

MASSIVE SULPHIDES INTERSECTED AT THE 'ROSIE' NICKEL SULPHIDE PROSPECT

South Boulder Mines Ltd (ASX: STB) is pleased to announce that Diamond Hole TBDD098 recently completed by JV partner Independence Group NL (ASX: IGO) has intersected approximately 5.25m of massive sulphide mineralisation. Preliminary analysis using a portable XRF machine indicates the intersection is significantly nickeliferous.

The hole was drilled approximately 20m down-dip and 30m to the west of hole TBDD087 (announced on the 8th March 2010) which intersected;

- 4.55m @ 4.05% Ni, 0.74% Cu, 2.71g/t Pt+Pd from 575.31m including;
- 3.03m @ 5.28% Ni, 0.36%Cu, 3.67g/t Pt+Pd from 575.31m

Lorry Hughes initial comments on the latest news were;

“This appears to be fantastic news for the JV with IGO. The Rosie Prospect is really starting to shape up as a significant nickel discovery. This is the type of intercept the JV has been hoping to discover. Larger intervals of massive sulphide. The Rosie Prospect is possibly Australia’s most exciting green fields nickel project. I’m looking forward to work continuing towards an initial resource”.

Drilling is continuing at the Rosie Prospect and chemical assay results will be released to the ASX as they come to hand.

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

Share Price: 30 cents

Market Cap: \$19.0M

Shares on issue: 61.704M

Cash at Bank: \$3.0M

ASX/TSX listed shares: \$2.0M

Top 20 shareholders – 48%

Contact Details

133-135 Edward St Perth WA 6000

PO Box 8355 Perth BC WA 6849

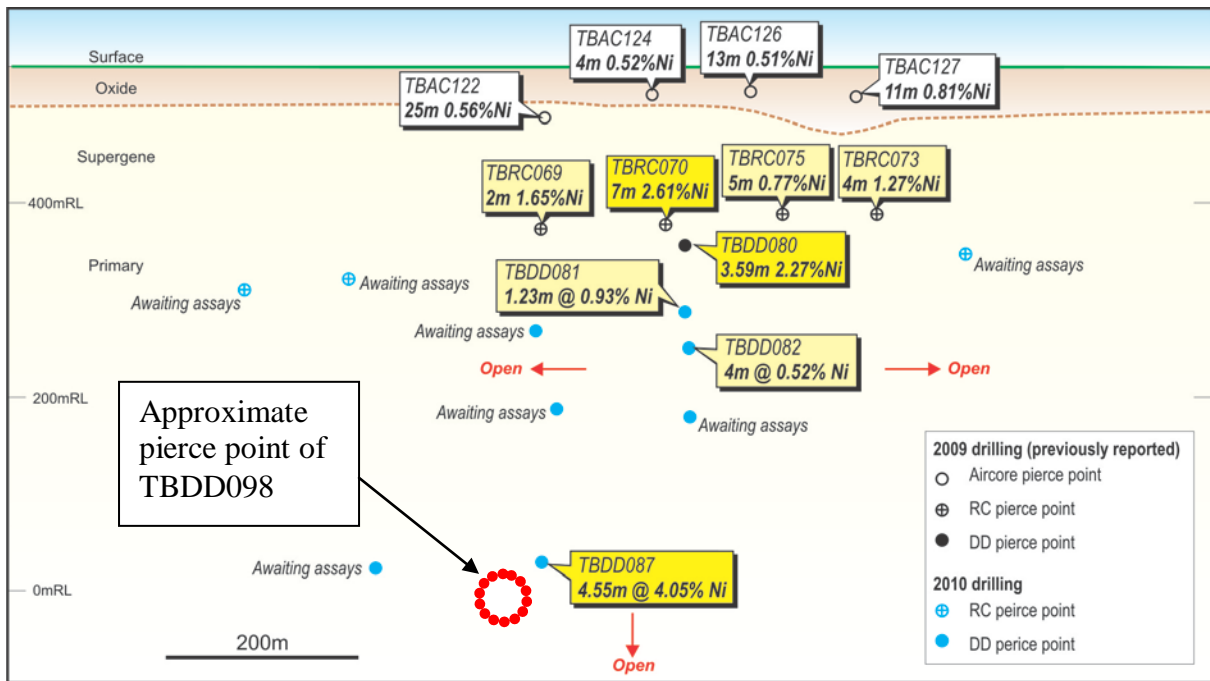
Telephone +61 8 9227 1144

Facsimile + 61 8 9328 8302

www.southbouldermines.com.au

LISTED EQUITY HOLDINGS

(ASX: MZM) - 3.957m shares
(ASX: MZMO) - 1.037m options
(ASX: IXR) - 1.325m shares
(ASX: AVZ) - 0.400m shares
(ASX: BUX) - 1.000m shares
(unlisted options) 0.750m options
(ASX: UNX) - 0.700m shares
(CDNX: CNI.V) - 130,000 shares
Auvex (Pte) - 1.000m options



Rosie Prospect - Longitudinal Section Showing Location of 2010 Drill Intercepts. TBDD098 was drilled approximately 20m down-dip and 30m to the west from TBDD087.

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.

More information:

Lorry Hughes
 Managing Director
 South Boulder Mines Ltd
 + 61 (8) 9227 1144

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.