

ASX Release

3 December 2009



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

Share Price: 23.5 cents

Market Cap: \$13.2M

Shares on issue: 55.7M

Cash at Bank: \$2.0M
ASX/TSX listed shares: \$2.0M

Top 20 shareholders – 48%

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LISTED EQUITY HOLDINGS

(ASX: MZM) - 4.150m shares
(ASX: MZMO) - 1.037m options
(ASX: IXR) - 1.325m shares
(ASX: AVZ) - 0.400m shares
(ASX: BUX) - 0.250m shares
(ASX: BUXO) - 0.750m options
(ASX: AGO) - 12,490 shares
(ASX: UNX) - 0.700m shares
(CDNX: CNI.V) - 130,000 shares
Auvex (Pte) - 1.0m options

NICKEL SULPHIDE DISCOVERED AT THE ROSIE PROSPECT

South Boulder Mines Ltd (ASX: STB) is pleased to announce that assay results have been received from an RC hole recently completed by Independence Group NL (ASX: IGO) at the Rosie Nickel Sulphide Prospect within the Duketon JV.

ROSIE PROSPECT

HOLE TBRC070

- 20m @ 1.32 % Ni (0.23% Cu, 1.54g/t Pt+Pd) from 184m including;
- 2m @ 1.30% Ni (0.35% Cu, 0.17g/t Pt+Pd) from 186m and;
- 7m @ 2.61% Ni (0.42% Cu, 3.75g/t Pt+Pd) from 190m.

Mineralisation encountered was of a massive, matrix and disseminated style. The intersections are on the same section as TBAC124 and intersects the target zone about 130m down dip of the “oxide intercept” in TBAC124 (10m at 0.40%Ni, 0.49%Cu, 2.2g/t Pt+Pd, ASX announcement 5th October 2009). Preliminary interpretation suggests true widths of the TBRC070 intervals are about 50% of downhole widths.

Further assay results from the remainder of the 6-7 hole RC drilling program are outstanding and planned to be received over the next 3-4 weeks.

Results from a 4-5 hole diamond drilling program at The Bulge C2 Prospect are outstanding and planned to be received over the next 3-4 weeks.

Further details on the drilling results will be released as they come to hand.

Additional information on the current drill program is detailed in an ASX release dated 16th November 2009.

ROSIE PROSPECT

Hole No.	Easting (m)	Northing (m)	Azimuth (degr)	Dip (degr)	From (m)	To (m)	Interval (m)	Ni (%)	Cu (%)	Pt (ppm)	Pd (ppb)	Co (ppm)	Au (ppm)
TBRC070	402450	6944190	180	-60	184	204	20	1.319	0.227	0.470	1.070	365	0.141
including					186	188	2	1.300	0.349	0.010	0.160	295	0.064
including					190	197	7	2.613	0.417	1.110	2.640	686	0.214

Table 1: Preliminary assay results from RC hole TBRC070 drilled at The Rosie Prospect.

Note: Samples were collected as 1m split samples. Nickel and copper values have been assayed using ICP-AES mixed acid digest. Some very high Platinum and Palladium values have been assayed using the Fire Assay Method (FA40) with ICP-AES Quantification. Significant assay results are tabulated if Ni $\geq$ 0.40%, over a minimum 2m interval. Maximum internal waste allowed is 2m. Results have been rounded where appropriate. Intervals are expressed as down hole intervals in metres. Based on the current geological interpretation, it is expected that true widths of mineralisation will be significantly lower than those quoted as the hole was drilled down dip due to a "roll-over" in the contact at this position. The results tabled above are simple length weighted averages, and are not SG weighted. A cut-off grade of 1.0%Ni is used for the higher grade sub-intervals.

About the Joint Venture

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 gold, nickel, potash and phosphate.

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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.