



High Grade Gold Mine Development

Pilgrims Rest - Sabie Eastern Goldfield
South Africa

June 2017 Presentation



STONEWALL
RESOURCES

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The information in this report relating to Mineral Resources is based on information compiled by: Rietfontein Mineral Resource - by Daniel van Heerden, B.Eng. (Mining), M.Com. (Business Administration) who is employed as a Director and as Principal Mining Engineer by Minxcon Projects (Pty) Ltd; Beta Mineral Resource – by Mr Uwe Engelmann (BSc (Zoo. & Bot.), BSc Hons (Geol.), Pr.Sci.Nat. No. 400058/08, MGSSA), a director of Minxcon (Pty) Ltd. The original reports titled “New High Grade Resource (JORC 2012) at Rietfontein and Significant Resource Upgrade” and “Beta Resource Upgrade” were dated 7 February 2017 and 28 March 2017 respectively and released to Australian Securities Exchange on those dates. The Company confirms that it is not aware of any new information or data that materially affects the information included in the Australian Securities Exchange announcements; and all material assumptions and technical parameters underpinning the estimates in the Australian Securities Exchange announcements continue to apply and have not materially changed.

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The Scoping Study referred to in this announcement is based on low level technical and economic assessment, insufficient to support the estimation of Ore Reserves. There is no assurance that the intended development referred to will proceed as described, and will rely on further studies at the Pre-Feasibility and Feasibility Study levels, and access to future funding to implement. Stonewall believes it has reasonable grounds under ASIC Information Sheet 214 to report the results of the Scoping Study. The mine plan referred to in the quoted NPV contains 41% Indicated Mineral Resources and 59% Inferred (ASX release dated 7/2/17 and 28/3/2017 for Mineral Resource Statements). The Rietfontein & Beta mines have been previously operated to extract gold and have existing underground development and some infrastructure in place. The Company intends to conduct further drilling to upgrade the Mineral Resources incorporated in the mine plan to at least Indicated Mineral Resource status as required to establish reserves under JORC (2012) as well as test for strike and depth extensions. The results of the drilling will be used to progress further project studies to enable finance to be arranged to execute the mine plan. At this stage there is no guarantee that funding will be available, and investors are to be aware of any potential dilution of existing issued capital. The production targets and forward looking statements referred to are based on information available to the Company at the time of release, and should not be solely relied upon by investors when making investment decisions. SWJ cautions that mining and exploration are high risk, and subject to change based on new information or interpretation, commodity prices or foreign exchange rates. Actual results may differ materially from the results or production targets contained in this release. Further evaluation and appropriate studies relating to geology, mining and economics are required to increase the level of confidence prior to a decision to conduct mining being made. The estimated Mineral Resources quoted in this release have been prepared by Competent Persons as required under the JORC Code (2012). Material assumptions and other important information are contained in this release.

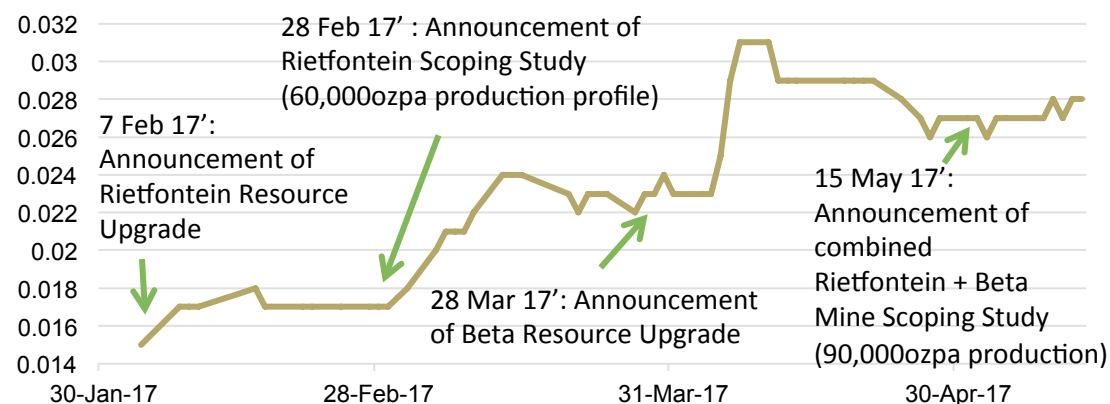
Investment Highlights

- **Large resource base:** 26.6 Mt at 4.34g/t Au (for **3.72 Moz**)
- **Near-term production:** 2018 start-up at Rietfontein (Resource of 2.6Mt @ 11g/t Au)
- **May 17 Scoping Study: Pre-tax NPV(10%) of US\$166m** (A\$220m) at US\$1200/oz
- **Low operating cost:** C1 cash cost forecast <**US\$500/oz** at full production
- **Low capital cost:** US\$29m peak funding requirement
- **Fully permitted** at Rietfontein, with established CIL plant last operated in 2015
- **Dual mine development:** Beta increases production towards 100,000ozpa
- **Multi-mine upside:** Scoping of additional mines close to CIL plant underway

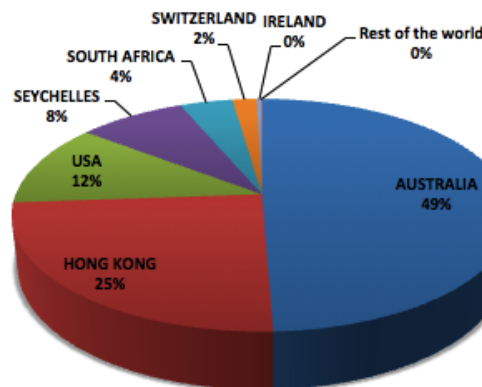


Corporate Overview

Share price performance



ASX code: SWJ
Current share price: \$0.025
Market Capitalisation: A\$50 million
Shares on Issue: ~2.0 billion
Options: ~170 million
Convertible Notes¹: ~300 million



Shareholding by Country

Tasman Funds (Sydney based fund manager related to director Eric Zhang)	16.28%
High Gift Investments (US based family office, investor since 2015)	11.45%
Smart Vision Investment Group (Long term institutional investor since the RTO in 2012, related to director Simon Liu)	6.71%
Khan International (Global institutional investor, since RTO in 2012)	7.75%
BWW (Hong Kong based institutional investor since 2015)	7.74%

Over 50% owned by top 10 shareholders

Directors

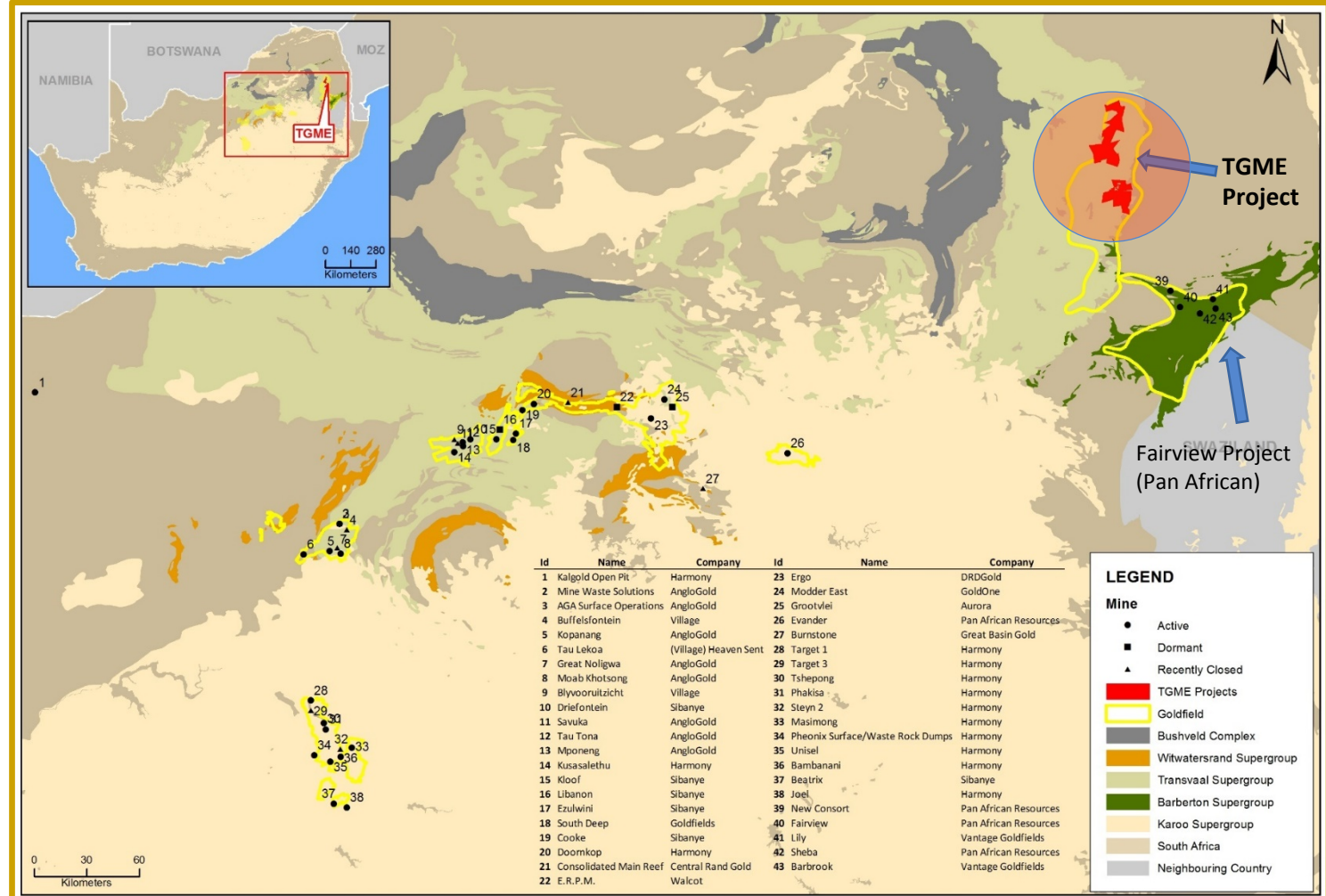
Trevor Fourie	Non-Exec. Chairman (since 2012)
Rob Thomson	Managing Director (since Nov 2016)
Richie Yang	Non-Exec. Director (since June 2015)
Eric Zhang	Non-Exec. Director (since June 2015)
Simon Liu	Non-Exec. Director (since 2013)

Management

Rob Thomson	Managing Director (AUS)
George Jenkins	Chief Executive Officer (SA)
Chin Haw Lim	Chief Financial Officer (AUS)

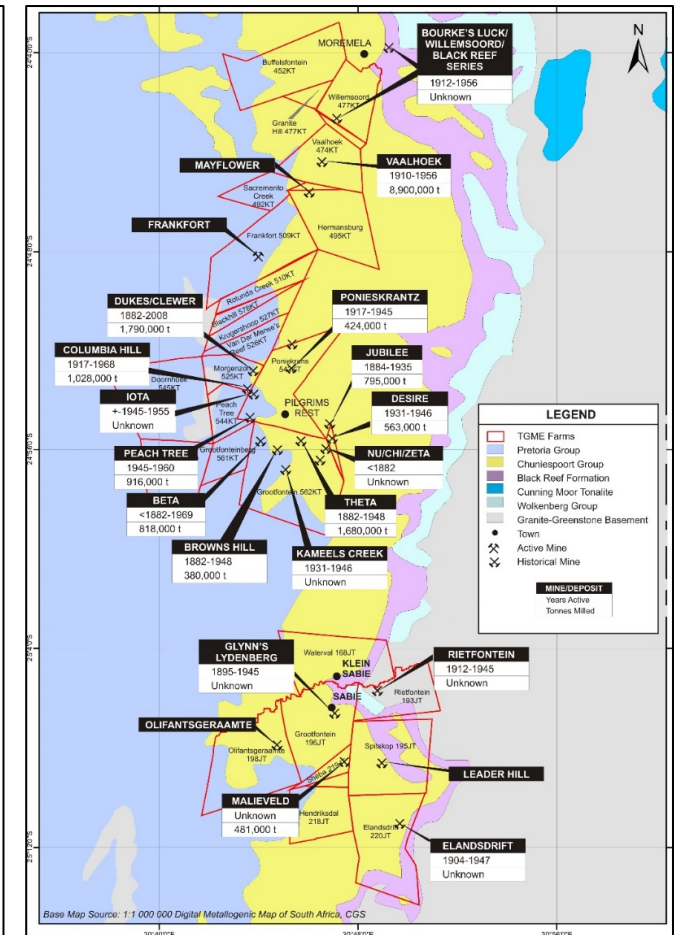
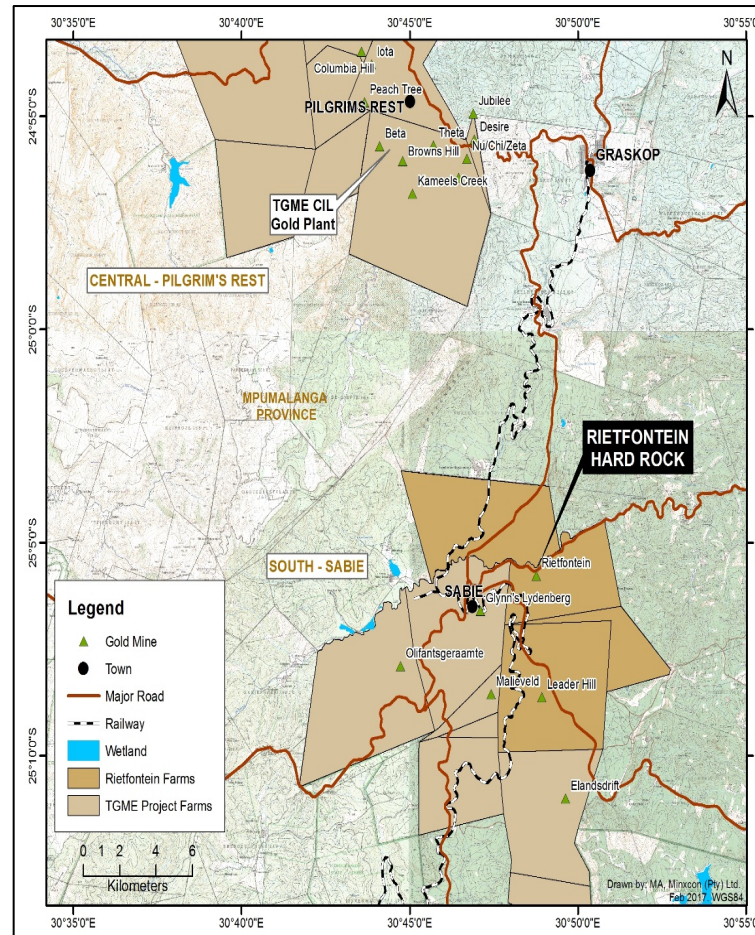
TGME Project Location

- Pilgrims Rest - Sabie Goldfield
- First gold rush in South Africa (1873)
- Mpumalanga Province
- 370km East of Johannesburg
- Stonewall's Mining Rights (620km²) cover area similar to individual goldfields in prolific Witwatersrand Basin

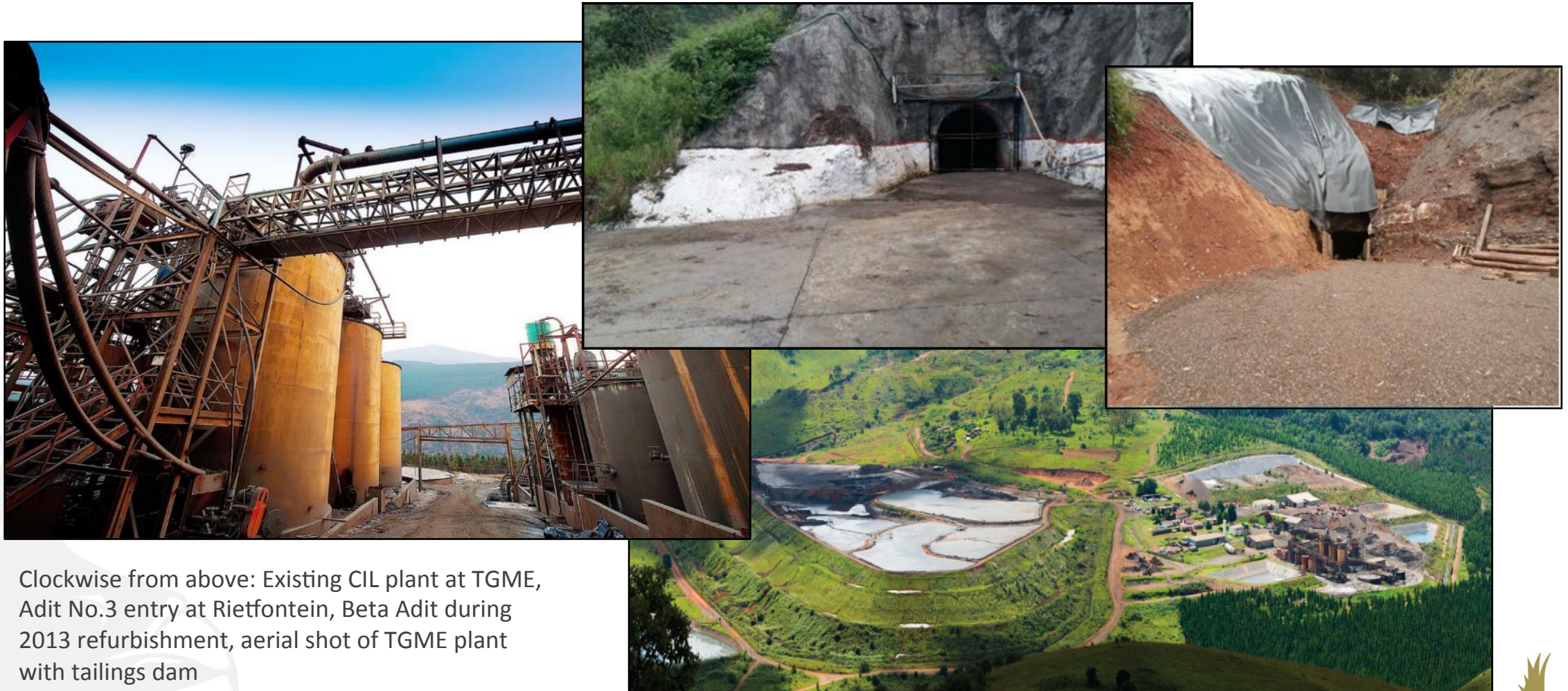


TGME Project Background

- Historical production: **~7 Moz at approximately 10g/t Au**
- Established infrastructure
 - **CIL Plant:** milling, CIL, elution and gold room
 - **Approved tailings dam**
 - **Ample water** (processing and mining)
 - **Grid power supply** (Eskom)
 - **Existing adit entry to all mines** (no shaft development)
 - **All weather road access**



Existing Infrastructure = Low Capital Brownfields Development

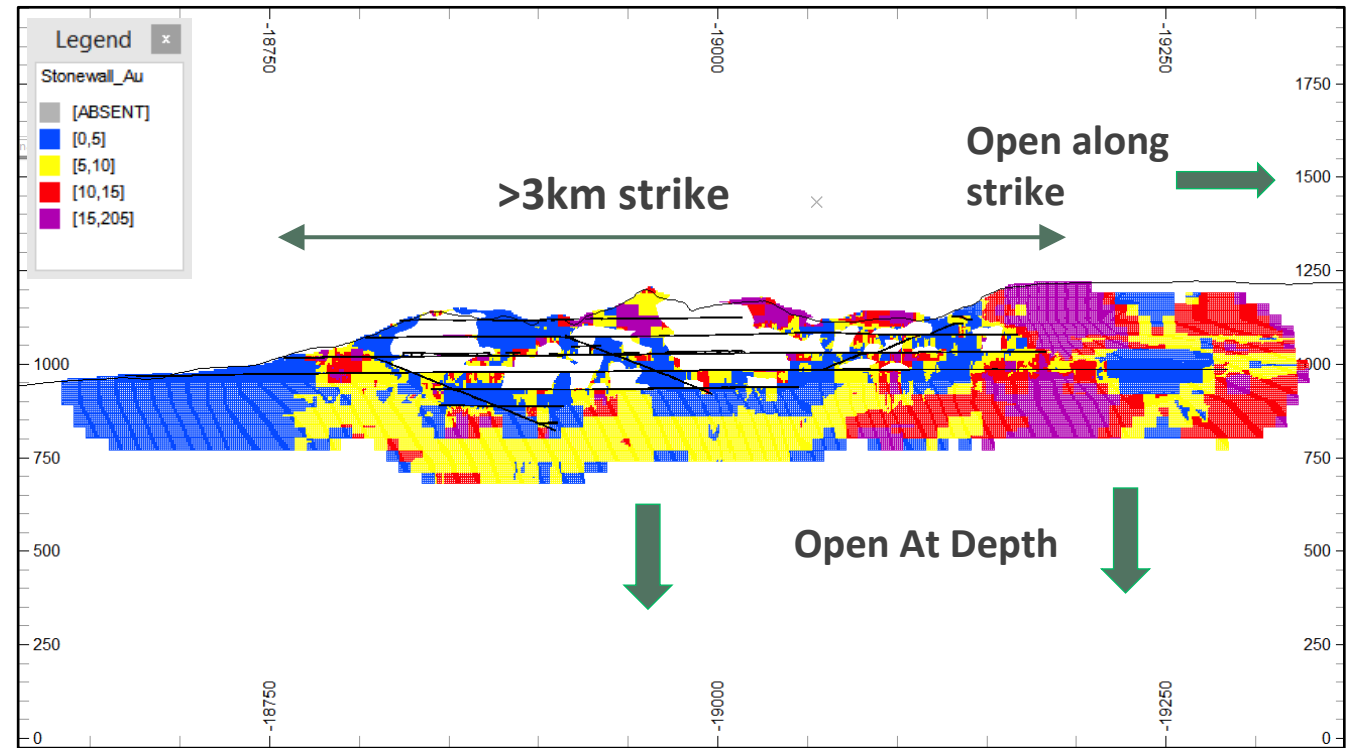


Clockwise from above: Existing CIL plant at TGME, Adit No.3 entry at Rietfontein, Beta Adit during 2013 refurbishment, aerial shot of TGME plant with tailings dam



Rietfontein & Beta Shallow Underground Mines

- Rietfontein underground Mineral Resource - **2.55 Mt at 11g/t Au** (for 0.9Moz)¹, 26% indicated
- Updated Scoping Study² completed for combined Rietfontein and Beta developments. Underground mining inventory of **3.3 Mt at 7.7g/t Au** (for 0.8Moz contained)
- 9 year mine life averaging **~90,000ozpa**³ at a full production rate of 440,000tpa
- Rietfontein located 41km from processing plant, Beta 2.5km from the TGME plant



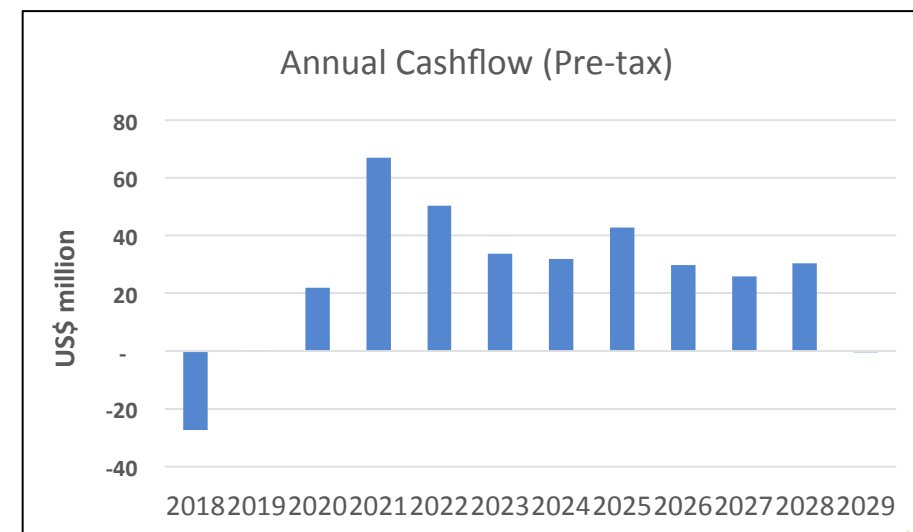
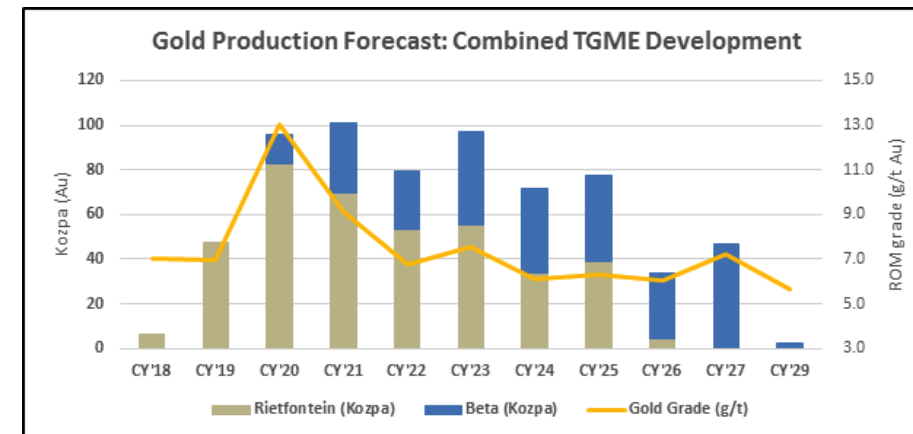
Rietfontein long section showing grade of planned stopes

¹ Refer to ASX announcement 07/02/17, ² Refer to ASX announcement 16/05/17

³ Production target is based on Indicated & Inferred Resources. Insufficient work has been completed to define an Ore Reserve at this stage. Confirmation of reserves will be conducted in accordance with JORC Code (2012).

Key Project Economics

	February 2017 Scoping Study: Rietfontein Only ¹	May 2017 Scoping Study: Rietfontein & Beta ²
Production Target³	60,000oz/pa	90,000oz/pa
C1 Cash Cost (US\$/oz)	US\$417/oz	US\$495/oz
All-in Sustaining Cost (AISC)	US\$578/oz	US\$624/oz
Mill Feed³	1.5Mt at 9.5g/t Au for 448,000oz contained	3.3Mt at 7.7g/t Au for 817,000oz contained
Cashflow (LOM)	US\$218m	US\$306m

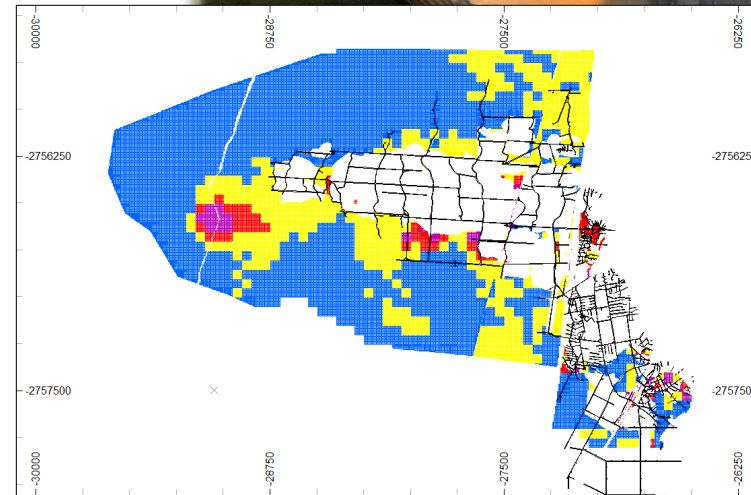


¹ Refer to ASX announcement 28/02/17; ² Refer to ASX announcement 16/05/17

³ Production target is based on Indicated & Inferred Resources. Insufficient work has been completed to define an Ore Reserve at this stage. Confirmation of reserves will be conducted in accordance with JORC Code (2012).

PFS Underway

- **Pre-Feasibility Study** completion targeted for 2H '17¹
- **Low capex requirement** - US\$29m peak external funding requirement (excluding working capital). Beta development funded by Rietfontein cashflow in 2019¹.
- **Rietfontein fully permitted and development ready.** Drilling program to establish reserves. North Beta permits pending (South Beta already permitted)
- Subject to completion of project financing, plant refurbishment and mine construction are planned to commence in early 2018, with **first gold production at Rietfontein targeted for 2H'18¹**



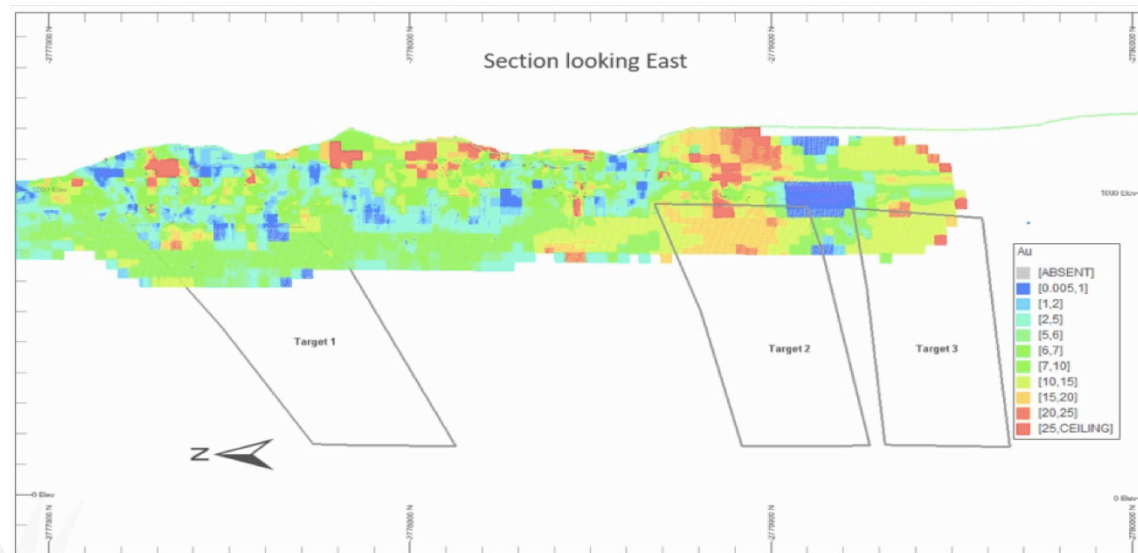
Beta plan showing grade of planned stopes





Exploration Upside at Rietfontein

Rietfontein Grade Model with the Identified Exploration Targets Identified



Exploration Target summary for Rietfontein Gold Mine: Additional Identified Potential

Exploration Target	Tonnage Minimum Mt	Stoping Au Grade			Au Content			
		Maximum	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum
		Mt	g/t	g/t	Kg	Kg	Koz	Koz
Target 1	0.3	0.6	8.3	10.0	2,673	6,417	85.9	206.3
Target 2	0.3	0.5	13.1	15.7	3,474	8,339	111.7	268.1
Target 3	0.2	0.5	13.1	15.7	3,059	7,344	98.3	236.1
Total	0.8	1.6	11.2	13.5	9,200	22,100	296	711

Note:

The tonnages and content presented in the table represent a high level of uncertainty as to their existence and do not represent Mineral Resources. It may not be assumed that the Exploration Targets will automatically be converted to Resources after exploration activities have taken place.



TGME Project: Key Differentiators

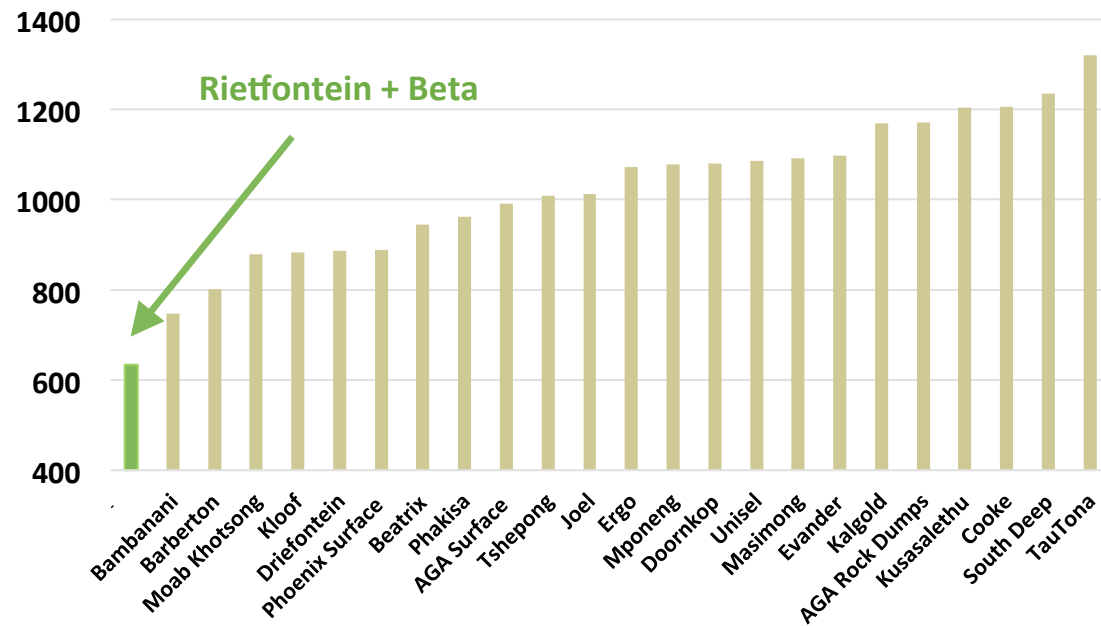
- **High grade gold province** in South Africa with globally significant endowment
- **Numerous brownfields targets** to grow mine life - 43 historic mines in project area
- **Shallow mineralisation** - existing development and infrastructure, no deep shaft mines
- **Existing CIL processing plant**
- **Low capital intensity**
- **Highly experienced management** and project team with strong in-country presence
- **Supportive partners** (BEE) and local community
- Located in rural area with low population density. Close to **skilled labour force**



Peer Comparison: Lowest Cost Gold Project in South Africa

- Target AISC of US\$624/oz for the TGME project

2016 Estimated Costs (ASIC, US\$/oz)





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Thankyou

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Rob Thomson
Managing Director

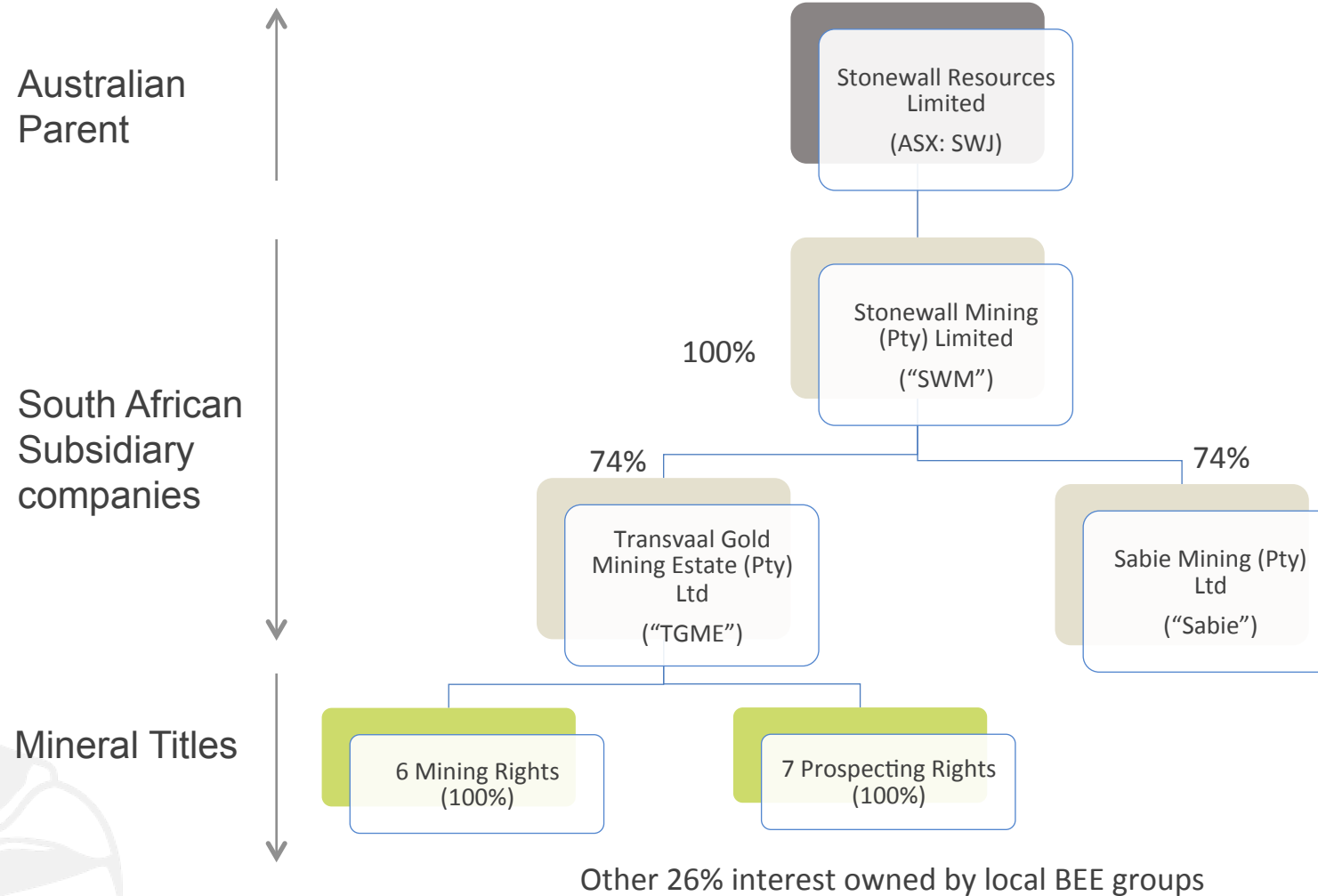
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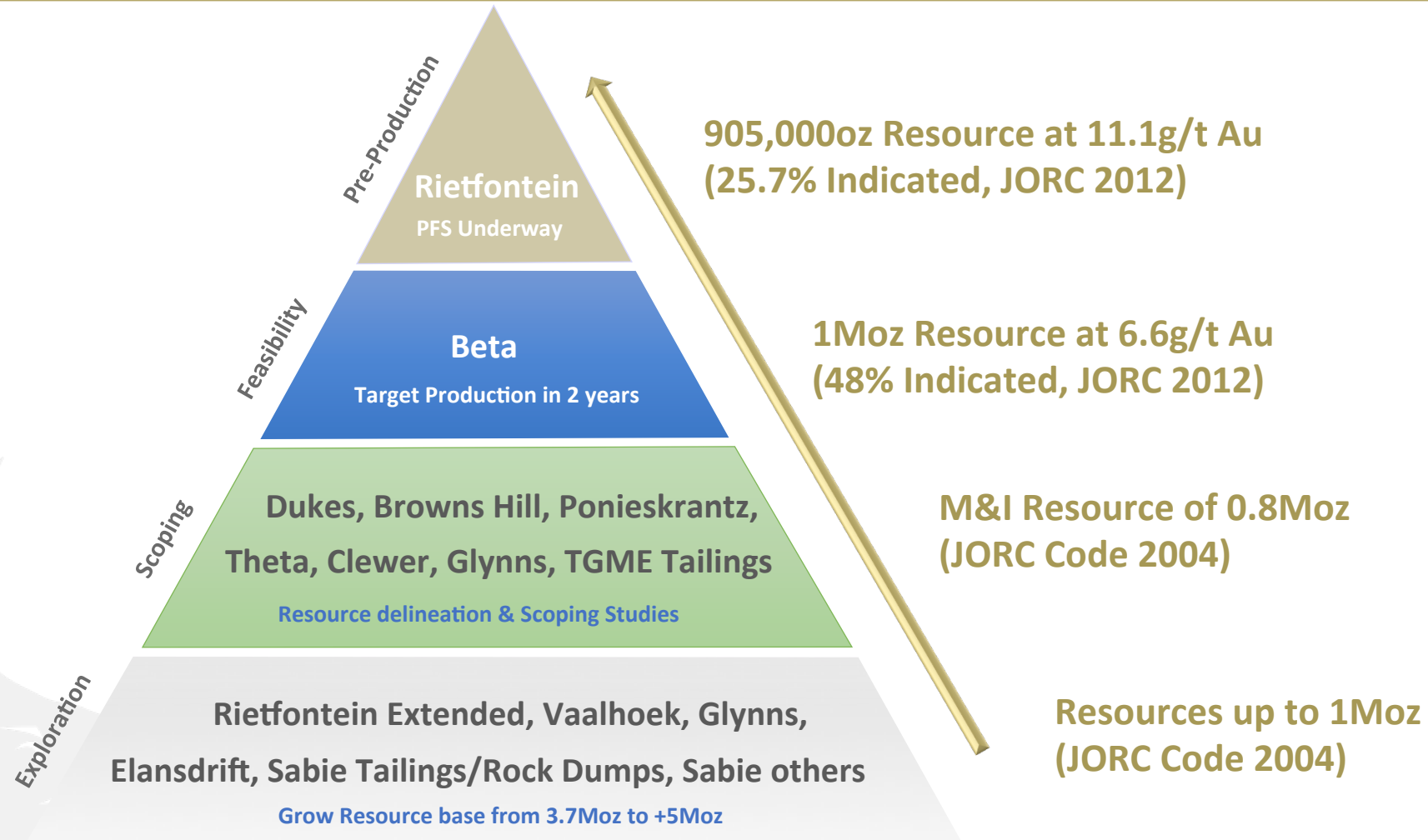


Supporting Slides

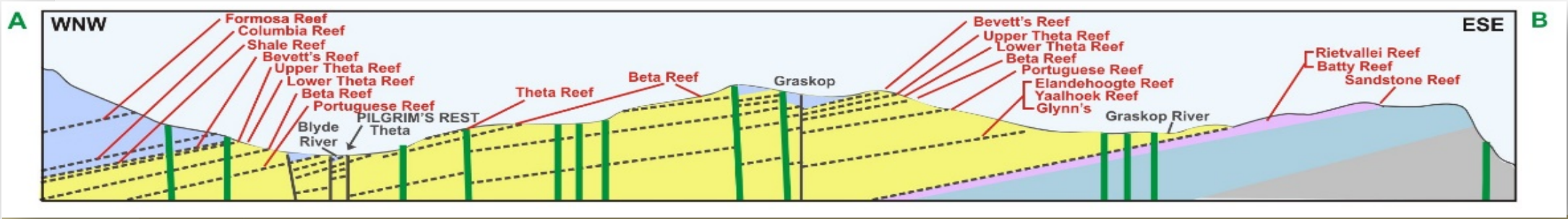
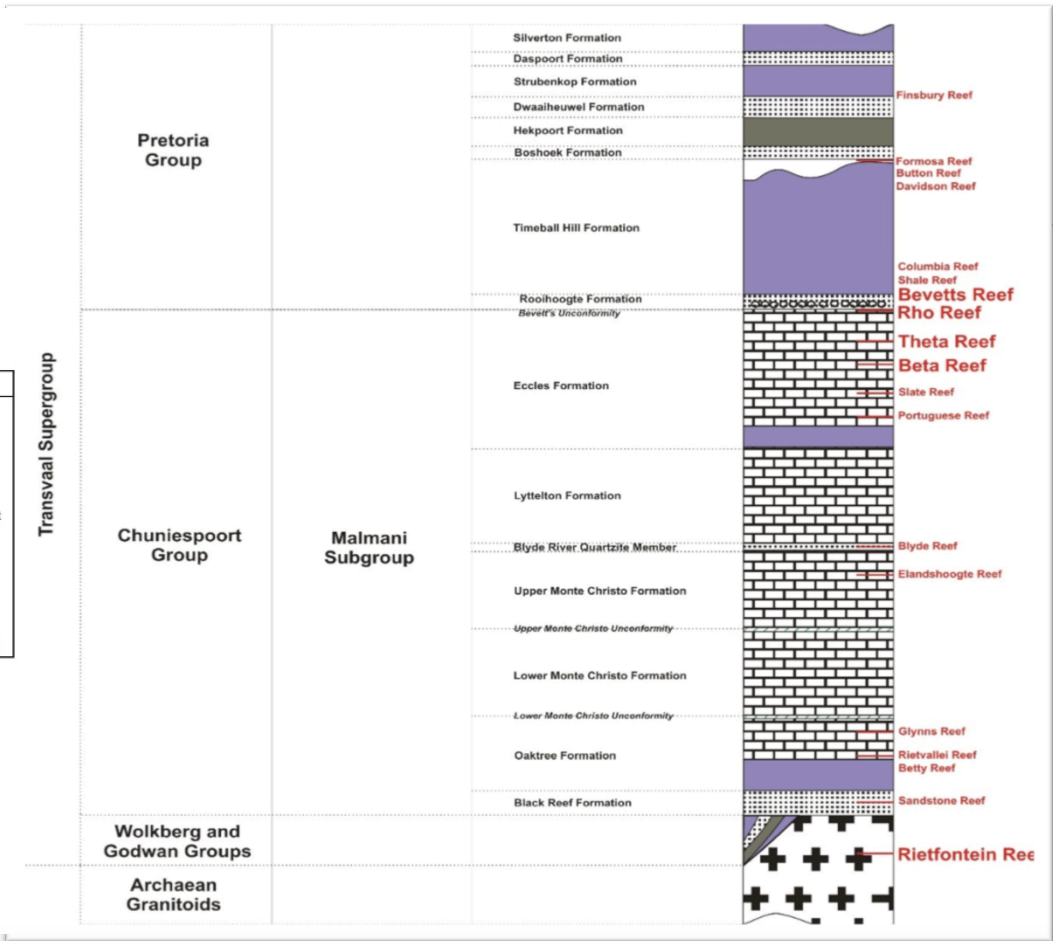
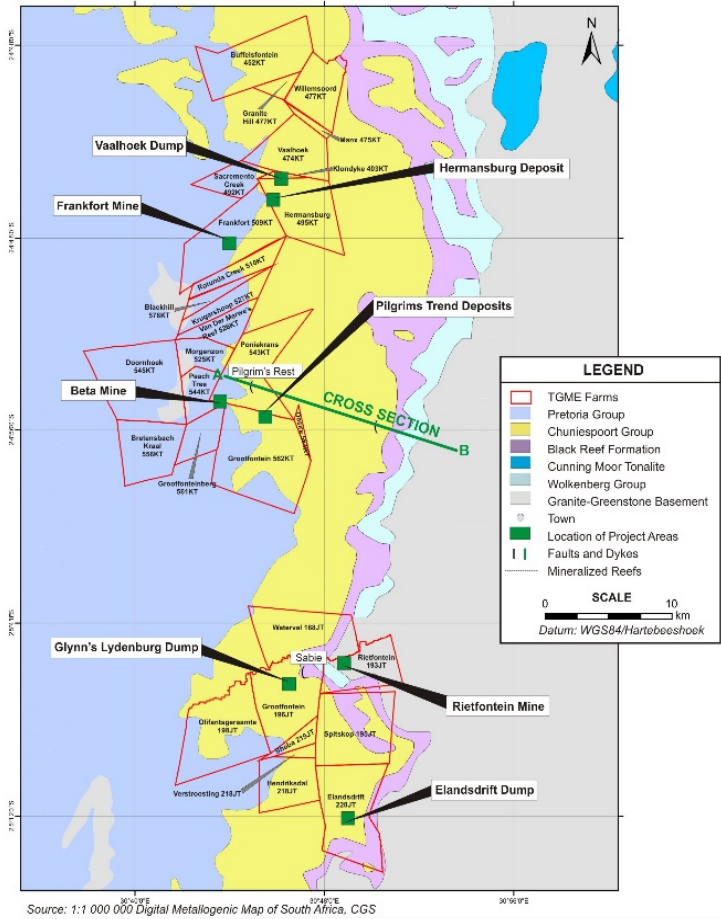
TGME Ownership Structure



Project Pipeline



REGIONAL GEOLOGY



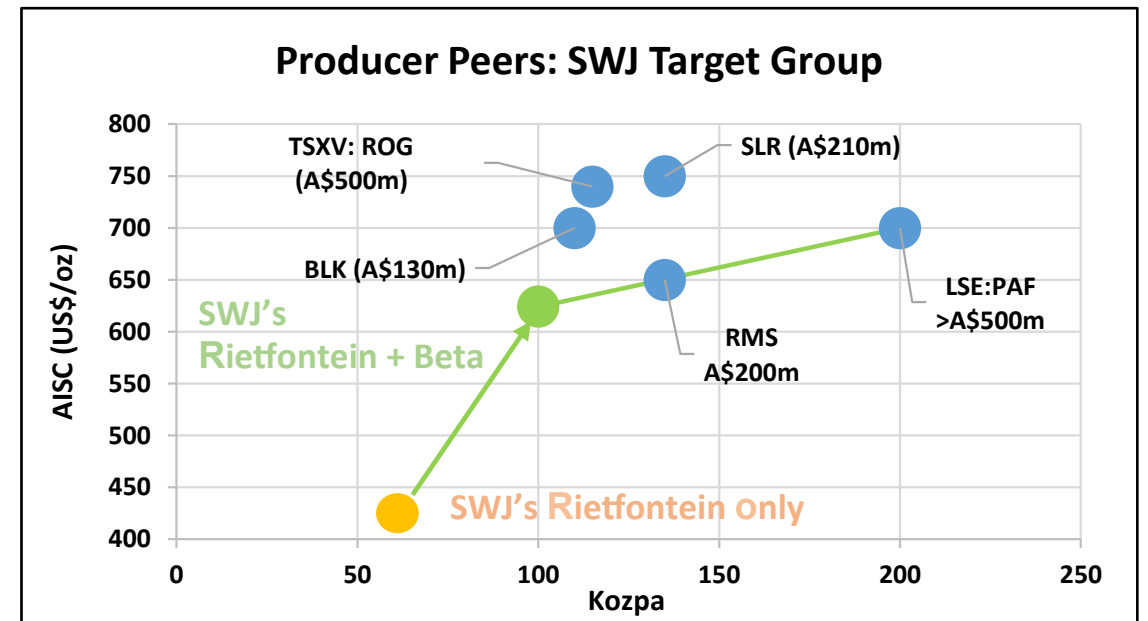
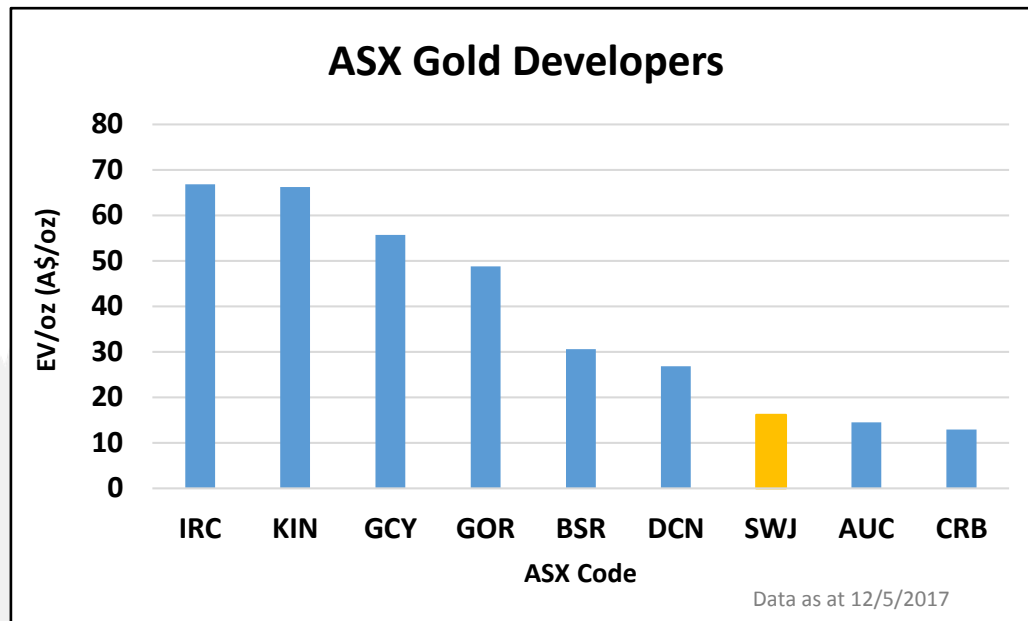
>10g/t Gold Projects are Rare

Project (Company)	Resource	Reserve	Production (recent/Planned)	AISC (US\$/oz) Existing Or Anticipated	Comments
Cerro Negro (GoldCorp, TSX)	9Mt @ 11.1g/t Au (3.2Moz)	5Mt @ 9.86g/t Au (1.59Moz)	410Kozpa	US\$685/oz	Full production in 2018, 4Kt/day
Gosowong (Newcrest, ASX)	4.1Mt @ 12g/t Au (1.6Moz)	1.8Mt @ 13g/t Au (0.76Moz)	197Kozpa	US\$935/oz	Historically lower cost, recently higher
Yaramoko (RoxGold, TSX.V)	2.44Mt @ 13.9g/t Au (1.09Moz)	2Mt @ 11.8g/t Au (0.76Moz)	100Kozpa	US\$590/oz (US \$467/oz)	DFS Stage Project, Burkina Faso
Brucejack (Pretivm, TSX/ NYSE)	29.6Mt @ 15.3g/t Au (14.6Moz)	18.5Mt @ 15.5g/t Au (9.6Moz)	500Kozpa	US\$446/oz ²	Project commissioning in 2017. CapEx: US\$811m
Pegasus (Northern Star, ASX)	3Mt @ 11.6g/t Au (1.1Moz)	1.5Mt @ 7.2gt Au (356koz)	200Kozpa ¹	<US\$740/oz (approx.) ¹	Pegasus a major contributor to NST success
Rietfontein (Stonewall, ASX)	2.6Mt @ 11g/t (0.9Moz)	Drilling in 2H 2017	>60Kozpa target	US\$578/oz ²	Feb 2017 Scoping Study numbers



Market Peer Valuations

- SWJ poised for market re-rating throughout the phase towards commercial production



Development Team – Strong In-country Presence

Key Personnel	Position	Expertise and Role
Robert Thomson	Managing Director Stonewall Resources - Australian, Sydney	35+ years Mining Engineer & Director. Development/Operations as CEO/Exec Director/Project Manager in 8 gold and base metal projects progressed through exploration, BFS , approvals, financing, construction and delivery to operations. Commenced career in underground gold mining in Southern Africa. Successful Project Director/GM – Chatree and Sepon Stage 1, 125,000+ ozpa goldmines.
George Jenkins	Chief Executive Officer Stonewall Mining – South African	26 Years Mining Industry Experience. 22 Years Extraction Metallurgist. 19 Years in various hands-on management and executive roles in South Africa and Australia.
Chin Haw Lim	Chief Financial Officer – Sydney, Australia	Chartered Accountant with many years mining industry experience. Has worked in various ASX-listed companies as CFO/Financial Controller and Company Secretary in areas of financing, development and operation.
Johan Fourie	Environmental & Strategic Planning Stonewall Mining – South African	40 years of mining industry experience. Has managed the successful completion of approvals for the Stonewall redevelopment plans.
Hanlie Grobler	Finance & Administration Stonewall Mining – South African	30 years Financial Management experience including 7 years as CFO and Financial Director of Multi National as well as 7 years mining.
Elane Botha	Legal, Environmental Compliance Stonewall Mining – South African	Qualifications in Law and Environmental Management, over 14 years experience and joined SWJ in 2013 and works with Johan on permitting.
Consultants	Minxcon – Johannesburg	Group Resource Geologists
	Bara – Johannesburg	Group Mining Engineers
	Adrian Singh & Robbie Murray - Johannesburg	Group Metallurgical Consultants

Approvals Process

Mine	Description	Date Required	Status	Expected Timeframe
Rietfontein Hard Rock	Mining Right	Jun 18	✓	Complete
	Environmental approval	Jun 18		Complete
	Water User Licence	Jun 18		Complete
	Social and labour plan	Jun 18		Complete
	Mine Works Programme	Jun 18		Complete
	Ore Transport to TGME	Jun 18		Complete
Beta Hard Rock	Mining Right conversion for North	Jun 18	✓	Dec 17
	Environmental approval	Jun 18		Dec 17
	Water User Licence	Jun 18		North Dec'17
	Social and labour plan	Jun 18		Complete
	Mine Works Programme	Jun 18		Dec 17
	Ore Transport to TGME	Jun 18		Complete
TGME Plant	Environmental approval	Jan 18	✓	Complete
	Water User Licence	Jan 18		Complete
	Social and labour plan	Jan 18		Complete
	Expansion to Tailings dam	Jan 21		Dec 18

Rietfontein Resource

Rietfontein Resource Estimate (Refer to ASX release dated 7 February 2017)

Resource Classification	Au Stoping	Reef Width	Stope width	Stope	Stope Tonnes	Channel Tonnes	Au Content	
	g/t	cm	cm	cmgt	Mt	Mt	Kg	K Oz
Measured								
Indicated	10.06	76	111	1,113	0.720	7,247	7,247	233
Total (M + I)	10.06	76	111	1,113	0.720	7,247	7,247	233
Inferred	Au Stoping	Reef Width	Stope width	Stope	Stope Tonnes	Channel Tonnes	Au Content	
	g/t	cm	cm	cmgt	Mt	Mt	Kg	K Oz
Total Inferred	11.40	108	132	1,502	1.834	20,901	28,148	672

Note:

- Mineral Resources are reported at resource cut-off of 1.8 g/t (230 cm.g/t).
- 33% of the Inferred Mineral Resource occurs below the last known data point.
- Fault losses of 5% for Indicated and 10% for Inferred Mineral Resources have been applied.

Beta Resource

Beta Resource Estimate (Refer to ASX release dated 28 March 2017)

Resource Classification	Au Stoping	Reef Width	Stope width	Stope	Stope Tonnes	Channel Tonnes	Au Content	
	g/t	cm	cm	cmgt	Mt	Mt	Kg	K Oz
Measured								
Indicated	6.96	24	90	529	2.147	0.669	14,950	480.7
Total (M + I)	6.96	24	90	529	2.147	0.669	14,950	480.7
Inferred	Au Stoping	Reef Width	Stope width	Stope	Stope Tonnes	Channel Tonnes	Au Content	
	g/t	cm	cm	cmgt	Mt	Mt	Kg	K Oz
Total Inferred	6.32	26	90	484	2.571	0.885	16,248	522.4

Note:

- Mineral Resources are reported at resource cut-off of 2.56 g/t (230 cmg/t).
- Depletions have been applied.
- Pillars have been included in the resources.
- 30% of the Inferred resource is extrapolated.
- Fault losses of 5% for Indicated and 10% for Inferred Mineral Resources were applied.
- Weighted density of reef and waste is 3.06 t/m³ (reef = 3.6 and waste = 2.84).
- Numbers might not add up due to rounding.
- cmg/t and g/t figures will not back calculate due to variable densities in reef and waste rock.



Group Resources: 3.7Moz and growing

Mineral Resource Category	Type of Operation	Tonnage	Gold Grade	Gold Content	
		Mt	g/t	kg	koz
Measured	UG*	0.17	4.77	811	26.1
	Surface	0.151	1.59	240	7.7
	Tailings	2.294	0.77	1,770	56.9
Total Measured		2.615	1.08	2,821	90.7
Indicated	UG*	3.935	6.70	26,376	848.0
	Surface	3.173	0.88	2,811	90.4
	Tailings	0.012	0.58	7	0.2
Total Indicated		7.120	4.10	29,194	938.6
Inferred	UG*	13.730	5.55	76,253	2,451.7
	Surface	0.801	0.8	642	20.7
	Tailings	2.124	3.06	6,503	209
	Rock Dump	0.121	1.59	192	6.2
	Plant Floats	0.041	0.54	22	0.7
	Beta Main	0.109	0.81	88	2.8
Total Inferred		16.926	4.94	83,700	2,691.10
Grand Total		26.66	4.34	115,715	3,720.40

Note:

1. All Mineral Resources have an effective date of 30 June 2014, with the exception of the underground (UG*) Mineral Resources which include the updated Mineral Resource estimation for Rietfontein and Beta Mine*
2. Only the Mineral Resources lying within the legal boundaries are reported.
3. 1 kg = 32.15076 oz.
4. Columns may not add up due to rounding.

JORC (2004 & 2012) Resource (Moz Au)

