



# South Boulder Mines

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## South Boulder Mines CEO sets the record straight on Eritrea potash

South Boulder Mines' (ASX:STB) chief executive officer Paul Donaldson has spoken with Proactive Investors to set the record straight on a number of misconceptions contained in a recent media report.

South Boulder is a 50% shareholder of the Colluli Mining Share Company (CMSC), a joint venture between South Boulder Mines Ltd and the Eritrean National Mining Company (ENAMCO).

South Boulder is currently working on the Feasibility Study to support the development of the project.

PROACTIVE INVESTORS:

Paul, can you please outline the South Boulder joint venture relationship to the Eritrean government?

PAUL DONALDSON:

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

The joint venture company (CMSC) will seek to borrow 70% of the capital required for the first phase of the development.

South Boulder will contribute the remaining amount and will be preferentially paid back 50% of the contribution from project cashflows after third party debt payments.

Following first production, CMSC will seek to borrow funding or develop the project from cashflows.

PROACTIVE INVESTORS:

How supportive have ENAMCO been in progressing studies on the project?

PAUL DONALDSON:

The Colluli Mining Share Company is now holding regular board meetings and focussing on the development of the project.

ENAMCO have been very supportive in progressing the project and have recently allocated a coastal area in close proximity to the resource for the future development of shiploading facilities.

PROACTIVE INVESTORS:

How does the Colluli project differentiate itself from peers?

PAUL DONALDSON:

**Price:** A\$0.16

**Market Cap:** A\$20.06M

### 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. The Project is located in the Danakil Depression region of Eritrea located approximately 65 kilometres from the coast and is 906km<sup>2</sup> in size.*

**Author:**  
**Proactive Investors** +61 2 9299 5001

action@proactiveinvestors.com.au



Colluli is the shallowest known potash deposit globally. This provides a significant advantage in the area of capital intensity. The resource is large, and in close proximity to both the coast and existing in country import/export facilities.

The scale of the resource, and the lower capital intensity make it ideal to develop in a modular fashion to mitigate safety, resource and capital risks very few potash deposits have this advantage.

The three potassium bearing salts in the resource can be combined to produce potassium sulphate which is the focus of the current work.

If successful, this will make Colluli one of the most significant sources of potassium sulphate globally.

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