km<sup>2</sup> of the under-explored Duketon Greenstone Belt located north of Laverton.

In early 2004, South Boulder signed a farm-out joint venture agreement with Independence Group NL (Independence) (ASX code IGO), whereby Independence can earn a 70% interest in the nickel rights on tenements held by South Boulder in the Duketon Project.

New in-house technology developed by Independence and currently in use on the Duketon Nickel JV lends a significant advantage over previous explorers.

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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.*

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