



# South Boulder Mines

Mar 17<sup>th</sup> 2015

## South Boulder Mines completes technical assessment at Colluli

South Boulder Mines (ASX:STB) has now completed the technical review of staged deliverables of the Pre-Feasibility Study (PFS) for the Colluli Project in Eritrea.

The review covered the process design, process design criteria, metallurgical testwork, plant configuration, and process equipment list for the project.

The PFS released earlier in the month demonstrated that Colluli is expected to become one of the world's most significant and lowest cost potassium sulphate operations.

South Boulder and the Eritrean National Mining Company (ENAMCO) are equal shareholders of the Colluli Mining Share Company (CMSC) which will develop the project.

Colluli currently hosts 1.289 billion tonnes with an average grade 10.76% K<sub>2</sub>O, with the project a very large, long life, at surface deposit, that is highly amenable to open cut mining methods and is in close proximity to the coast.

### Highlights from the technical assessment

- Process review requested by South Boulder and Lycopodium;
- Technical review committee consists of sulphate brine, solar pond and process plant design experts;
- Process flow diagrams, process design criteria, process development, process equipment list and process test report reviewed;
- Review committee confirmed Colluli potassium sulphate ("SOP") process comprises well proven process steps;
- Production path to SOP via intermediate salts is known and commercially proven;
- Testwork to date confirms validity of process flow diagrams;
- No major process design flaws; and
- Recommendations made for additional data from DFS pilot tests to enhance process design.

Paul Donaldson, managing director, commented: "The recently released PFS for Colluli demonstrates that the project will be one of the lowest cost potassium sulphate producers in the world.

"Colluli is underpinned by a large resource that has the potential to grow a multi agrichemical business of global significance.

"We are pleased that the process design and testwork to date have been endorsed by a highly capable and experienced team of industry experts.

"No material issues have been identified, and a number of opportunities for improvement have been put forward to integrate with the DFS.

"The project will focus on a modular development path, with the first two modules each producing an expected 425,000 tonnes of SOP per annum."

### Colluli resource composition

**Price:** A\$0.255

**Market Cap:** A\$38.104M

### 1 Year Share Price Graph



### Share Information

**Code:** STB

**Listing:** ASX

**Sector:** General Mining

**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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The resource comprises three potassium bearing salts; sylvinitite, carnallitite and kainitite.

These salts are suitable for the production of potassium chloride and/or potassium sulphate and potassium magnesium sulphate.

Potassium sulphate and potassium magnesium sulphate are high quality potash fertilisers that carry a price premium over the more common potassium chloride.

Potassium sulphate and potassium magnesium sulphate have limited production centres globally.

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.

The Colluli deposit comprises:

- Measured mineral resource: 303Mt at 10.98% K<sub>2</sub>O;
- Indicated mineral resource: 951Mt at 10.89% K<sub>2</sub>O; and
- Inferred mineral resource: 35Mt at 10.28% K<sub>2</sub>O.

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