

## ASX Release

16 July 2007



### Impressive Initial Uranium Results from Thatchers Soak East

- Max down hole eU<sub>3</sub>O<sub>8</sub>\* grades 1150ppm, 1696ppm, 1082ppm, 869ppm
- STB 35% free carry to BFS
- Further infill 'resource definition' drilling planned
- Tonnage and grade estimates anticipated in Q4 07

**South Boulder Mines Ltd (South Boulder) (ASX: STB) has intercepted excellent Uranium grades from first phase Aircore and RAB drilling on P38/3298.**

Better eU<sub>3</sub>O<sub>8</sub> intersections include 2.75m @ 473.2ppm, 4.5m @ 335.4ppm, 1.85m @ 346.9ppm and 0.95m @ 415ppm.

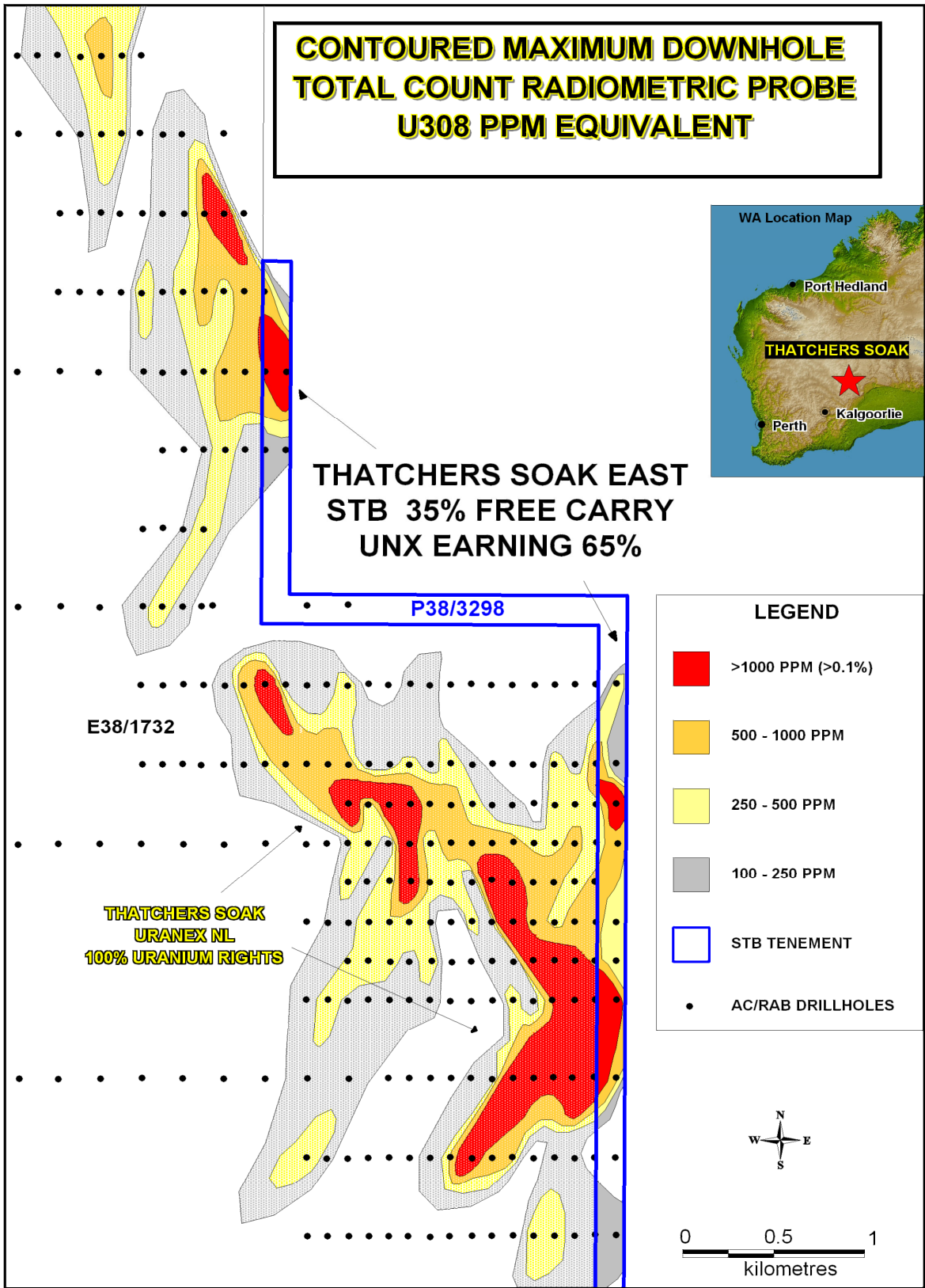
South Boulder has a Joint Venture on P38/3298 with Uranex (ASX: UNX) whereby Uranex can earn a 65% interest in the uranium rights on the permit by completing a BFS within six years. P38/3298 directly abuts E38/1732 (UNX 100%) which contains the Thatchers Soak Uranium Deposit. The Thatchers Soak deposit is contiguous with the Thatchers Soak East mineralisation.

Importantly, part of the envelope containing key high grade Uranium mineralisation is contained within South Boulder's Joint Venture tenure. See attached diagram for details.

A total of 18 holes were drilled on P38/3298 by Uranex, with 13 holes intersecting significant Uranium mineralisation. The bulk of the Thatchers Soak Uranium mineralisation is interpreted to form part of an extensive sub-horizontal variably mineralised sheet of calcareous clays and calcrete within 7 metres of the current ground surface.

Uranex will now move into the drill out phase with tonnage and grade estimates anticipated during the December Quarter. A decision to proceed to feasibility study will be made shortly thereafter.

South Boulder Managing Director Liam Cornelius said: "South Boulder's unique ground holding gives shareholders exposure to one of the five best calcrete deposits within Australia and management looks forward to Uranex advancing the project to a potential mining scenario".



**Table 1:** Hole Intersections greater than 100ppm eU3O8. Maximum values quoted are peak response per intersection as recorded over 0.05m down hole interval

Hole Number	Northing AMG84_51	Easting AMG84_51	From (m)	To (m)	Interval (m)	Grade eU3O8 (ppm)	Max eU3O8 (ppm)
TSAC0242	6904200	555600	0.42	2.27	1.85	229.9	397
TSAC0242	6904200	555600	3.47	4.87	1.4	276	510
TSAC0242	6904200	555600	8.32	12.17	3.85	281.6	462
TSAC0246	6903800	555700	2.21	3.56	1.35	240.9	331
TSAC0246	6903800	555700	4.96	9.46	<b>4.5</b>	<b>335.4</b>	<b>1150</b>
TSAC0246	6903800	555700	9.96	10.71	0.75	132.8	155
TSAC0252	6903400	555600	6.47	7.07	0.6	130.1	150
TSAC0277	6902200	557300	3.58	6.58	3	179.8	384
TSAC0304	6901000	557300	1.16	2.91	1.75	176.4	322
TSAC0304	6901000	557300	3.76	5.21	1.45	133.7	161
TSAC0304	6901000	557300	6.01	6.46	0.45	132	158
TSAC0321	6900600	557300	0.47	1.27	0.8	227.1	384
TSAC0321	6900600	557300	2.22	4.97	<b>2.75</b>	<b>473.2</b>	<b>1696</b>
TSAC0355	6899400	557300	0.63	1.68	1.05	161.8	206
TSAC0370	6901600	557300	0.97	1.47	0.5	134	159
TSAC0370	6901600	557300	2.77	4.62	<b>1.85</b>	<b>346.9</b>	<b>1082</b>
TSAC0399	6900800	557300	1.48	2.63	1.15	170	240
TSAC0399	6900800	557300	4.73	6.78	2.05	222.4	355
TSAC0406	6900200	557300	1.82	2.77	<b>0.95</b>	<b>415.9</b>	<b>869</b>
TSAC0415	6901400	557300	2.55	3	0.45	149.9	196
TSAC0415	6901400	557300	3.2	5.8	2.6	290.6	496
TSAC0423	6901800	557300	5.2	5.4	0.2	107.5	112

\* Uranium mineralisation grades through this report are annotated with a sub-prefix 'e' because they have been reported as uranium equivalent grades derived from down-hole gamma ray logging results and should be regarded as approximations only.

Gamma logging or “total count gamma logging” (the method used by Uranex) is a common method used to estimate uranium grade where the radiation contribution from thorium and potassium is very small. Sandstone and Calcrete hosted deposits are usually of this type. Gamma logging does not account for energy derived from thorium and potassium (as does spectral gamma logging) and thus the result is expressed as an equivalent value or eU<sub>3</sub>O<sub>8</sub>.

The gamma radiation from potassium, uranium and thorium is dominated by gamma rays at specific energy levels. These energy levels are sufficiently well separated such that they can be measured independently of each other. They are typically measured as narrow energy bands that contain the specific energy levels. Bands are used because the measuring systems do not have the resolution to target a specific energy wavelength. There is some scattering of higher energy gamma radiation, eg thorium, into lower energy radiation, eg uranium and potassium. This scattered radiation can be calculated from suitable calibration procedures and removed from the lower energy level measurements. This method is commonly termed spectral gamma logging.

Uranex’s independent contractor uses gamma probes which are initially calibrated at the PRISA (Primary Industry & Resources South Australia) test pits and then subjected to annual recalibration to ensure the integrity of the probe instrument.

## About South Boulder Mines Ltd

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

The Duketon Project covers approximately 2,000 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 by completing a BFS within 5 years.

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.*