



South Boulder Mines

May 13th 2015

Eritrea waves the mining flag

Eritrea has become an increasingly attractive address for mining investment since its independence 24 years ago with its attractive investment regime attracting 17 companies from China, Russia, UK and Australia.

These include South Boulder Mines (ASX:STB), Nevsun Resources (AMEX:NSU), Sunridge Gold Corporation (TSX: SGC) and China's SFECO.

Eritrea has a long history of mining starting with colonisation period when Italy had established mining industry at Karora, Debarewa, and Augaro.

It has a stable government with an educated and disciplined work force while benefitting from its location along the Red Sea, which offers access to export markets.

The country's mining laws ensures that the Eritrean people receive their fair and equitable share while including monitoring and strict adherence to internationally accepted practices ensuring safety and protection of the environment.

About 60% of Eritrea is covered by sedimentary rocks that tend to host metallic minerals.

These include gold, silver, copper, zinc, barite, limestone, granite and rare earth metals like tantalum and much more.

Companies

Australia's South Boulder Mines is currently completing the Definitive Feasibility Study for the Colluli Potash Project, which is on track for delivery in the September 2015 Quarter.

A Pre-Feasibility Study has already demonstrated highly favourable economic outcomes from Phase I of the project, which has a Resource of 1.289 billion tonnes.

Colluli also benefits from its location just 75 kilometres from the coast, which makes it one of the most accessible potash deposits globally.

Mineralisation starts at just 16 metres, making the resource amenable to open cut mining methods.

Substantial upside for the project exists from the exploitation of other contained products within the resource such as high purity rocksalt, kieserite (magnesium sulphate), gypsum and magnesium chloride.

Canada's Nevsun finished gold production in 2013 and is currently extracting copper while making preparation to extract zinc from Bisha, one of the highest grade open pit copper mines in the world.

The Zara Mining Share Company run by the Chinese company SFECO is expected to become Eritrea's next gold producer in 2016, followed by Canada's Sunridge.

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Price: A\$0.305

Market Cap: A\$52.261M

1 Year Share Price Graph



Share Information

Code: STB

Listing: ASX

Sector: Media

Website: www.southbouldermine.com.au

Company Synopsis:

South Boulders (ASX: STB) flagship project is the world class Colluli Potash Fertilizer Project in Eritrea.

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