



South Boulder Mines

Annual General Meeting

Investor Presentation

November 2009

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Forward-Looking Statements

The following presentation represents South Boulder Mine's best judgement at the time of presentation. This document is in summary form and does not purport to be all inclusive or complete. The contents include forward looking statements prepared on the basis of assumptions which may prove to be incorrect. This presentation should not be relied upon as a recommendation or forecast by South Boulder Mine Limited. No representation or warranty is made as to the accuracy, completeness or reliability of the information.

Competent Persons

Information that relates to Exploration Results including exploration data and geological interpretations is based on information compiled by Lorry Hughes who is a full time employee at South Boulder Mines Ltd. Exploration results from the Duketon Nickel JV has been supplied by Independence Group who are operator of the Duketon Nickel JV. Lorry Hughes is a member of the AusIMM and has experience which is relevant to the style of mineralisation and type of deposits under consideration, and to the activities which is being undertaken to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

JORC- Exploration Targets

It is common practice for a company to comment on and discuss its exploration in terms of target size and type. The information in this presentation relating to exploration targets should not be misunderstood or misconstrued as an estimate of Mineral Resources or Ore Reserves. Hence the terms Resource(s) or Reserve(s) have not been used in this context. The potential quantity and grade stated or implied is conceptual in nature, since there has been insufficient work completed to define them beyond exploration targets and that it is uncertain if further exploration will result in the termination of a Mineral Resource.

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1. Executive Summary

SOUTH BOULDER MINES

PROJECTS

- ASX Listed October 2003 (ASX: STB), (SO3-Ber), (SO3-Fra); and
- Three outstanding projects: potash, gold and nickel.

Colluli Potash Project

- Potentially “**world class**” buried evaporite potash project in Eritrea; and
- Acquisition of an Exploration license granted in July 2009.



Duketon Greenstone Belt Projects, Western Australia.

- Gold discovery **at surface** “Terminator Prospect”; and
- Other excellent targets proximal to Moolart Well (ASX: RRL)
- Nickel JV with Independence Group (ASX: IGO):
 - IGO earning 70% of nickel upon completion of BFS; and
 - Targeting nickel sulphide deposit, **excellent geochemical signature.**
- Conduct resource confirmation and definition drilling ahead of JORC resources and feasibility studies at Colluli. **Aim to be the first company to drill for potash in the Danakil since 1968**; and
- Conduct immediate follow up drilling and work towards defining an initial JORC gold resource at Terminator; and
- JV partner conducting immediate nickel drilling to define JORC resource.



STRATEGY

2. Company Snapshot

COMPANY DETAILS

Market capitalization (@22c/share)	\$11.20M (\$12.5M)
Ordinary Shares	55.7M (61.3M)
Cash	\$2.0M (\$3.1M)
Value of listed ASX/TSX shares	\$2.0M
Unlisted Options	27.9M
Total 40 Shareholders	58.52%

Rights issue ann. 26th Nov (1:10) \$1.1M

EQUITY HOLDINGS

IMX Resources (IXR)	1.325M Shares
Montezuma (MZM) & (MZMO)	3.97M Shares 1.037M options @ 20¢
Avonlea (AVZ)	400,000 Shares
Buxton (BUX)	250,000 Shares 750,000 options @ 20c
Atlas Iron (AGO)	12,490 Shares
Continental Nickel (CNI.V "TSX")	121,000 Shares
Uranex Limited (UNX)	700,000 Shares
Auvex Resources (Pte)	1.000M options @ 25c



3. Eritrea

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FORMATION

- The country gained its independence in 1991;
- UN supervised referendum made it official in 1993;
- Population ~ 4 million people; 80% dependent on subsistence agriculture;

CURRENTLY

- Stable Government:
 - *Previous minister for mines was in place for 12 years.*
- Supportive government for foreign investment in mining and exploration.

MINING REGIME

- Mining code based on Northern Territory, Australia, with royalties of:
 - 5% on precious metals; and
 - 3.5% on base metals and salts.

GOV'T INTEREST

- Corporate tax rate ~ 38%;
- Government 10% free carry; and
- After BFS Government has option to purchase an additional 30% equity participation interest at an independently determined price.



3. Eritrea (CONT'D)

CURRENT MINING ACTIVITY

Nevsun Resources Ltd: NSU (TSX/AMX)

- Bisha Deposit
 - Gold and base metals +10 year project;
 - ~20% Constructed. Scheduled production 2010;
 - 43-101 Compliant Reserves 4.02Mt @ 7.99g/t Au, 31g/t Ag in oxide plus supergene and primary Au, Ag, Cu, Zn.

Chalice Gold Mines Ltd

- Zara Project:
 - Gold project; and
 - JORC Indicated and Inferred resource, 5.04Mt @ 5.8g/t Au for 944,000oz;
 - Final feasibility stages.

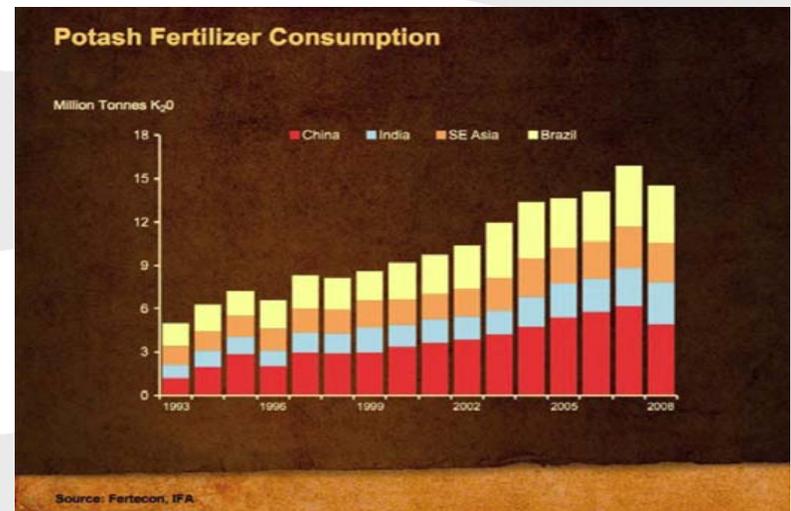
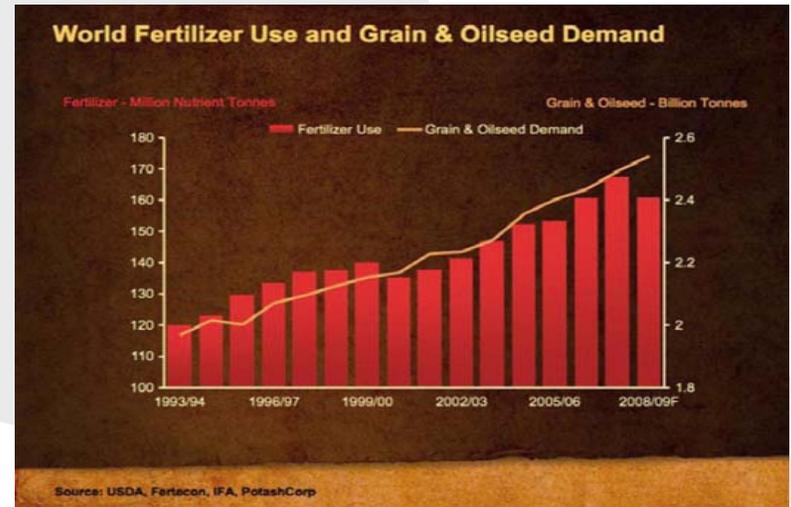


Source: Nevsun Resources Ltd's and Chalice Gold Mines Ltd's respective company websites.

4. Potash

Why Potash?

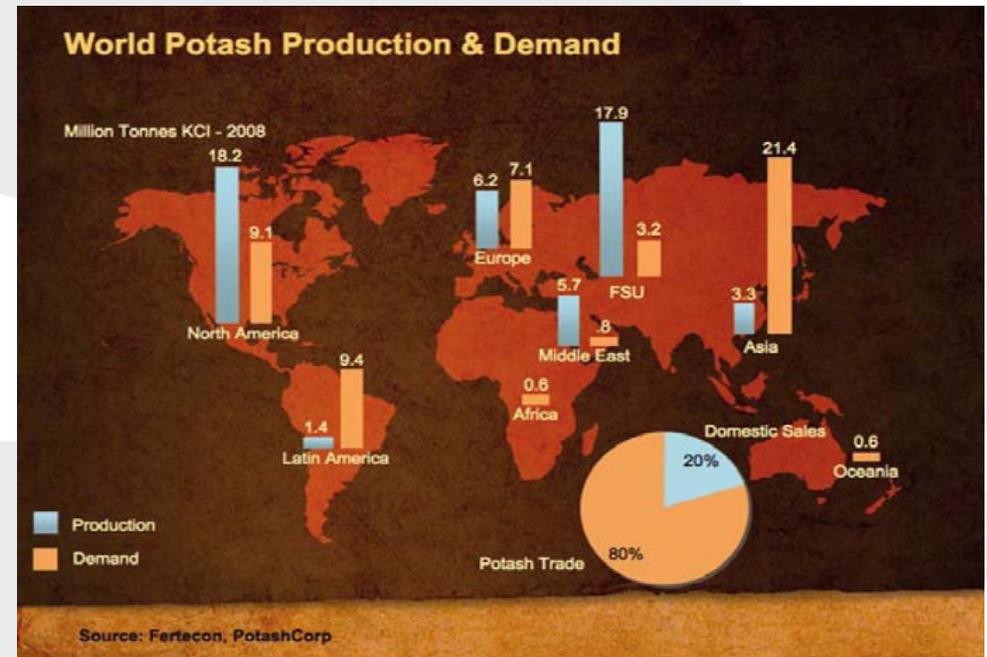
- Large scale, long term projects, strategic asset;
- Rising population and improving diets are driving food consumption growth and potash demand;
- Challenge to produce more food from a declining per-capita land base;
- Price estimates of USD\$600 – 900/t for 2009;
- Short-term decline in fertilizer use is not sustainable – irreplaceable;
- Reduced use cannot continue without potential consequences for the global food supply;
- Upshot is the potash market has strong fundamentals for demand growth.



4. Potash (CONT'D)

Colluli Project is well located.

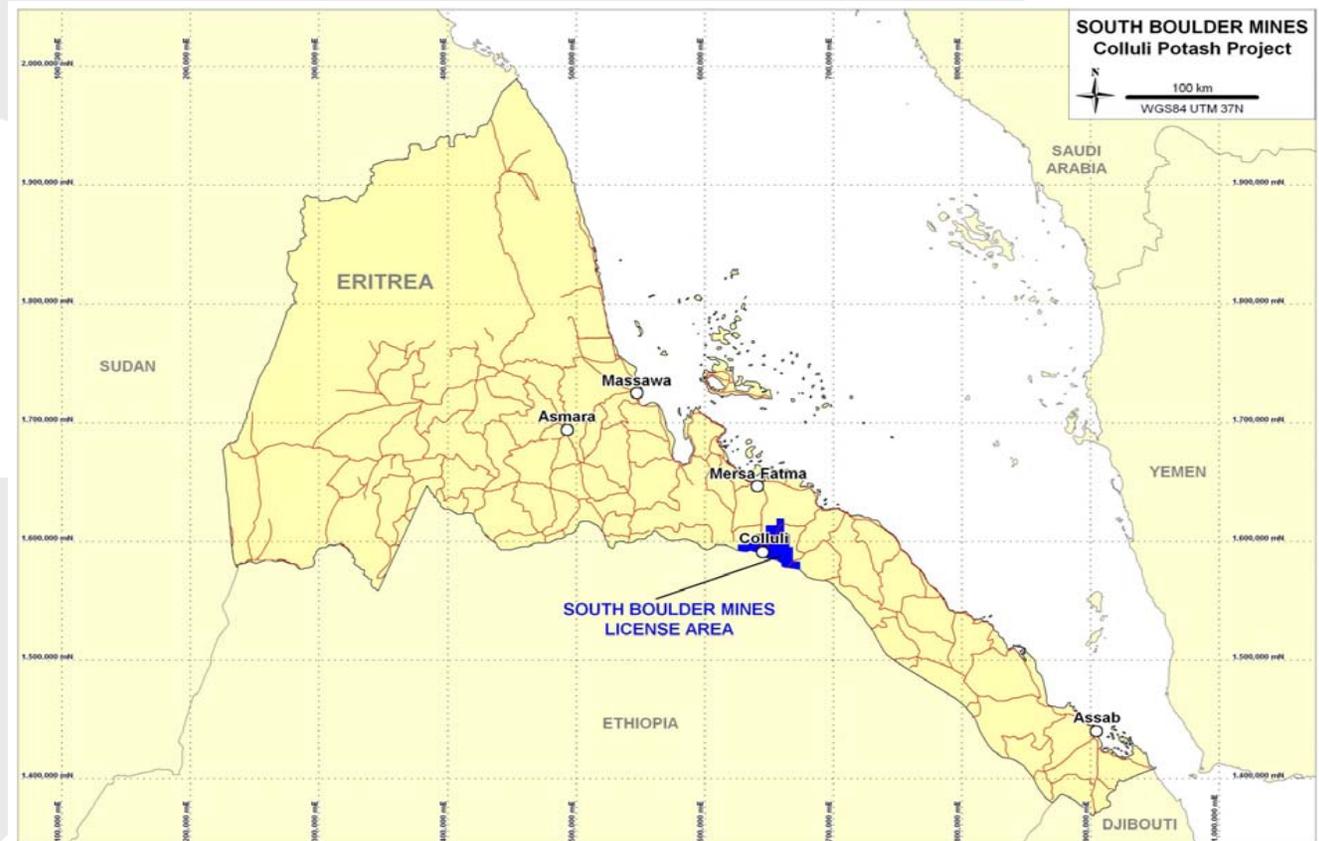
- In terms of KCl production ~80% of potash is traded;
- Eritrean ports are close to major shipping routes to India, Asia and Europe;
- Asia is a major importer of potash;
- Marketing groups control the majority of the logistic routes for potash supply.



5. Colluli Potash Project

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- ✓ Infrastructure
- ✓ Size and grade of target
- ✓ Underlying demand for Potash
- ✓ Mining methods
- ✓ Solar evaporation
- ✓ Geothermal energy
- ✓ No known significant environmental issues
- ✓ Project economics



5. Colluli Potash Project (CONT'D)

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5. Colluli Potash Project (CONT'D)

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- Tertiary – Quaternary evaporite deposits in the Danakil Depression:

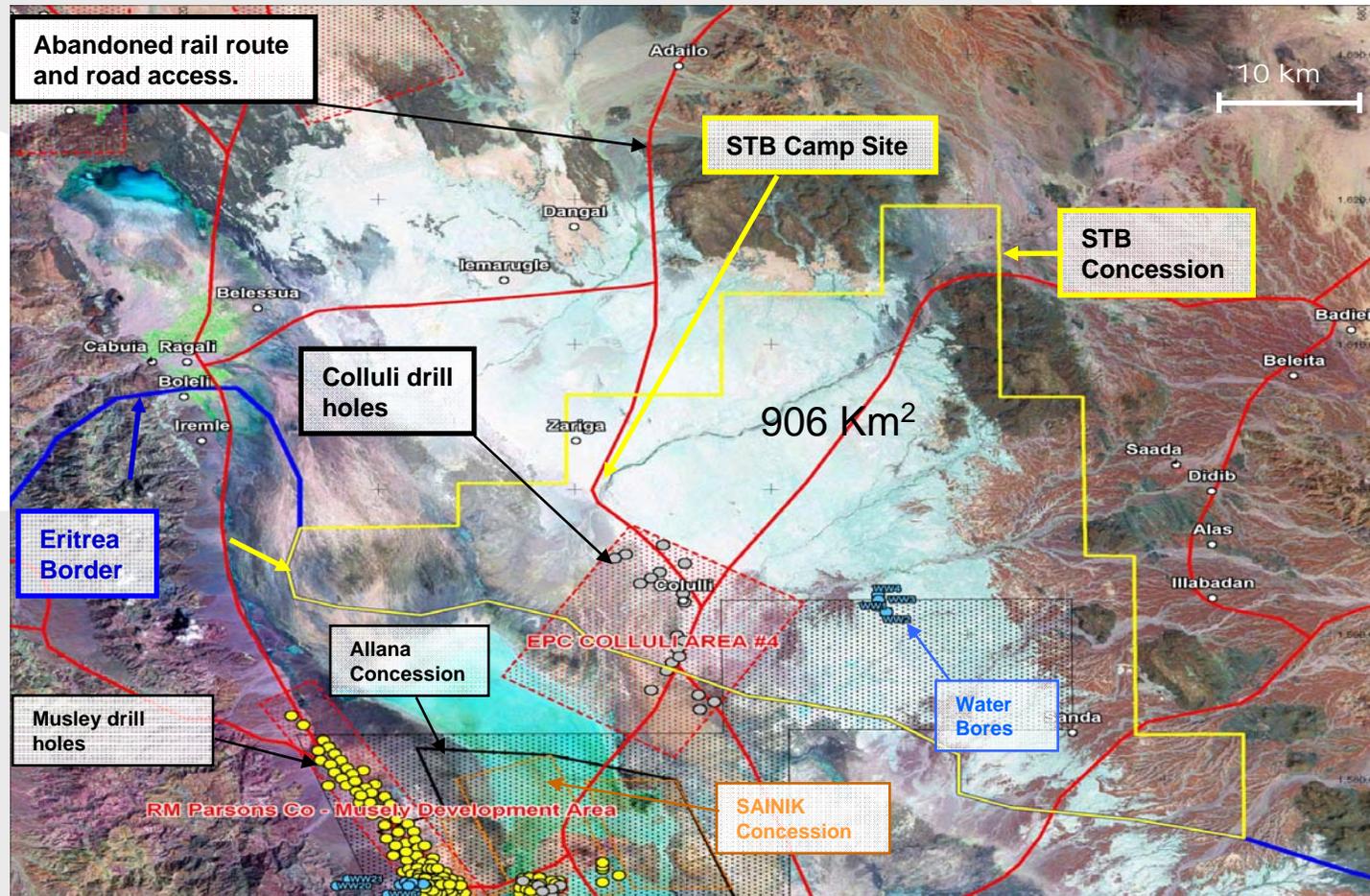
- ~5-15 million years old; and
- Deposits formed by the evaporation of water once the basin was cut off from the Red Sea due to volcanic activity; and
- 2 potash rich layers identified to date.

- 1st Layer:

- 1.7m sylvinite @ 12.5% K₂O TOP 23m –180m depth.

- 2nd Layer:

- 17m carnallite @ 50-70wt% TOP 390m depth (~17% K₂O).



Northern area of the historic Musley potash deposit/trial mine, now owned in part by Sainik Coal Mining Pvt. and Allana Resources Inc. Allana has subsequently defined a 43-101 compliant resource of 105Mt @ 20.8% KCl.



5. Colluli Potash Project (CONT'D)

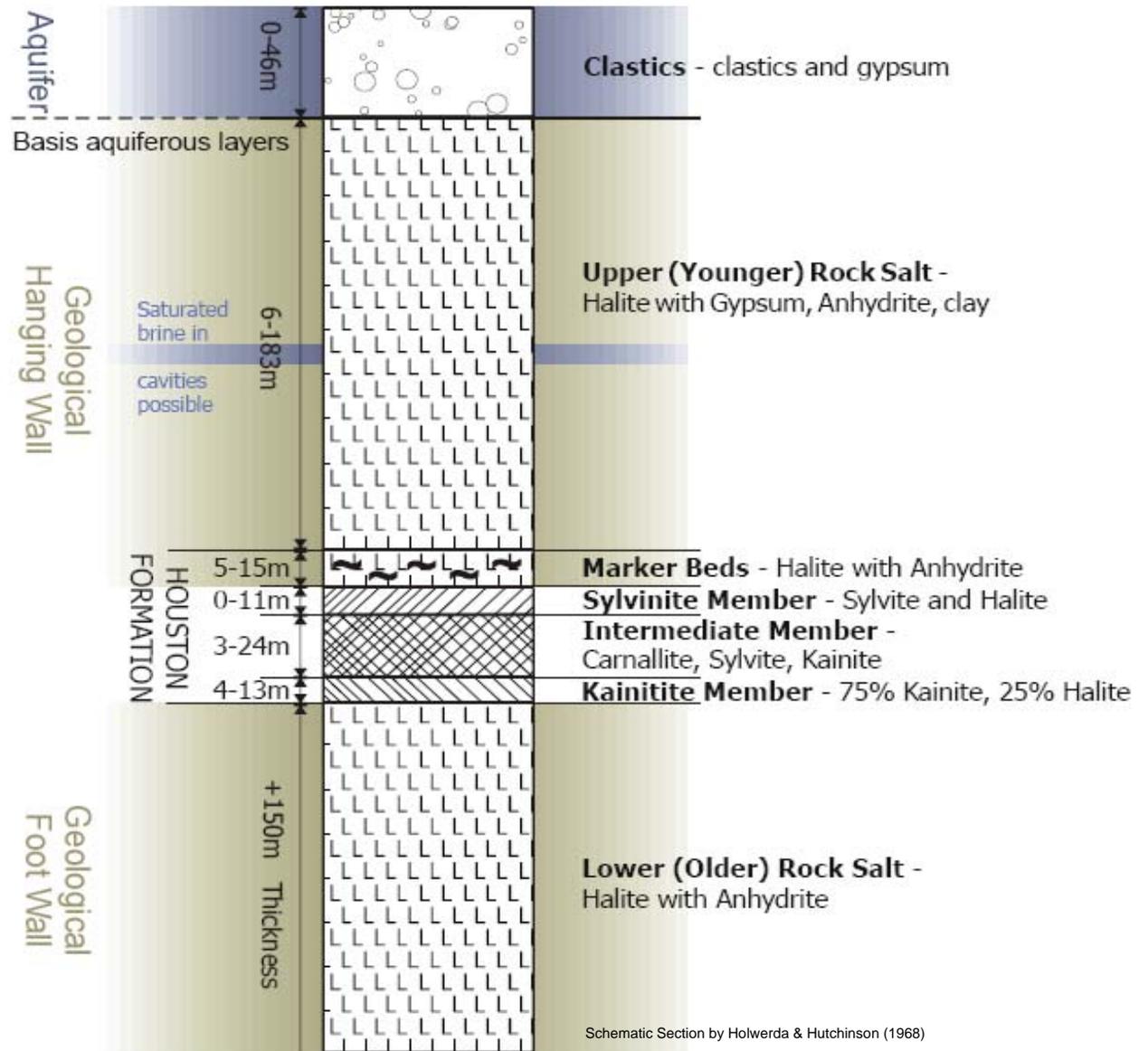
Target Horizon is the Houston Formation:

- Sylvite – KCl
- Carnallite – $\text{KMg}_3\text{Cl}_3 \cdot 6(\text{H}_2\text{O})$
- Kainite – $\text{MgSO}_4\text{KCl} \cdot 3(\text{H}_2\text{O})$

Houston Formation potash rich layers have been intersected up to 45m thick at Musley;

Potential for very large tonnages;

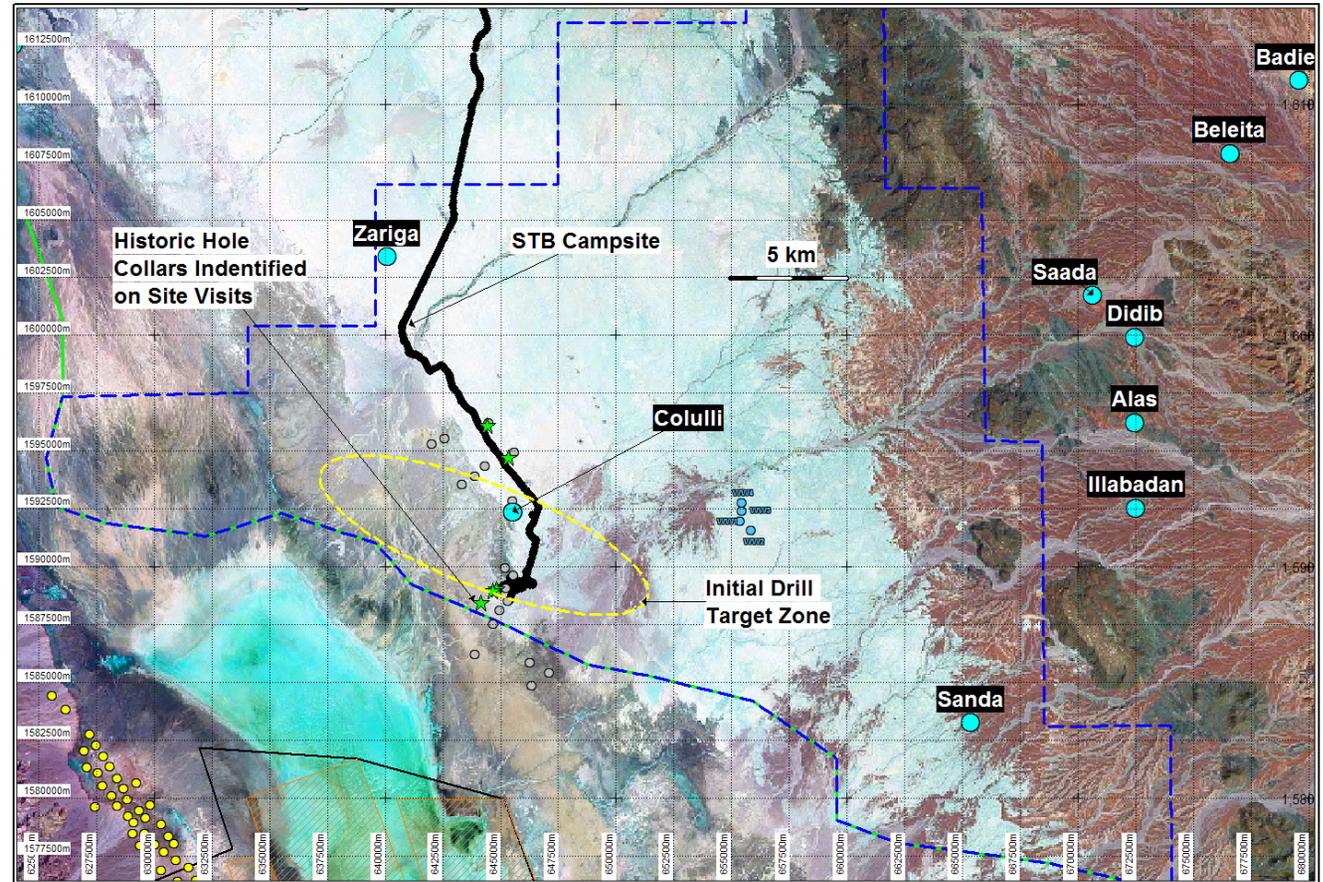
Additional potential for the discovery of near surface potash rich brines.



5. Colluli Potash Project (CONT'D)

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- Recent reconnaissance field visits has provided excellent encouragement;
- 5 historic hole collars identified; and
- Road/track access to and within project area is excellent; and
- Local Afar people supportive of our activities.
- Previous drilling was of a reconnaissance nature only;
- Less than 10% of the project has been explored with drilling.



5. Colluli Potash Project (CONT'D)

EXPLORATION STRATEGY

- Design 2-4 confirmation NQ diamond drill hole program to be completed through Jan/Feb 2010;
- Camp establishment/logistics, water supply/testing for drilling ongoing now to Jan.
- If confirmatory results are successful a JORC resource will be compiled and early stage economic studies undertaken. This is possible to be complete in first quarter of 2010;
- Immediate follow-up exploration undertaken upon analysis of initial drilling results;
- Musley Deposit (Ethiopian side) studies suggest amenable to solution mining and estimated capital cost for 1mtpa operation is USD\$0.5bn.

POTENTIAL ADVANTAGES

- Key advantages if economic deposit is defined:
 - Close to port;
 - Solar evaporation;
 - Geothermal energy;
 - Solution mining potential;
 - Potential for MOP and SOP products; and
 - Cheap capital and operating costs.

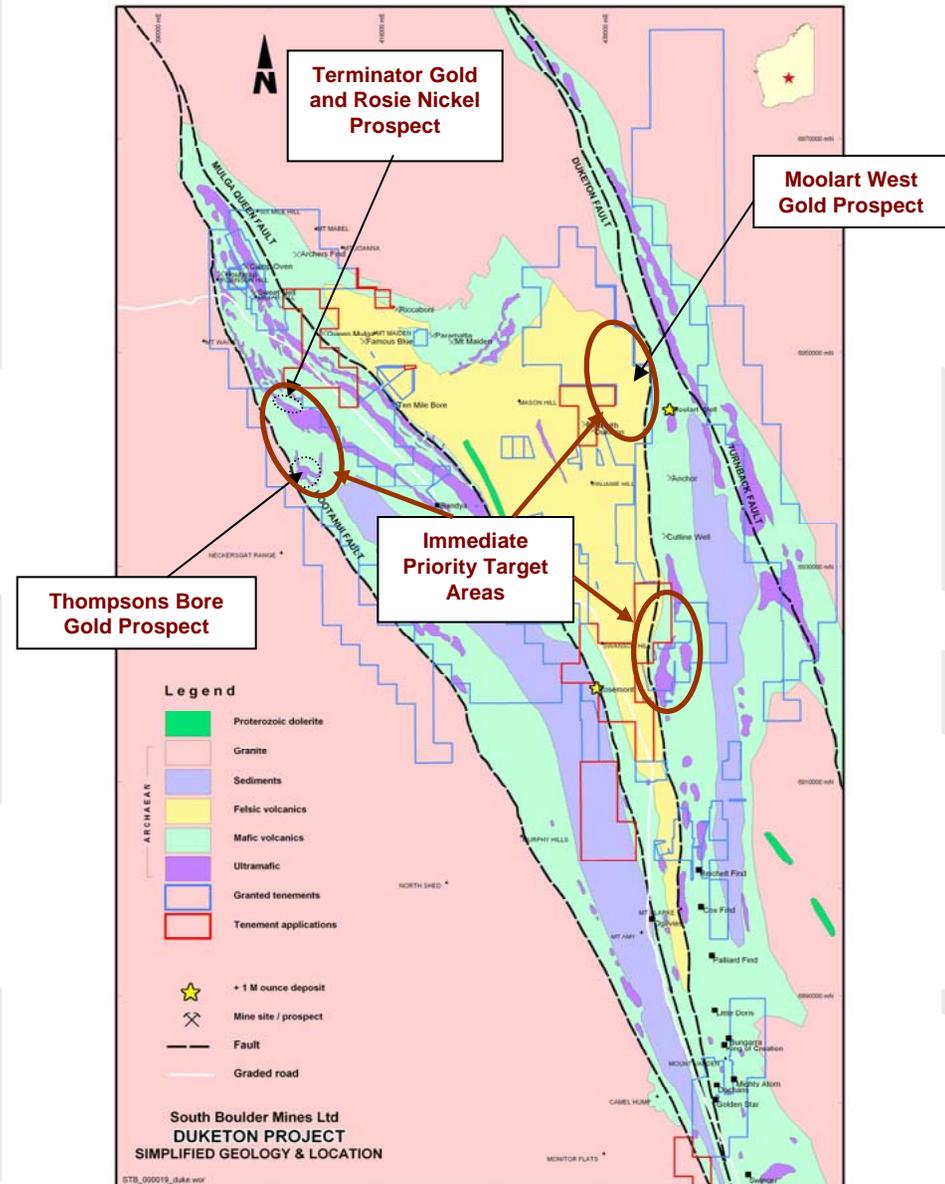


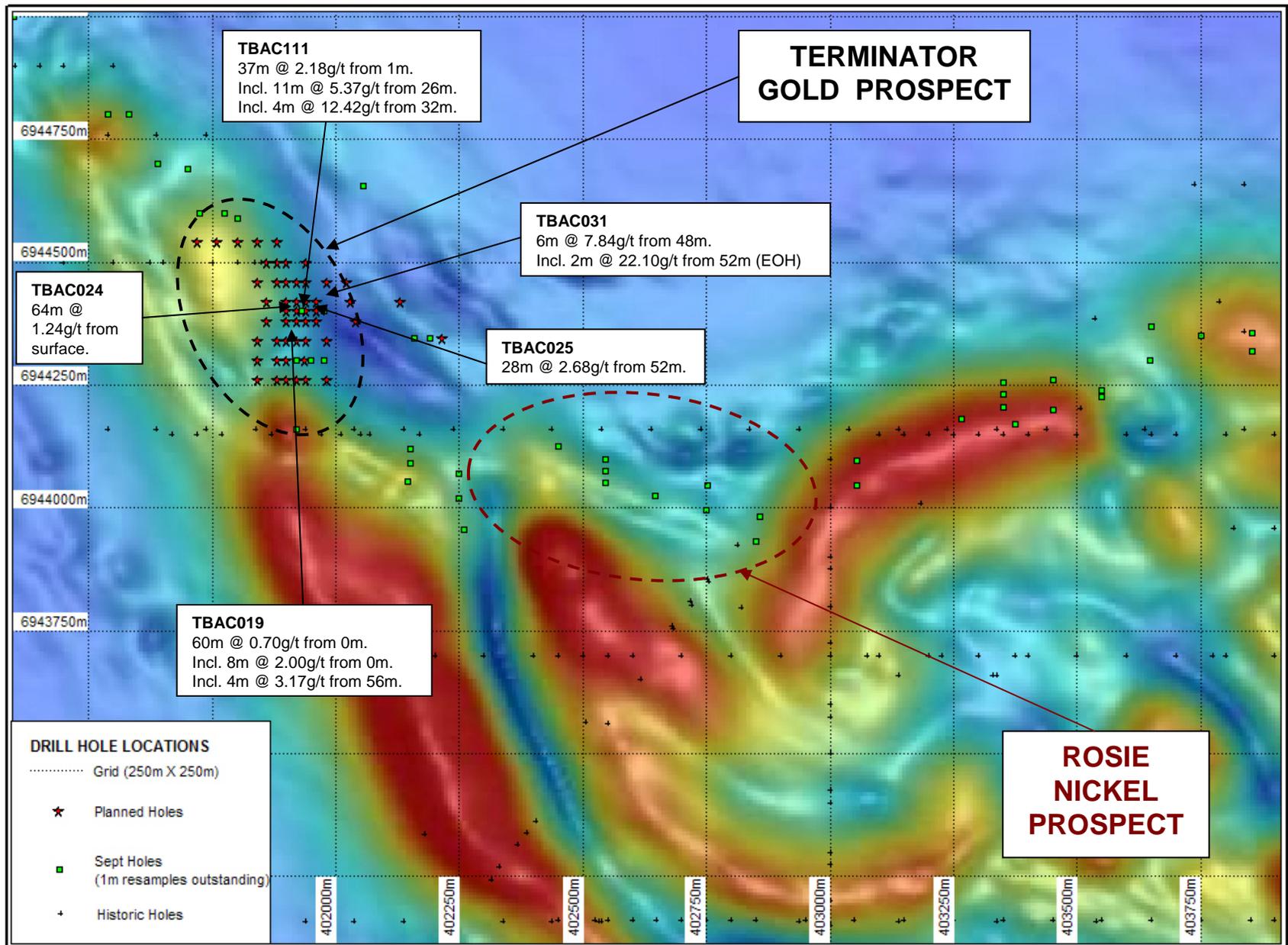
6. Duketon Gold Project

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QUALITY GOLD ASSETS, UNDER EXPLORED

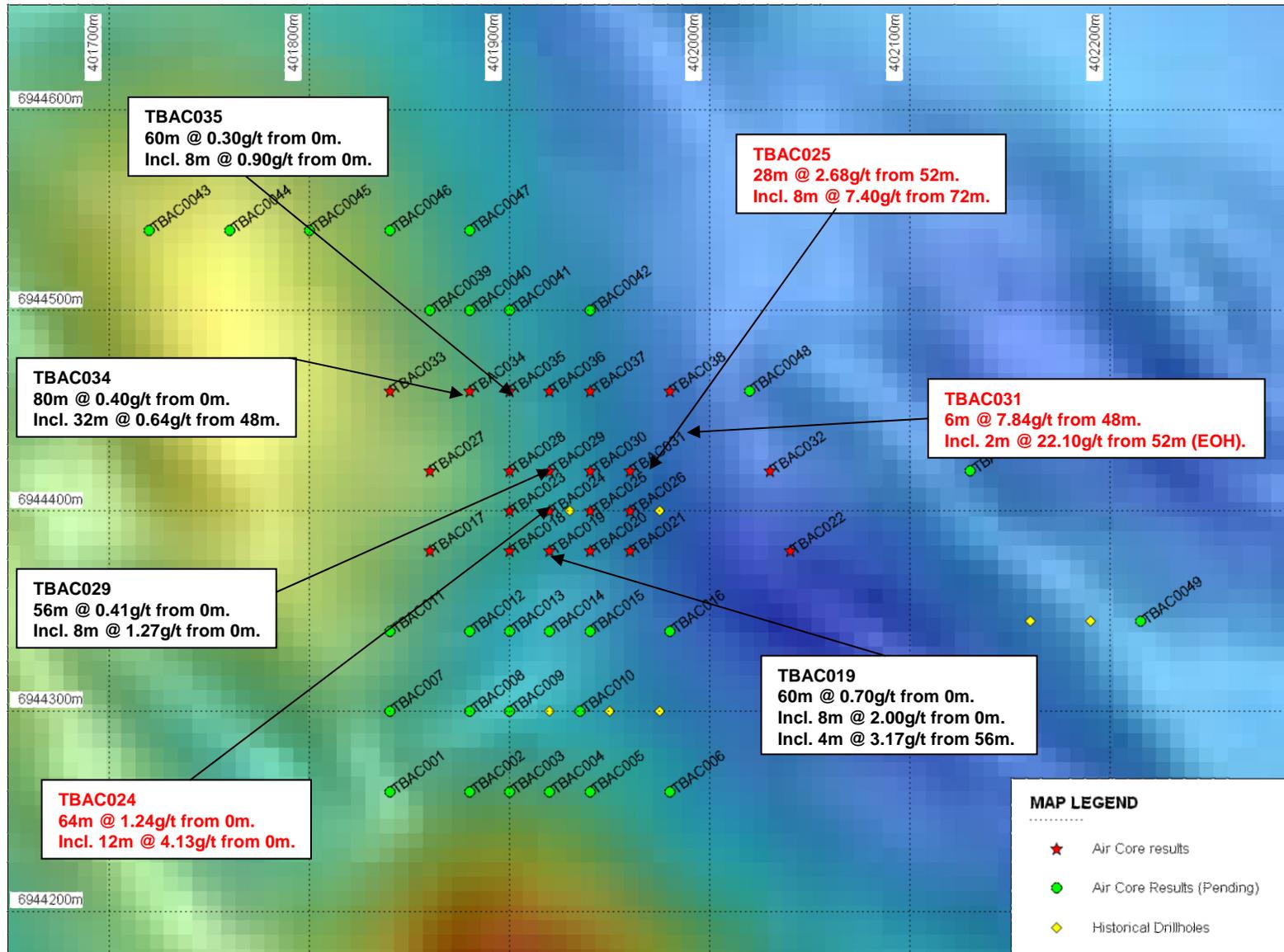
- Duketon Greenstone Belt, ~1,500 km² of under explored ground north of Laverton in W.A., gold and base metals;
- Regis board removed, construction of new mill underway complete in Sept Qtr 2010. This mill will change the game in the belt;
- Recently completed 4,216m (50 holes) of drilling to follow up initial **37m @ 2.18g/t Au from 1m**;
- Broad zones of Au mineralisation discovered within a 3km long gold in RAB/AC anomaly including;
 - **64m @ 1.24 g/t from 0m**
 - **28m @ 2.68 g/t from 52m**
 - **60m @ 0.70 g/t from 0m**;
- 1m sampling outstanding, necessary to define Au geometry and further targets for immediate drill testing. Grades up to 22.10 g/t.





Duketon Gold Project (CONT')

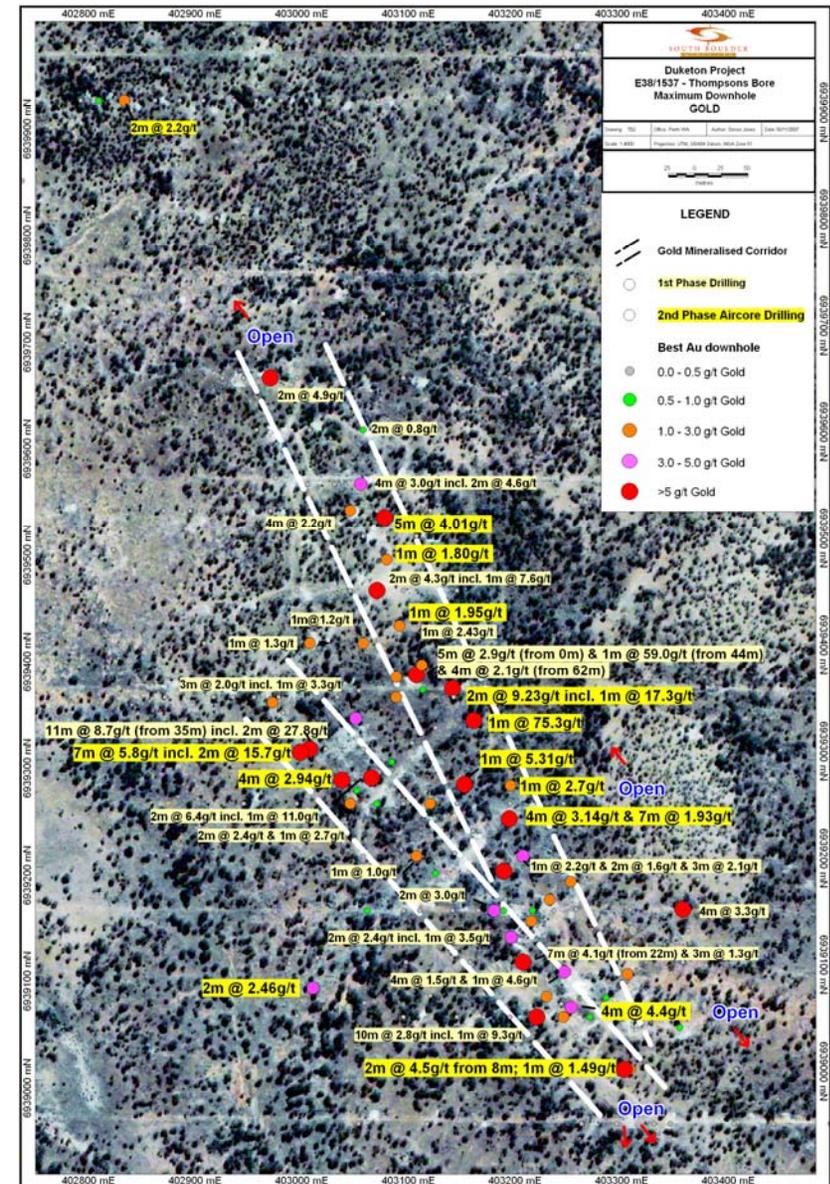
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6. Duketon Gold Project (CONT'D)

QUALITY GOLD ASSETS, UNDER EXPLORED

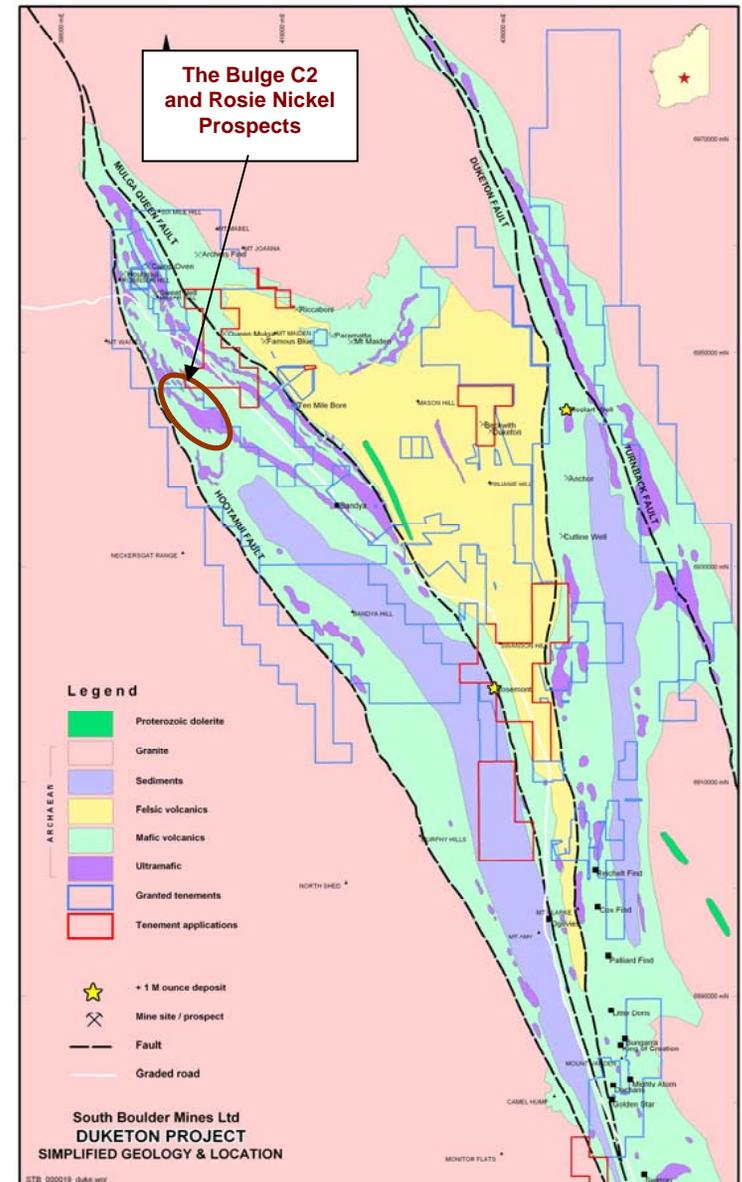
- Thompsons Bore Au Prospect; 5kms South of Terminator;
- Gold mineralised envelope defined over at least 700m X 200m;
- Aircore results pending;**
- Compliments the Terminator Discovery;
- 5km, corridor between Terminator and Thompsons will become a priority area for exploration over the next 6 months;
- Large gold systems have a large gold signatures.
- Next phases of exploration to include;
 - Interpretation of 1m results;
 - AC and RC drilling at Terminator and Thompsons;
 - Soil sampling at Moolart West followed by AC drilling;
 - Data compilation further target generation regionally.



7. Duketon Nickel Project

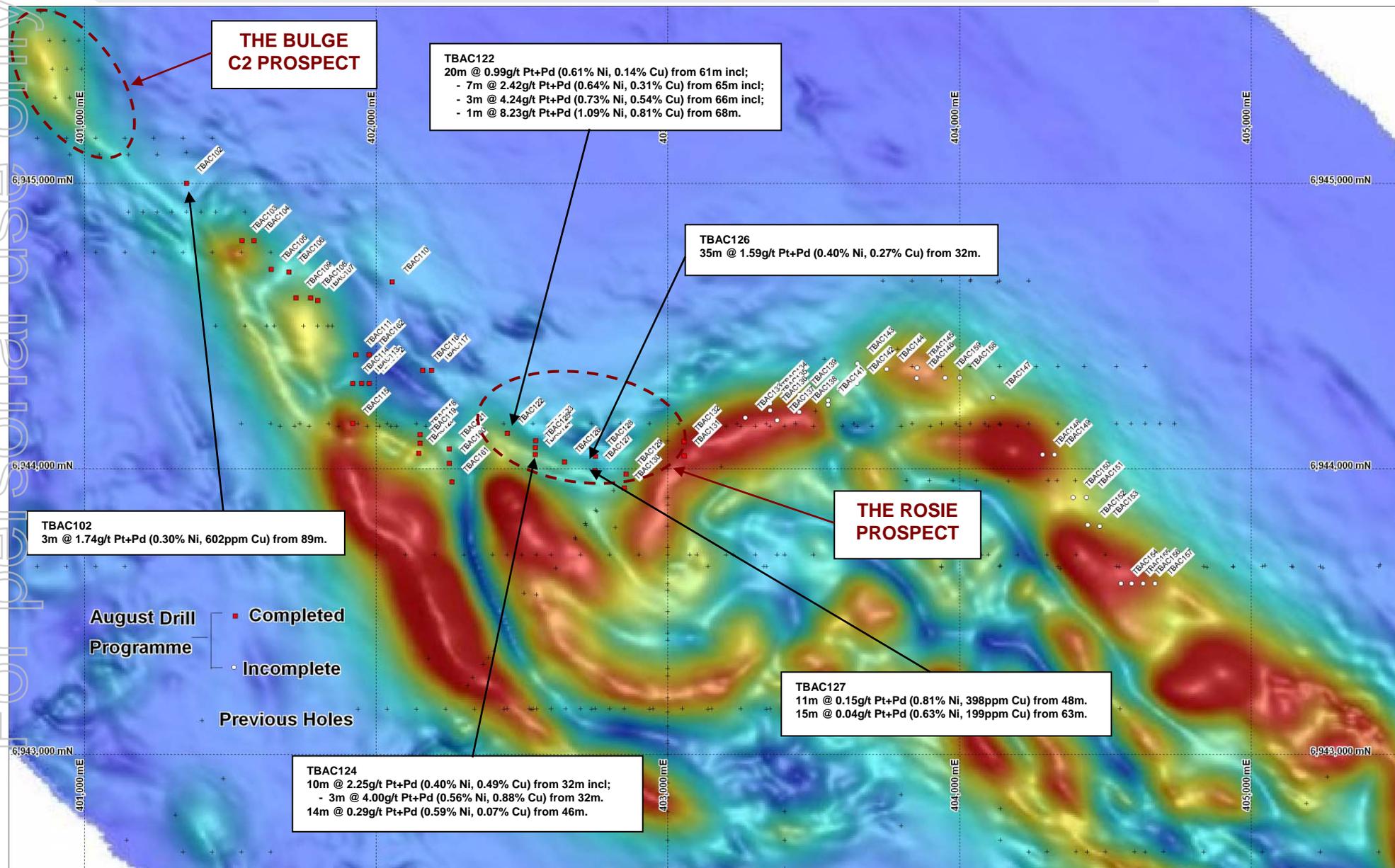
QUALITY NICKEL ASSETS

- Duketon Nickel Joint Venture with Independence Group who are project managers;
- IGO earning 70% by delivery of a BFS on selected tenure;
- Currently drilling a 10 -12 hole deep RC/DD program at the C2 and Rosie Prospects, **all results outstanding;**
- Targeting mineralisation below excellent first pass oxide Pt, Pd, Ni, Cu signature identified over 350m strike length at Rosie;
- Targeting extensions to numerous robust nickel sulphide intercepts at C2;
- **Completely virgin nickel belt.**



Duketon Nickel Project (CONT'D)

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Duketon Nickel Project (CONT'D)

HOLE TBDD074

50.00m @ 0.92% Ni (0.04% Cu, 0.08g/t Pt + Pd) from 275.00m including ;

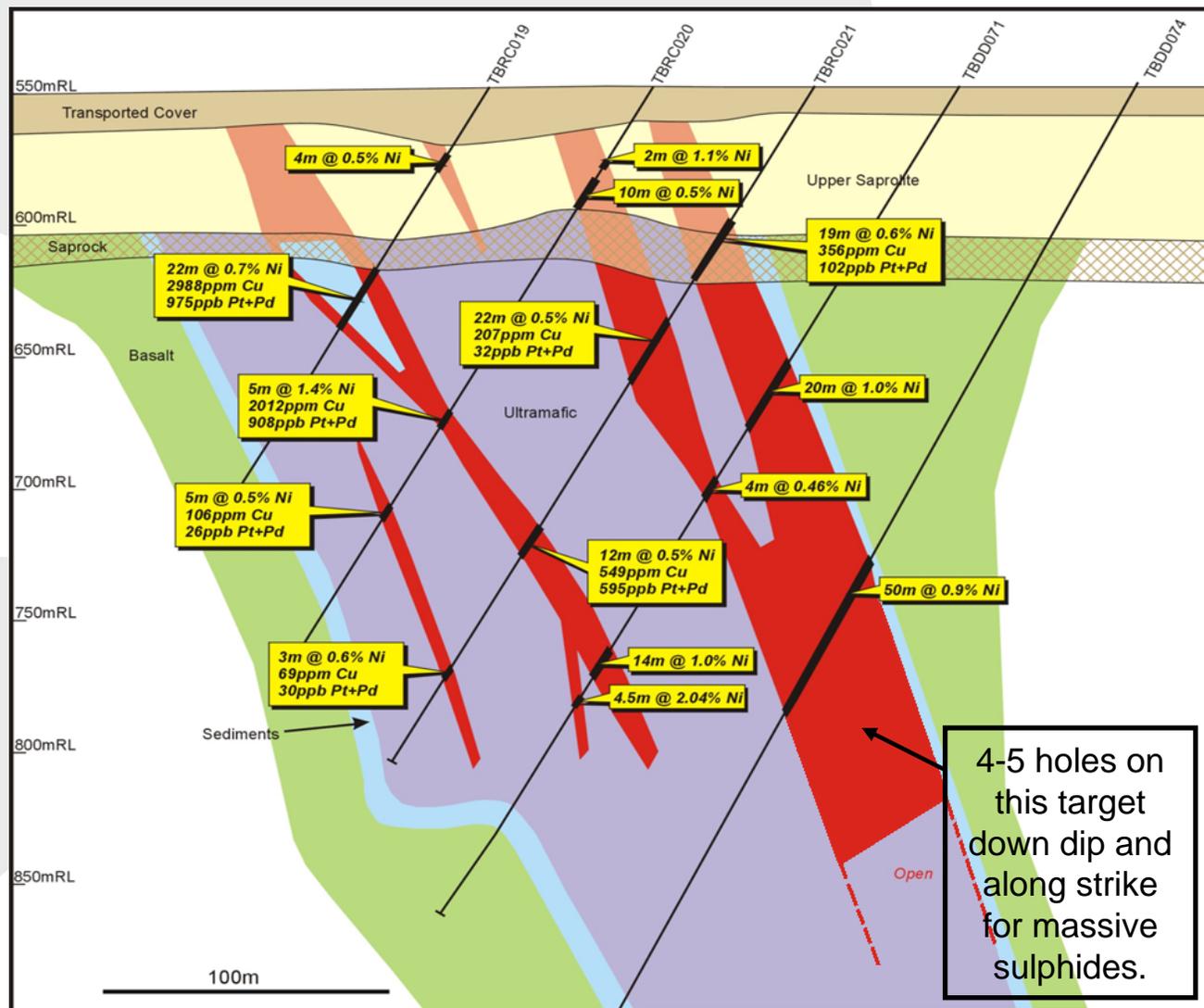
- o **6.00m @ 1.19% Ni** (0.06% Cu, 0.08g/t Pt + Pd) from 276.00m and
- o **17.82m @ 1.11% Ni** (0.05% Cu, 0.08g/t Pt + Pd) from 287.18m.

HOLE TBDD071

20.16m @ 1.00% Ni (0.04% Cu, 0.08g/t Pt + Pd) from 159.84m.

14.11m @ 0.96% Ni (0.07% Cu, 0.75g/t Pt + Pd) from 248.89m including

- o **2.26m @ 2.23% Ni** (0.20% Cu, 2.10g/t Pt + Pd) from 248.89m and
- o **1.33m @ 2.20% Ni** (0.13% Cu, 1.54g/t Pt + Pd) from 254.78m and
- o **0.42m @ 3.28% Ni** (0.06% Cu, 0.32g/t Pt + Pd) from 255.69m.
- o **4.5m @ 2.04% Ni** (0.04% Cu, 0.36g/t Pt + Pd) from 267.33m including
- o **0.67m @ 3.43% Ni** (0.07% Cu, 0.93g/t Pt + Pd) from 267.33m and
- o **1.00m @ 2.99% Ni** (0.06% Cu, 0.32g/t Pt + Pd) from 268.0m



8. Board & Management



Terry Grammer - Executive Chairman

- Geologist 35 years experience, discovered Cosmos Nickel Deposit; and
- Founder of Western Areas NL.



Lorry Hughes - Managing Director

- Geologist 17 years experience, Au, U, Pb mining and exploration, Australia, Malaysia, Indonesia.



Liam Cornelius – Executive Director

- Geologist 17 years experience, Au, Ni, founder of the company, Australia, SE Asia, Africa.



Dennis Wilkins – Company Secretary

- Accountant 20 years experience; and
- DW Corporate Pty Ltd.

Trevor Saul – Exploration Manager

- Geologist 14 years experience, Au exploration & mining.

9. Reasons to Invest

- ✓ South Boulder is a diversified explorer with **“recent”** significant new greenfield discoveries (Potash, Gold and Nickel);
- ✓ The Colluli project is situated in the prime location in an emerging new potash province with the potential to discover **“world class”** deposits;
- ✓ The Colluli project is proximal to major markets and infrastructure;
- ✓ The Duketon Gold Project is starting to realise some of the potential it has shown;
- ✓ Terminator will be the **first of many** new targets within the Duketon Gold Project;
- ✓ The Duketon Nickel Project is showing a **very significant** nickel sulphide signature which could lead to the discovery of a massive nickel sulphide deposit;
- ✓ On going news flow in coming months with drilling programs current on nickel, in the advanced planning stage for potash and with follow-up drilling and sampling results outstanding for gold;
- ✓ Tight capital structure with 55.7M **(61.3M)** shares on issue, highly leveraged to success;
- ✓ Well funded with approximately \$4M **(\$5.1M)** in liquid assets.

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