9 March 2018

Australian Securities Exchange
Level 5, 20 Bridge Street
SYDNEY NSW 2000

ASX ANNOUNCEMENT

New Open-Cut discovery at Vaalhoek Mine with maiden 17g/t Resource

Stonewall Resources Limited (ASX: SWJ, "The Company") is pleased to announce a third open-cut discovery at Vaalhoek with maiden high grade open-cut resource. This is our third open-cut target after Theta Hill and Columbia Hill. This maiden resource forms part of the successful Project Bentley to identify potential high grade open-cut opportunities with near term production potential.

This resource upgrade is part of an overall annual JORC review of all project areas and completion of this work is anticipated by the end of April 2018.

SUMMARY

- **Third open-cut discovery at Vaalhoek with near term production potential**
- **Maiden Vaalhoek open-cut resource of 0.62Mt @ 16.9 g/t Au for 335Koz (82% Inferred, 18% Indicated)**
- **215% increase in Vaalhoek resource to 791Koz Au (3.3Mt @ 7.46 g/t Au), 89% Inferred, 11% Indicated, including a revised underground resource**
- **Re-modelling with additional information (historical reef sampling, maps and boreholes) has enabled a resource upgrade ahead of planned drilling**
- **Two reefs, Vaalhoek Reef and Thelma Leaders Reef (11-15m below Vaalhoek reef) modelled with preliminary metallurgical testwork showing 92% recovery from face sampling**

Stonewall MD Rob Thomson commented:

"*The investment by Stonewall into a complete re-assessment of the geological potential of the tenement area with a recent focus on open-cut targets, continues to uncover excellent opportunities. This maiden high-grade open-cut resource demonstrates the potential for multiple open cut mines in the area. With an additional open cut resource expected within the coming weeks from the Theta Hill drilling currently underway, the company is starting to build towards multiple high grade, low capital intensity open-cut deposits and we plan to be in a position to begin plant refurbishment and submit mine plans in 2018. We expect further positive news flow, including further increases to our resource base and the development of reserves to underpin re-development of the TGME project. These plans are complementary to our ongoing plans to re-open the Rietfontein Mine".*

Ongoing work as part of Project Bentley has delivered a maiden open cut resource at the historical Vaalhoek mine to the north of the existing CIL plant. Planned work will examine the project from an open-cut perspective and the intention is to present preliminary mine scheduling and scoping study work. Stonewall is encouraged by the work to date and intends to drill at Vaalhoek at the earliest opportunity.

In addition, there is strong exploration potential along strike of the identified gold reef and both infill drilling and exploration drilling is planned in the future.

The images below show the location of Vaalhoek relative to the TGME plant, the terrain of the area and the potential open cut oppportunities on the resource.

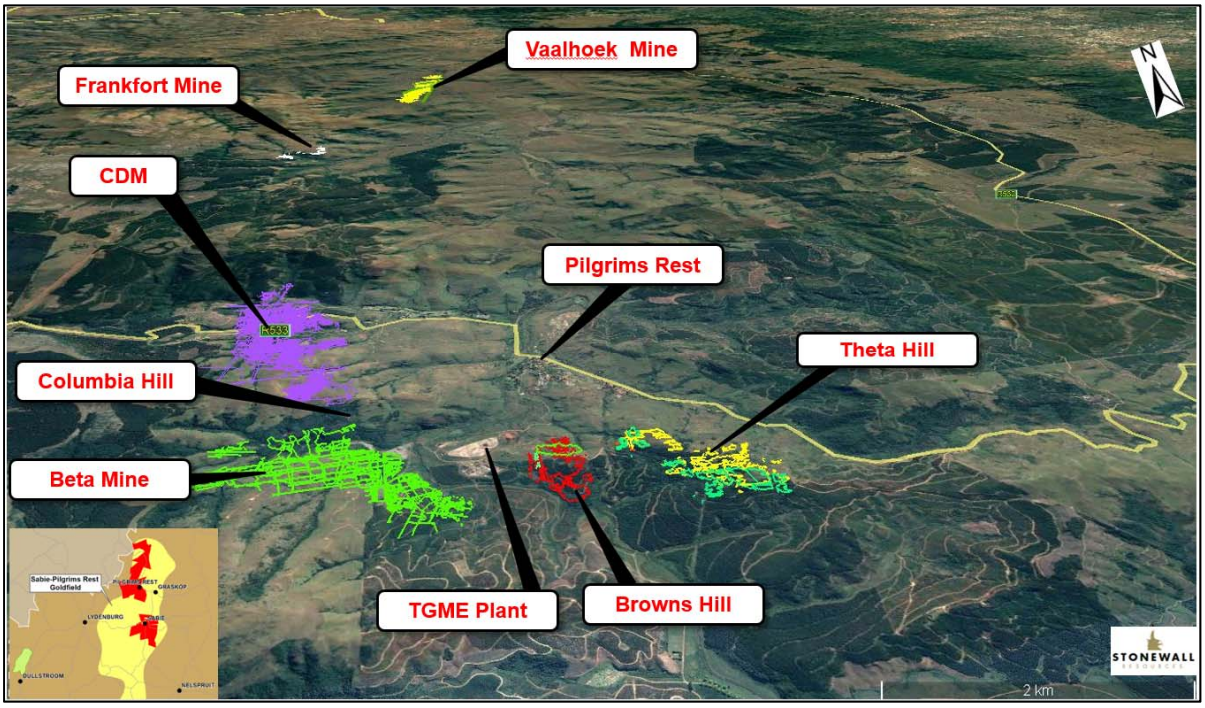

Figure 1) Regional aerial photo showing location of Vaalhoek Project (Source: Minxcon)

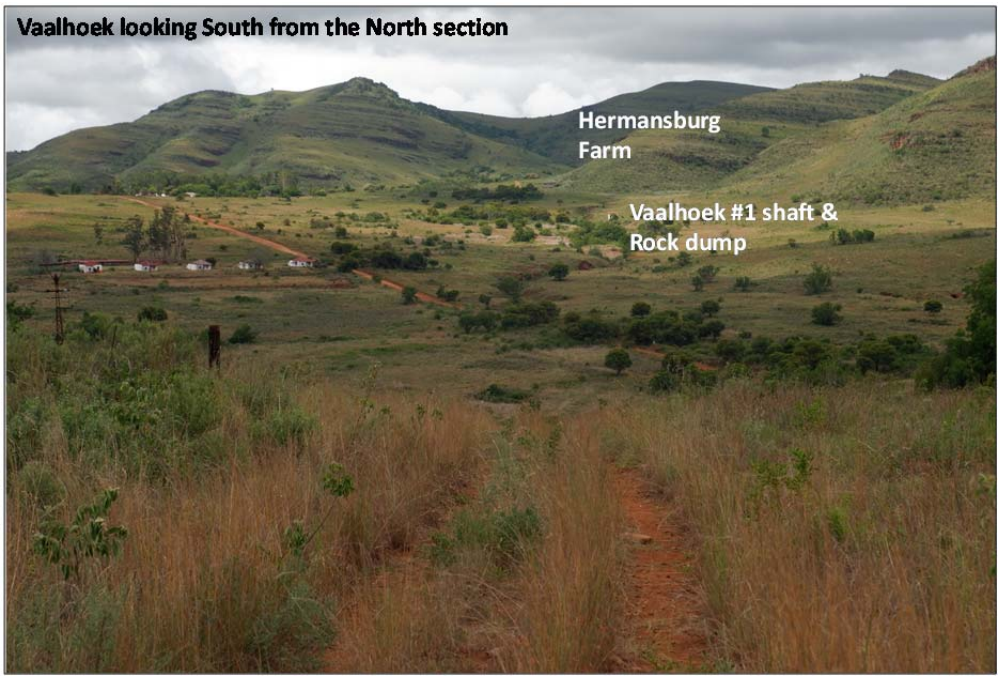

Figure 2) Photo of Vaalhoek Project, showing terrain of area

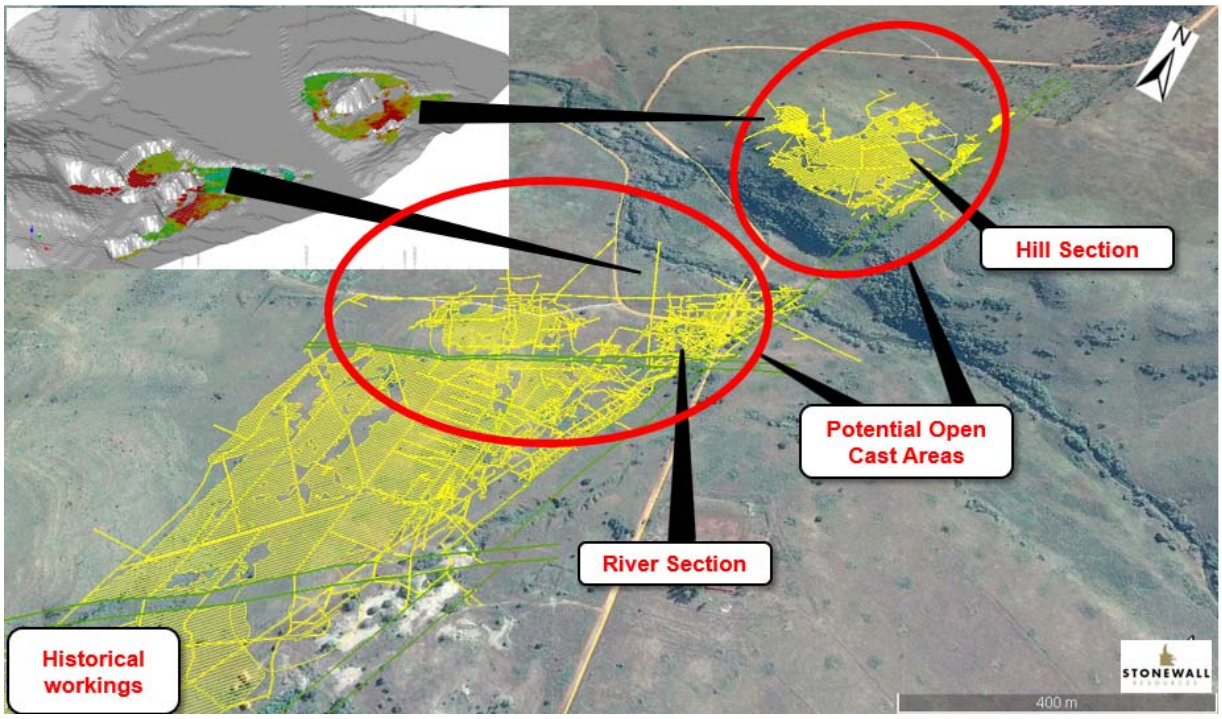

Figure 3) Vaalhoek Project, showing potential open cut areas (Source: Minxcon)

The 2018 Mineral Resource upgrade on Vaalhoek comprised data collection, digitisation, modelling of 3D wireframes and eventual kriging (statistical) estimation. This has resulted in a significant upgrade in the Mineral Resource for the Vaalhoek Reef in the Inferred category, as well as an upgrade into the Indicated Mineral Resource category for the same reef. A maiden 134Koz Au of open cut resource at over 14 g/t Au has been included from the high-grade Thelma Leaders Reef which is between 11m and 15m below the Vaalhoek Reef.

Stonewall believes that at these high gold grades a potential open-cut mine at Vaalhoek has the capacity to reduce overall development costs when compared to an underground development in this same project area. This provides a unique opportunity to develop a low risk open cut mine and infill drilling is planned to allow for preliminary mine scheduling work as part of our ongoing project development work.

The extension of the Inferred Mineral Resource is due to the kriging methodology applied, as well as the inclusion of two Vaalhoek Reef intersections (Boreholes V6 and V8) from the 2013 drilling program which were not assayed prior to this exercise. Through a review of additional historical data now incorporated into the models, the company has been able to include the Thelma Leader Reef as part of the Mineral Resource for the Vaalhoek Mine.

The previous JORC (2004) resource was quoted at 1.35Mt @ 5.74 g/t Au for 248Koz (100% inferred), and all as an underground resource. The updated JORC 2012 underground resource is calculated at 2.68Mt @ 5.3 g/t Au for 457Koz or and 84% increase.

In addition, a maiden open-cut resource of 0.62Mt @ 16.9 g/t Au for 335Koz has been included into the overall resource upgrade.

Table 1) Open-Cut (open-cast) mineral resources, Vaalhoek

Total Open Cut Mineral Resources

Reef	Resource Classification	Reef Width Grade	Reef Width	Content	Reef Tonnes	Au Content	
		g/t	cm	cmg/t	Mt	Kg	Koz
Vaalhoek	Indicated	17.25	33	574	0.111	1,920	61.7
Thelma Leader	Indicated						
	Total M&I	17.25	33	574	0.111	1,920	61.7

Reef	Resource Classification	Reef Width Grade	Reef Width	Content	Reef Tonnes	Au Content	
		g/t	cm	cmg/t	Mt	Kg	Koz
Vaalhoek	Inferred	20.32	43	880	0.213	4,319	138.9
Thelma Leader	Inferred	14.25	97	1388	0.293	4,172	134.1
	Total Inferred	16.80	75	1255	0.505	8,491	273.0

Reef	Resource Classification	Reef Width Grade	Reef Width	Content	Reef Tonnes	Au Content	
		g/t	cm	cmg/t	Mt	Kg	Koz
Vaalhoek	Total M,I Inf	19.27	39	756	0.324	6,239	200.6
Thelma Leader	Total M,I Inf	14.25	97	1388	0.293	4,172	134.1
	Total M,I Inf	16.88	67	1134	0.617	10,411	334.7

Note
1. Resource within the pit shell and a Resource Cut-off of 0.5 g/t
2. Depletions have been applied
3. Pillars have been included in the Resource table
4. Geological losses of 5% for Indicated and 10% for Inferred were applied
5. Channel Density of 3.6 t/m^3

Table 2) Underground mineral resources, Vaalhoek

Total Underground Mineral Resources

Reef	Resource Classification	Reef Width Grade	Stoping Grade	Reef Width	Stope width	Content	Reef Tonnes	Stope Tonnes	Au Content	
		g/t	g/t	cm	cm	cmg/t	Mt	Mt	Kg	Koz
Vaalhoek	Indicated	14.78	6.94	37	90	549	0.057	0.121	841	27.03
Thelma Leader	Indicated									
	Total M&I	14.78	6.94	37	90	549	0.057	0.121	841	27.03

Reef	Resource Classification	Reef Width Grade	Stoping Grade	Reef Width	Stope width	Content	Reef Tonnes	Stope Tonnes	Au Content	
		g/t	g/t	cm	cm	cmg/t	Mt	Mt	Kg	Koz
Vaalhoek	Inferred	17.07	5.16	23	90	392	0.767	2.535	13,087	420.75
Thelma Leader	Inferred	13.30	10.72	100	127	1332	0.021	0.026	274	8.81
	Total Inferred	16.97	5.22	25	90	424	0.787	2.561	13,361	429.56

Reef	Resource Classification	Reef Width Grade	Stoping Grade	Reef Width	Stope width	Content	Reef Tonnes	Stope Tonnes	Au Content	
		g/t	g/t	cm	cm	cmg/t	Mt	Mt	Kg	Koz
Vaalhoek	Total M,I Inf	16.91	5.24	24	90	399	0.823	2.656	13,927	447.78
Thelma Leader	Total M,I Inf	13.30	10.72	100	127	1332	0.021	0.026	274	8.81
	Total M,I Inf	16.83	5.29	26	90	434	0.844	2.682	14,202	456.59

Note
1. Resource pay limit of 230 cmgt
2. Depletions have been applied
3. Pillars have been included in the Resource table
4. Geological losses of 5% for Indicated and 10% for Inferred were applied
5. Channel Density of 3.6 waste Density of 2.84
6. Note the back calc does not work from the AuSW due to diffrence between Reef and Waste density

HISTORY & SETTING

The Vaalhoek project is situated approximately 20km from the existing fully permitted CIL plant owned by the company. The mine is located close to the small towns of Pilgrim's Rest, Sabie and Graskop which are within 100 km of Nelspruit which is the capital of the Mpumalanga Province of South Africa and has a population of over 60,000 people.

Prior underground mining was carried out between 1910 and 1956, with 1.3Mt extracted at an estimated head grade of 11.7 g/t and production of 473Koz (Fowler, 1972).

The Vaalhoek Mineral Resources span the farms Hermansburg 495 KT, Klondyke 493 KT and Vaalhoek 474 KT. The farms were previously held under prospecting right 404 PR issued to TGME and which expired on 3 February 2017. An application was submitted in December 2016 for the conversion of 404 PR into a mining right under 10167 MR which has a nominal area of 29,188 ha, and this was accepted by the DMR Regional Manager on 23 March 2017. This tenement is awaiting formal conversion to a Mining Right and the final submissions of all the environmental and other studies has been completed and the application is now being considered by the department. The local community in the area is largely accepting of mining, and consultation undertaken as part of the process conversion process has shown the local community owners around Vaalhoek as extremely supportive of mining restarting in their area.

Some preliminary whittle-pit designs have been run on a potential open-cut however this work needs refinement and scheduling of resources prior to completion of a formal Scoping Study into the project. The new updated open-cut resource is based on a resource pit shell as per JORC requirements to test the reasonable prospects of eventual economic extraction (RPEEE).

GEOLOGY

The Vaalhoek Reef and its related structure dips to the west at between 3° to 7°, semi-parallel to bedding. The geological reef wireframes for Vaalhoek were constructed by the company's consultants Minxcon, and are based upon mine development plans and historical surveyed peg files provided by the company.

The resultant geological wireframes were then utilised as a closed volume to constrain the volume and spatial estimate of the Mineral Resources. The Mineral Resource estimation has been restricted to the hard boundaries defined in the geological interpretation in the form of faulting and outcrop lines.

The orebody consists of two near horizontal shear zones varying in width from a stringer size of 1-5cm to 340 cm and has been modelled to a strike length of approximately 1,300 m. The orebody has been modelled to an average depth of approximately 150 m below surface, with a maximum depth of 300 m in she south western extremity.

The Vaalhoek Gold Mine orebody is a shear-hosted quartz-carbonate vein mesothermal gold deposit and it is thought that the emplacement is possibly associated with the Bushveld Igneous event in South Africa. Pressure and temperature estimates indicate that the ore fluids of the Sabie-Pilgrims Rest Goldfield are similar to other typical mesothermal gold deposits.

The diagrams below show the modelled grades of the resource as well as the location of the Thelma Leaders Reef in relation to the total modelled resource, as well as the location of the potential open cut pits.

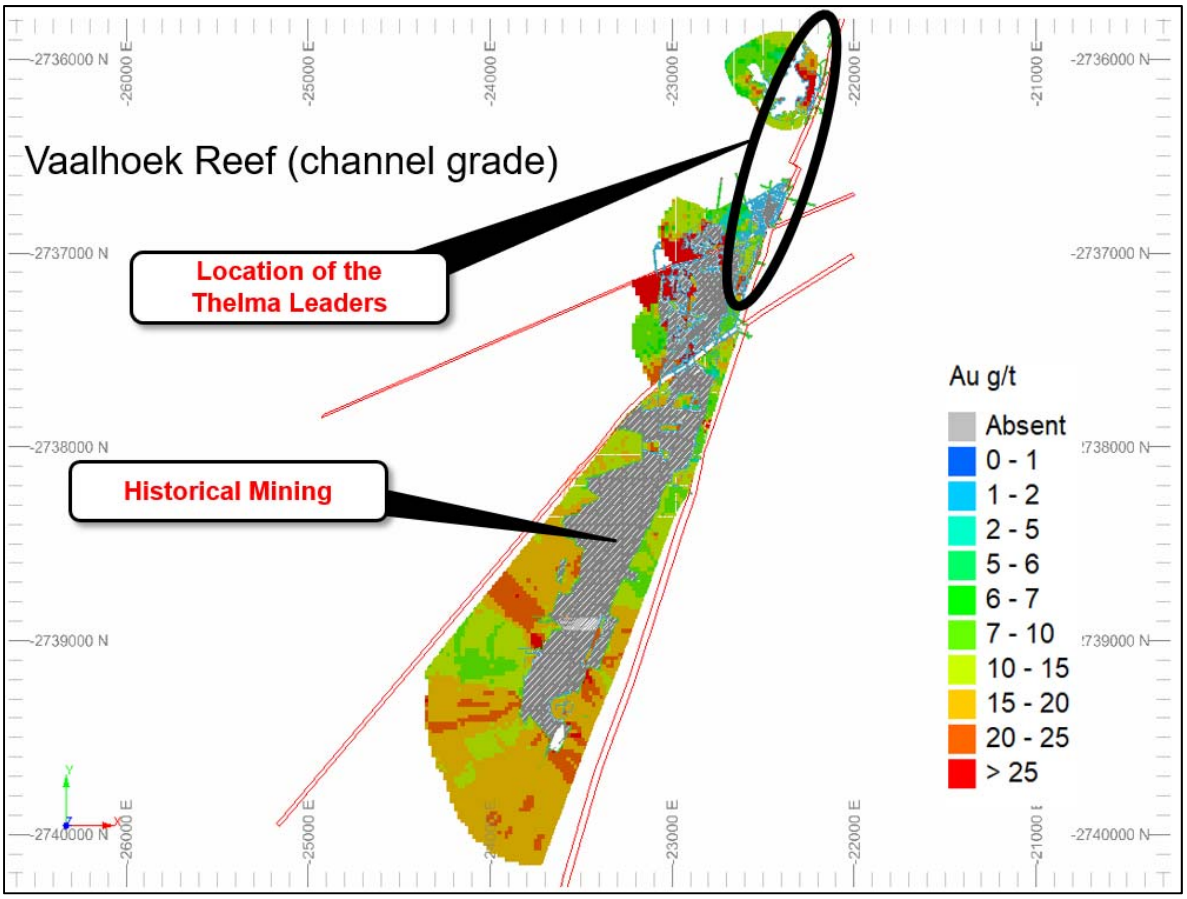

Figure 4) Vaalhoek Reef, showing in-situ reef grade profile (Source: Minxcon)

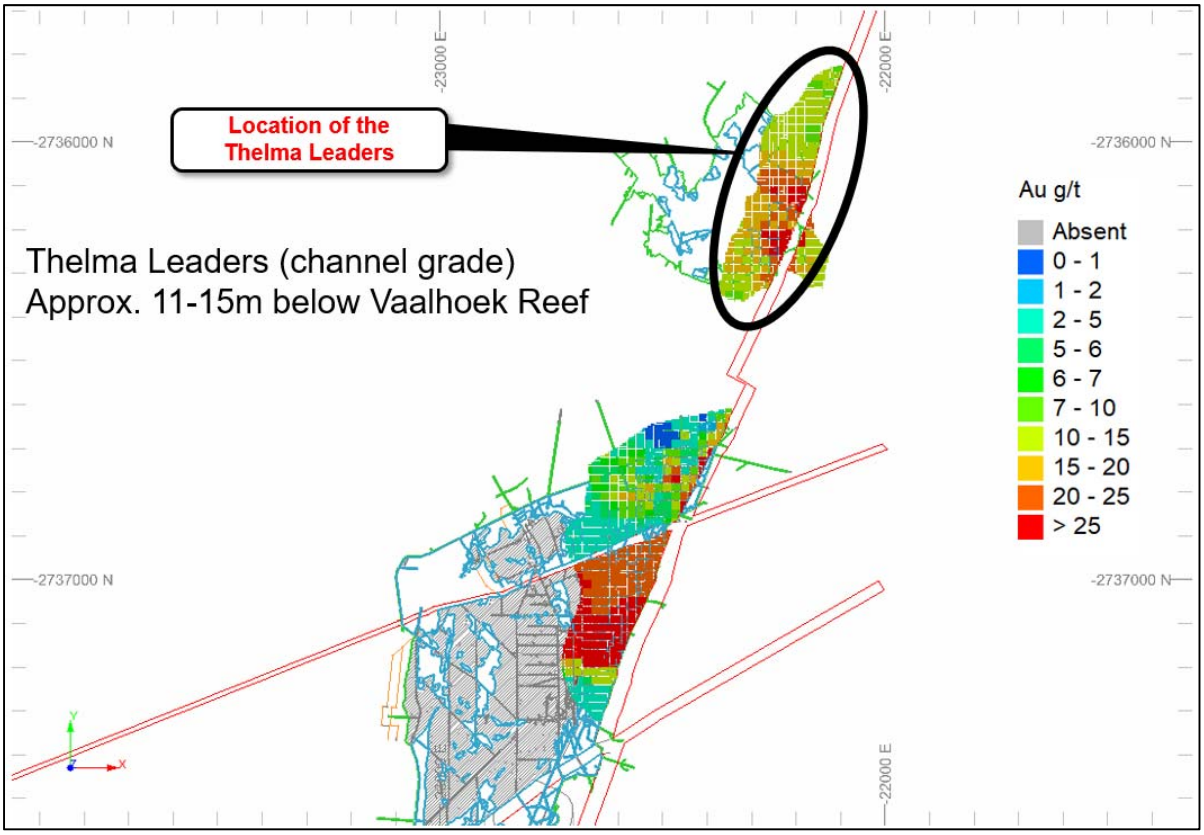

Figure 5) Thelma Leaders Reef, showing in-situ reef grade profile (Source: Minxcon)

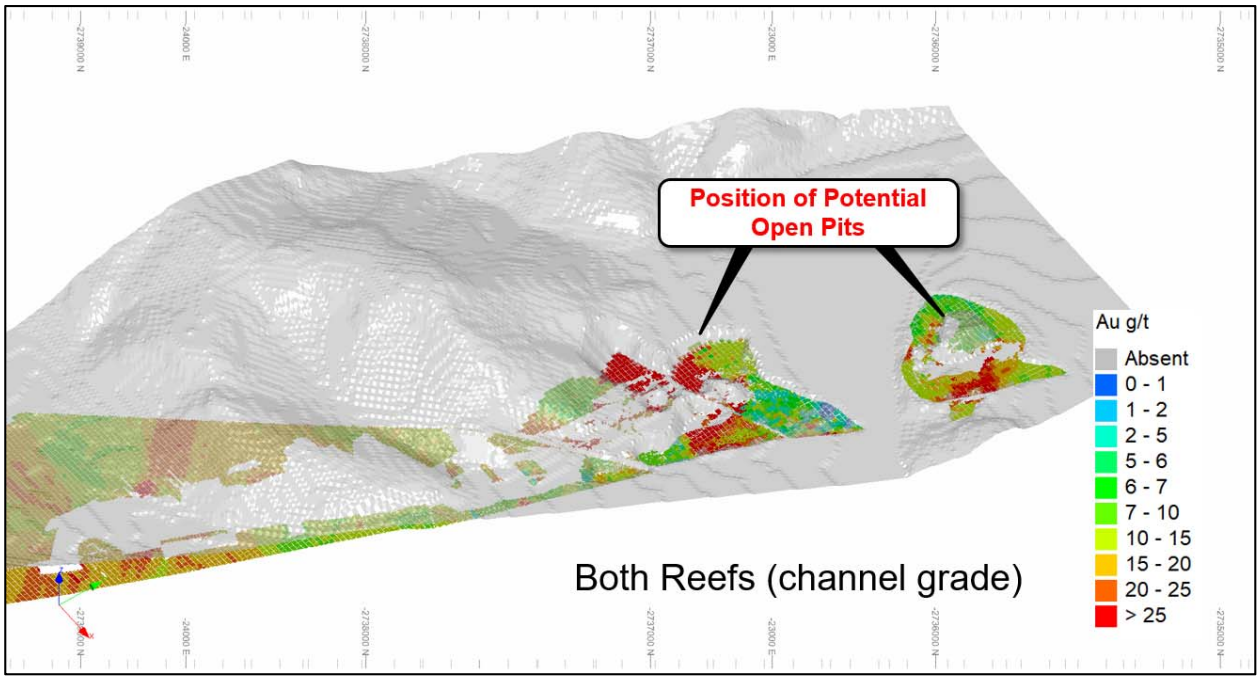

Figure 6) Geological model showing potential open-pit locations (Source: Minxcon)

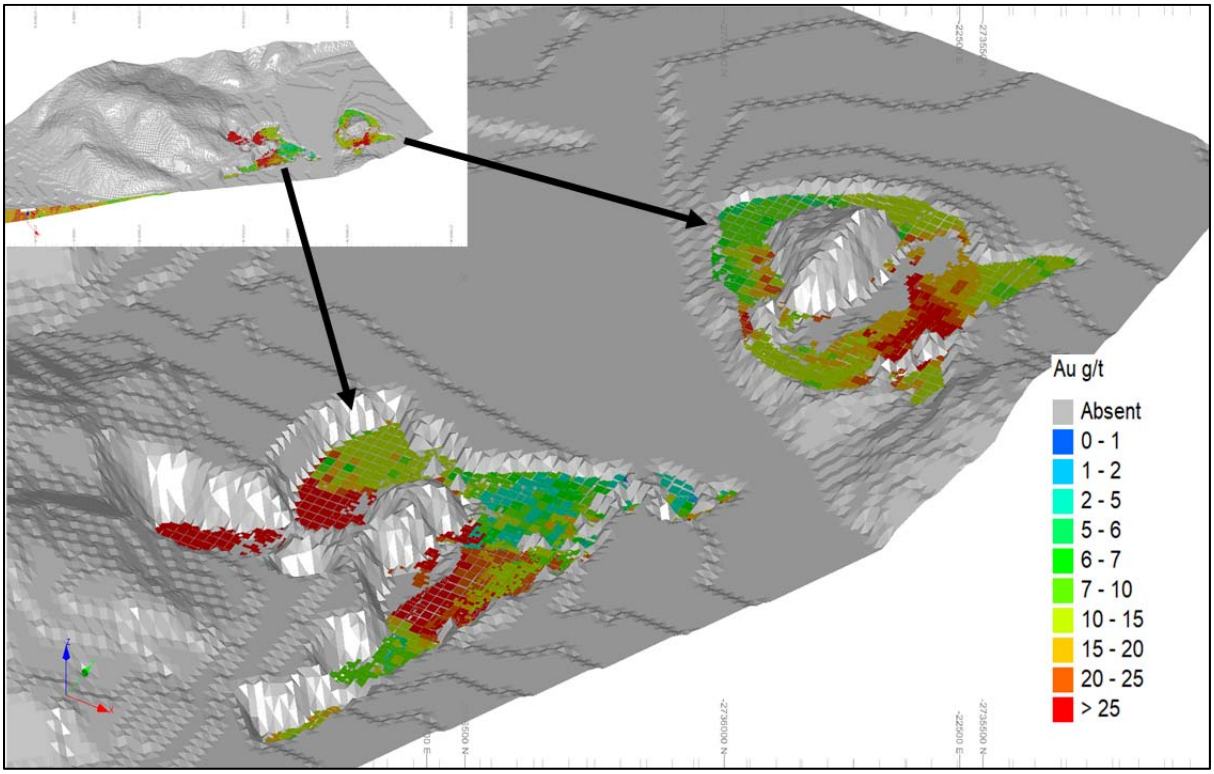

Figure7) Modelled pit shells containing 335koz @ 16.9g/t Au (Source: Minxcon)

PRELIMINARY METALURGICAL SAMPLING

In February 2018, a total of four (4) metallurgical grab samples were taken in the old underground sections of the Vaalhoek project area, two on the Vaalhoek Reef and two on the Thelma Leaders Reef. These samples were than submitted to SGS Laboratories (in Barberton South Africa) for bottle roll tests to estimate gold recovery in a simulated CIL environment. These tests are designed to test likely amenability of ores to gold extraction via a conventional cyanide leaching circuit, similar to that owned by SWJ at TGME (currently on care and maintenance).

It is noted that these samples are not to be considered representative of the overall metallurgy of the resource, and further testwork is planned in conjunction with drilling to establish reserves.

Across the 4 samples, head grade varied from 6.4g/t to 37g/t Au and yielded an average 92% gold recovery (See Table 3 Below).

Table 3) Summary of bottle-roll tests, Vaalhoek

Borehole/seam	Vaalhoek: Thelma Leaders Seam			
Reef	Vaalhoek	Thelma	Thelma	Vaalhoek
Sample No	VHNEK-NE 1	VHNEK-TL1	VHNEK-TL2	VHNEK-SW1
Head grade g/t	6.4	11.5	37.2	8.5
Grind Size p80 (µm)	80	80	80	80
Leach Time (hrs)	24	24	24	24
% Recovery (Au)	87.2%	90.9%	96.0%	94.0%

The images below provide an indication of the sampling completed as well as the provides some correlation of the results.

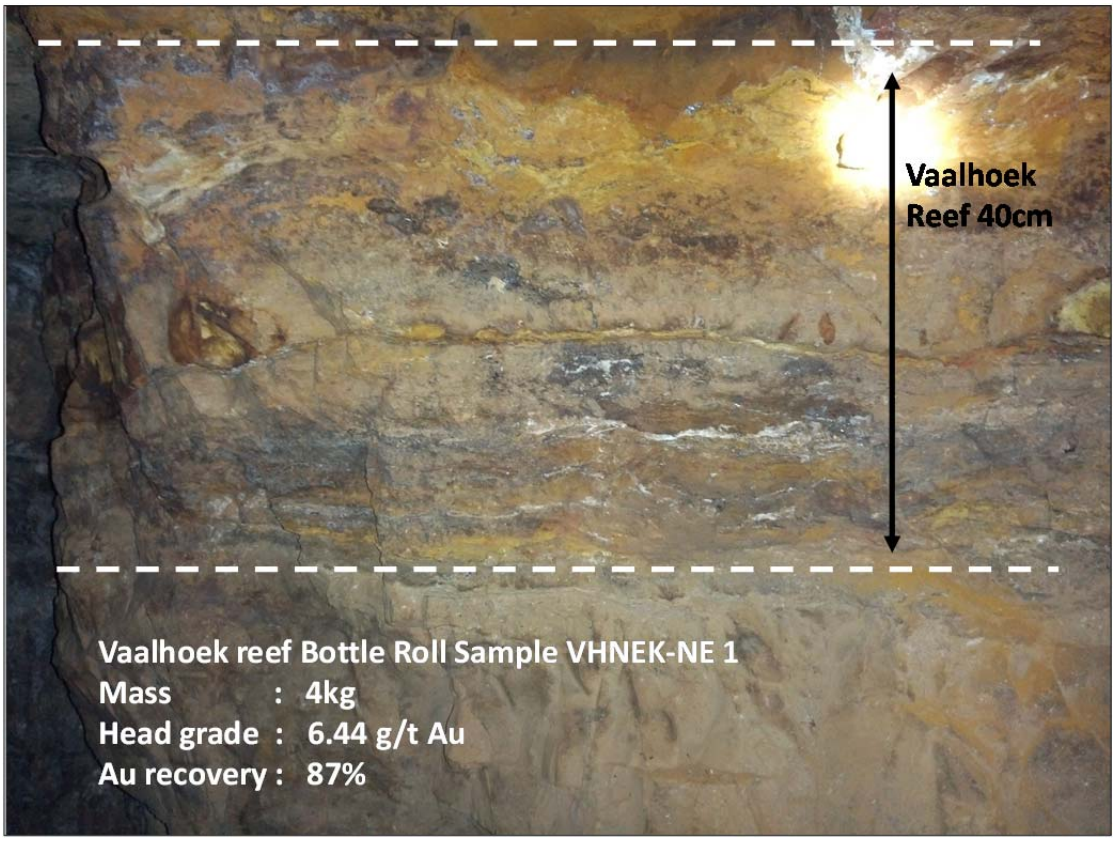

Figure 8) Photo of underground Met sampling location

Figure 9) Sample taken near historical adit entrance

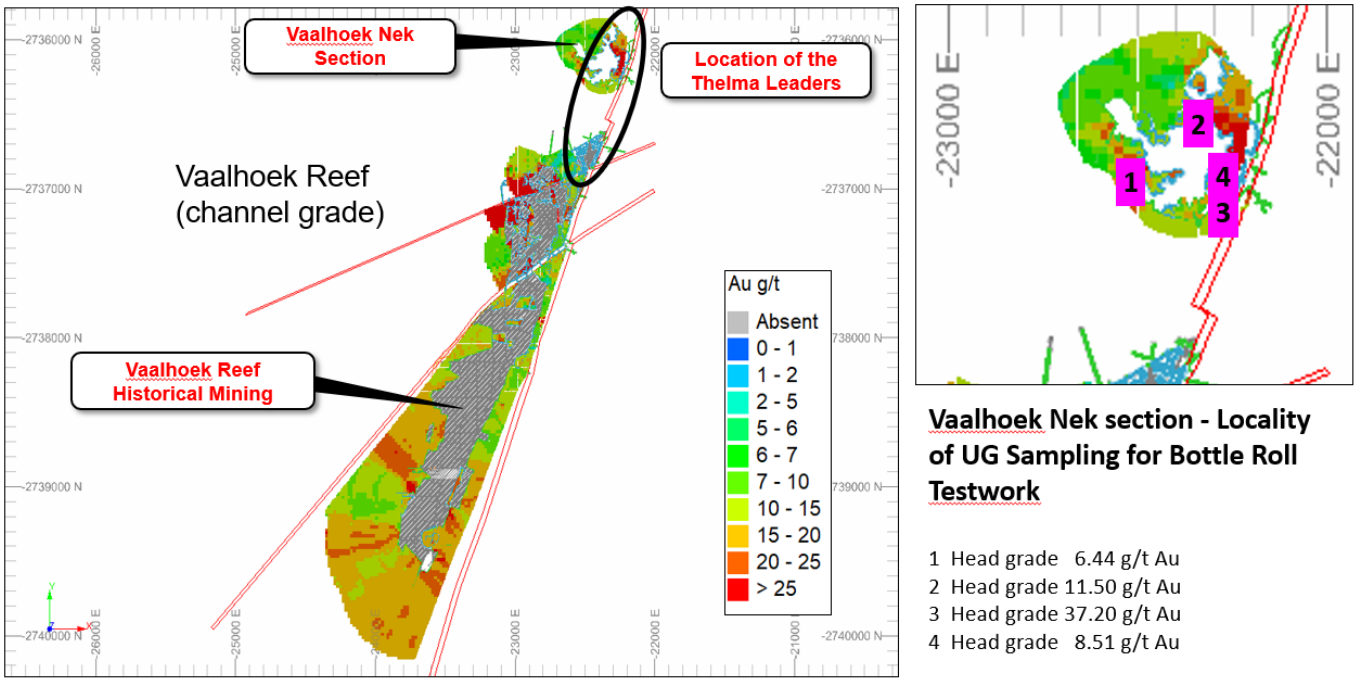

Figure 10) Locations of metallurgical sampling (Source: PN Bentley)

Competent Person Statement

The information in this report relating to Vaalhoek Mineral Resource is based on, and fairly reflect, the information and supporting documentation compiled by Mr Uwe Engelmann (BSc (Zoo. & Bot.), BSc Hons (Geol.), Pr.Sci.Nat. No. 400058/08, MGSSA), a director of Minxcon (Pty) Ltd and a member of the South African Council for Natural Scientific Professions.

Mr Engelmann has sufficient experience that is relevant to the style of mineralisation under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Engelmann consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report relating to the Total Mineral Resource in Appendix 1 is based on, and fairly reflect, the information and supporting documentation compiled by Mr Uwe Engelmann (BSc (Zoo. and Bot.), BSc Hons (Geol.), Pr.Sci.Nat. No. 400058/08, MGSSA), a director of Minxcon (Pty) Ltd and a member of the South African Council for Natural Scientific Professions.

The original report titled "Beta Resource Grows to 1Moz" was dated 28 March 2017 and released to ASX on that date. The Company confirms that –

- it is not aware of any new information or data that materially affects the information included in the ASX announcement; and
- all material assumptions and technical parameters underpinning the estimates in the ASX announcement continue to apply and have not materially changed.

ABOUT STONEWALL RESOURCES LIMITED

Stonewall Resources Limited (ASX: SWJ) is a gold development company that holds a range of prospective gold assets in a world-renowned South African gold mining region. These assets include several surface and near-surface high-grade gold projects which provide cost advantages relative to other gold producers in the region.

Stonewall's core project is TGME, located next to the historical gold mining town of Pilgrim's Rest, in Mpumalanga Province, some 370km east of Johannesburg by road or 95km north of Nelspruit (Capital City of Mpumalanga Province).

Following small scale production from 2011 – 2015, the Company is currently focussing on the refurbishment of the existing CIL plant and delineating new open-cut resources with the intention of resuming gold production as soon as possible.

The Company aims to build a solid production platform to over 100kozpa based primarily around shallow, open cut or adit-entry hard rock mining sources.

Stonewall has access to over 43 historical mines and prospect areas that can be accessed and explored.

For more information please visit: www.stonewallresources.com

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Appendix 1) Previous JORC Resource Table (20 January 2017)

Table 1: Total Mineral Resource Statement of Total Stonewall Operations

Mineral Resource Category	Type of Operation	Tonnage	Gold Grade	Gold Content	
		Mt	g/t	Kg	'000 oz.
Measured	UG*	0.170	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*	13.734	5.55	76,253	2,451.7
	Surface	0.801	0.8	642	20.7
	Tailings	2.124	3.06	6,503	209.0
	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		**16.929**	**4.94**	**83,700**	**2,691.1**
Grand Total		**26.664**	**4.34**	**115,715**	**3,720.4**

Notes:

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 20 January 2017 and 23 March 2017 Mineral Resource estimation for Rietfontein Mine and Beta Mine respectively.*
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.*
5. *Mineral Resources declared are for the entire project and have not been divided into attributable portions.*

The total Mineral Resources for the Stonewall Operations (Measured, Indicated and Inferred) is currently some 26.7 Mt at a weighted average grade of 4.34 g/t Au for about 115.7 Tonnes of gold translating into some 3,720 Koz Au.

The company has not updated the group JORC Resource table with the updated Vaalhoek resource as it is currently completing a detailed review of the total group-wide resources. The company expects to release a reviewed and updated resource table in coming months.

Appendix 2) Table 1: JORC Checklist – Table 1 Assessment and Reporting Criteria

Sampling techniques	Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.	Information relating to historical sampling techniques and standards is very limited. Only two types of sampling have been conducted on Vaalhoek, namely a) channel chip sampling and b) diamond drilling. a) All historical chip samples values were captured as 'pennyweights' (dwt). The quality of the chip samples could not be ascertained due to the historical nature there-of. The Datamine® database contains 3,409 underground chip sample points, 1,472 stretch values and a further two surface drillhole intersections (V6 and V8). b) Eight diamond drillholes were drilled in 2013, four of which were abandoned. Only two drillholes (V6 and V8) intersected significant mineralisation; these samples were sampled, bagged and labelled in 2013 but were only sent away to a laboratory for assay in 2017. A total of 84 samples, including blanks and certified reference material for QAQC purposes, were dispatched.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Chip samples were taken normal to the reef dip and added (if more than one sample in the section) to give a composited value for a true reef thickness. Scatter plots were also generated to examine the data set for errors introduced while capturing the data. All historical values were converted using factors of 2.54 cm for 1 inch and 1.714285 g/t for 1 dwt. In the stoping areas, the sample stretch values are generally spaced apart at distances of 15 m on dip and 4 m on strike, while in more detailed areas sample spacing was found to be as little as 3 m between points. In the development, stretch values vary from 4 m to 20 m in spacing, while in more detailed areas sample spacing is seen to be as close a 3 m. The chip sample section spacing on the on-reef development and stoping were historically conducted at between 2 m to 5 m spacing in Domain 2, 3 and 4.
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	Samples presented in the database represent full reef composites for both diamond drilling as well as chip sampling. The historical nature of the data and the high grades encountered implies the use of fire assay as an assay technique. Sample preparation and aspects regarding sample submission for assay are not known due to the historical nature of the sampling data. Underground sampling, for metallurgical purposes, was undertaken at the northern Neck section of Vaalhoek during February, 2018. Two samples weighing approximately 4kg were taken from exposed faces of the Vaalhoek Reef, in two separate underground localities of previous mining. Two samples were also taken of Thelma Leader mineralisation located in underground exposures adjacent to the Vaalhoek Dyke. These samples also weighed approximately 4 kg each. All samples were composites of rock chipped over the reef width. The four samples were submitted for Bottle Roll test work at SGS Barberton, which is discussed under the Metallurgical section.
Drilling techniques	Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).	Stonewall drilled eight diamond core drillholes totalling 1,605.42 m to the southwest of the historical Vaalhoek stoping, in April and May 2013. The estimation model only considers the historical chip sampling. The drilling was completed using a Long Year 44 diamond drill rig using NQ drill rods. Four holes were abandoned due to bad ground conditions. The deepest drillhole (V6) went to a depth of 532.95 m Historical drillhole details are not available.
Drill sample recovery	Method of recording and assessing core and chip sample recoveries and results assessed.	Diamond drill core recoveries were recorded during the 2013 drilling programme, which was manged by Minxcon Exploration (Pty) Ltd. Core recovery percentage was

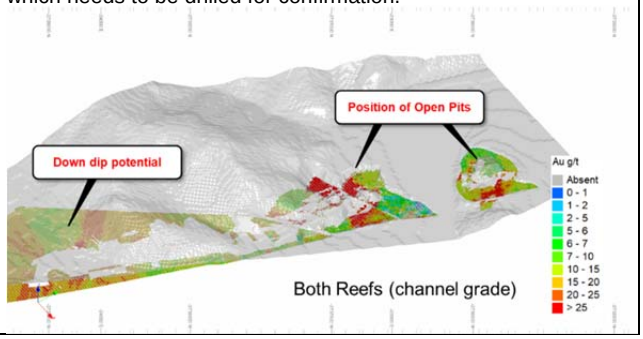
		calculated for each drill run. Sample recoveries were maximised through drilling techniques (diamond drilling), however drilling recoveries versus grade relationships were not assessed.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	During the 2013 drilling campaign, sample recoveries were maximised through utilising appropriate drilling techniques. In order to ensure the representative nature of the drilled intersections and due to the dip of the reef being very shallow at around 3° to 7° the west, drillholes were drilled vertical in order to obtain an intersection as close to normal as possible.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	Sample recovery versus grade was not assessed. It is Minxcon's view that samples recording a core loss would result in a net negative bias, resulting in a potentially lower reported gold value.
Logging	Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.	The 2013 drillholes were geologically logged. It is Minxcon's view that logging was done to a level of detail appropriate to support Mineral Resource estimation.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	The logging was qualitative in nature. Core photos of all intersections were taken.
	The total length and percentage of the relevant intersections logged.	All drillholes and drillhole intersections were fully logged.
Sub-sampling techniques and sample preparation	If core, whether cut or sawn and whether quarter, half or all core taken.	Core was sawn in half lengthwise down the core axis. Once the core had been split the core was sampled along lithological boundaries. Individual samples for NQ cores were 20 cm long. Reef samples were >10 cm and < 40 cm.
	If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.	Not known. Historical sub-sampling techniques were not available for review.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Not known. Historical sub-sampling techniques were not available for review.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	In 2013, blanks and certified reference material were used to maximise representivity of samples.
	Measures taken to ensure that the sampling is representative of the *in situ* material collected, including for instance results for field duplicate/second-half sampling.	Historical sub-sampling techniques were not available for review. In 2013, only blanks and certified reference material were inserted. No field duplicate/second–half or subsequent quarter sampling was conducted.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Historical sample size taken were not recorded. 2013 sample sizes are appropriate.
Quality of assay data and laboratory tests	The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.	For historical samples reporting dwt, it is assumed that only fire assay was utilised and it is assumed that the technique represents total analysis. In 2017, samples from drillholes V6 and V8 including blanks and certified reference material were dispatched to Super Laboratory Services (Pty) Ltd ("Super Labs") in Springs, South Africa. Super Labs is a SANAS certified laboratory, in accordance with the recognised international standard ISO/IES 17025:2005, with accreditation number T0494. The assay samples are 50 g samples and are assayed for gold (Au) by means of fire assay with gravimetric finish. It is assumed that the technique represents total analysis.
	For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	No assay methods other than those mentioned above were utilised in the generation of the Vaalhoek sampling database.
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias)	No records of assay QAQC are available for the chip sampling dataset in question due to the age there-of. For the 2013 drilling programme and 2017 sample analysis, a total of 84 samples including blanks and certified reference

	and precision have been established.	material were dispatched to Super Labs. Two CRMs, namely AMIS0016 and AMIS0023, and silica sand blanks were used in the sampling sequence. Roughly every fifth sample inserted in the sampling sequence was a QAQC sample. A total of two AMIS0023, two AMIS0023, five duplicates and six blank samples were used. Approximately 18% of the samples sent to the laboratory represented assay control material. Minxcon is of the opinion that an adequate number of control samples were utilised.
Verification of sampling and assaying	The verification of significant intersections by either independent or alternative company personnel.	No verification of historical assay results is possible due to the historical nature of the data in question and the non-availability of the core. Minxcon verified the historically bagged samples for drillholes V6 and V8 for accuracy and representativeness before sending them to the laboratory in 2017. Those samples that were not representative or missing were re-sampled from the remaining core at TGME.
	Discuss any adjustment to assay data.	No adjustments were made to raw assay data according to Minxcon's knowledge.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Historical data capture and data entry procedures were not available for review. The 2013 drilling programme was logged and captured on hardcopy. These were then transferred to MS Excel™. Minxcon currently only has the data in this digital format for verification purposes.
	The use of twinned holes.	No twinned holes were drilled.
Location of data points	Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.	Drillhole V6 and V8 were surveyed in by a surveyor and are shown in Figure 13 in Section 5.7 of the Report. Each data point and stretch value on the original assay plans was marked and annotated with a reef width and gold grade. Assay plan images were imported into GIS and coordinates converted from a local grid co-ordinate system to a WGS84 grid system. The plans were then captured into Datamine®. The captured assay points were plotted on a plan of the underground workings to ensure that the points plotted correctly relative to development and stoping. Historically, sampling points were measured by means of measuring tape and the resultant offsets plotted on the sampling and development plans. The sampling database was checked with regards the development in section and plan and readjusted to fit the 3D development wireframes. This was done specifically on the historical on-reef development, where a development centreline was generated. Sampling points were then draped to this line in order to obtain the correct attitude relative to the development and the reef plane. It is estimated that the chip samples are within 3 m accuracy of their original projected positions. The Datamine® database contains 3,409 underground chip sample points, 1,472 stretch values and a further two surface drillhole intersections (V6 and V8).
	Specification of the grid system used.	The grid system used is Hartebeeshoek 1994, South African Zone WG31.
	Quality and adequacy of topographic control.	Very good correlation between the digital topography and the underground mining profiles was found.
Data spacing and distribution	Data spacing for reporting of Exploration Results.	In the stoping areas, the sample stretch values were spaced at 15 m on dip and 4 m on strike, while in more detailed areas sample spacing was found to be as little as 3 m between points. In the development, stretch values spacing varied from 4 m to 20 m, while in more detailed areas sample spacing is seen to be as close a 3 m. The two drillholes (V6 and V8) did not significantly affect the resource estimation as they were beyond the variogram range of the sample points (1,000 m) as Minxcon did not include the drillhole data with the stretch value data. They did however prove continuity of the reef. The chip sample section spacing on the on-reef development and stoping were historically conducted at between 2 m to 5 m spacing. To the south, the development and stoping was presented as stretch values.
	Whether the data spacing and	It is Minxcon's opinion that drillhole and sample spacing is

	distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	adequate for the purpose of conducting meaningful Mineral Resource estimation due to the density of the chip sampling data.
	Whether sample compositing has been applied.	All samples within the database represent full reef composites.
Orientation of data in relation to geological structure	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	The Vaalhoek Reef and its related structure dips to the west at between 3° to 7°, semi-parallel to bedding. It appears that chip sampling was conducted normal to the reef orientation due to the narrow recorded reef widths which relate reasonably well to the reef widths encountered in the drilling. All drilling was conducted vertically downward in order to ensure optimal intersection width as close as possible to the true width of the reef. Owing to the shallow dipping nature of the orebody, the reef was always intersected very close to normal relative to the reef plane.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias,	Available information indicates that the drilling orientation provides reasonably unbiased sampling of the mineralisation zones.
Sample security	The measures taken to ensure sample security.	Measures taken to ensure sample security pertaining to the historical chip sampling are not available due to the historical nature of the data in question. The samples from the 2013 drilling campaign were bagged and labelled in 2013 but were not sent away to a laboratory for assayed due to the project ending prematurely. The samples were stored at the TGME plant in Pilgrims Rest and delivered to the Minxcon Exploration offices in Johannesburg in November 2017 to check and verify the previously bagged samples. The samples for drillhole V6 and V8 (only two drillholes to intersect significant mineralisation) were then sent to Super Labs
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	Minxcon reviewed all historical datasets attributed to Vaalhoek, as well as digital plans (scanned DXF plans of sampling plans) and found that captured sample positions had good agreement with those in the digital dataset. In addition, different versions of the underground sampling file were found and cross validated to test for data changes or eliminations. Minxcon also digitised the stretch values which were used in the estimation. As previously stated, Minxcon was not able to audit or review the sampling techniques in practice due to the historical nature of the data in question.

SECTION 2: REPORTING OF EXPLORATION RESULTS		
Criteria	**Explanation**	**Detail**
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	Stonewall holds a 74% shareholding in Transvaal Gold Mining Estates Limited (TGME) and Sabie Mines (Pty) Ltd. TGME and Sabie Mines (Pty) Ltd carry out gold mining operations in South Africa. The Vaalhoek Project is held entirely by TGME. The balance of shareholding is held by Black Economic Empowerment (BEE) entities. The South African Mining Charter requires a minimum of 26% meaningful economic participation by the historically disadvantaged South Africans, *i.e.* black South Africans (HDSA).
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The Vaalhoek underground Mineral Resources span over the farms Hermansburg 495 KT, Klondyke 493 KT and Vaalhoek 474 KT. The farms were previously held under prospecting right 404 PR issued to TGME and which expired on 13 November 2011. A renewal application was submitted to the DMR and granted for three years ending 3 February 2017. Application was submitted for conversion of 404 PR into a mining right under 10167 MR with a nominal area of 29,188 ha, which was accepted by the DMR Regional Manager on 23 March 2017. Minxcon has had sight of the acceptance letter from the DMR and is satisfied with the validity of the application and acceptance thereof. Stonewall is required to comply with the DMR requests to receive a granted and executed right.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	Acknowledgement is hereby made for the historical exploration conducted by the TGME and Randgold & Exploration.

SECTION 2: REPORTING OF EXPLORATION RESULTS		
Criteria	**Explanation**	**Detail**
Geology	Deposit type, geological setting and style of mineralisation.	The Vaalhoek Gold Mine orebody is a shear-hosted quartz-carbonate vein mesothermal gold deposit. It is thought that the emplacement is possibly associated with the Bushveld Igneous event in South Africa. Pressure and temperature estimates indicate that the ore fluids of the Sabie-Pilgrims Rest Goldfield were similar to other typical mesothermal gold deposits. The mineralisation in the area of interest is principally "flat" bedding parallel shears located mainly on shale partings within Malmani Dolomites. However, mineralisation also occurs in other formations of the Transvaal Supergroup. The orebodies occur as narrow quartz-carbonate veins (reefs), which occupy bedding parallel faults and shears, and generally conform to the shallow regional dip of the strata. Gold mineralisation is accompanied by various sulphides of Fe, Cu, As and Bi.
Drillhole Information	A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes: * easting and northing of the drillhole collar * elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar * dip and azimuth of the hole * down hole length and interception depth * hole length.	TGME drilled a total of eight drillholes on Vaalhoek with no deflections, in 2013, which totalled some 1,605.42 m of drilling. Only two of these drillholes intersected significant mineralisation (V6 and V8) and four holes were abandoned due to poor ground conditions. The detailed summaries of drillholes easting, northing and elevation of the drillhole collar, as well as the dip and azimuth of the drillholes and final drillhole depth are presented in Section 6.4 of the full CPR.
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	The 2013 drillholes were only used for geological modelling due to the fact that the project was stopped due to budget constraints.
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.	All sample types were agglomerated and data type biases were not investigated due to the small number of drillhole intersections.
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	Only full reef composite data was available for the chip sample data while full reef composites were calculated for each drillhole intersection. Data aggregation methods utilised in generating the full reef composites of the sampling is not available for review due to the age of the data. The drillhole data is expressed as a single weighted composited point for the mother hole and deflections.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalents were calculated.
Relationship between mineralisation widths and intercept lengths	If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	Mineralisation widths with respect to the drillholes that have lengths have been included. The nature of the orebody is very shallow dipping and these composites have been corrected for dip. The historic sampling has been reported as true reef widths. The true widths were used to generate the mineralised envelope wireframe. All drilling was conducted near normal to bedding so is reef width would be very closely related to the intersection length due to the low dip of the orebody and the vertical drilling of the drillholes.
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include,	A plan view of the sampling used for the final geological wireframe width interpretation is presented in Section 6.7 of the full CPR. The depth extension of the wireframe is based on the samples directly up-dip. All drill intercepts (corrected widths) are tabulated.

SECTION 2: REPORTING OF EXPLORATION RESULTS		
Criteria	**Explanation**	**Detail**
	but not be limited to a plan view of drillhole collar locations and appropriate sectional views.	
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	The Mineral Resource estimation was conducted by Minxcon and is based upon the information provided by Stonewall. The Mineral Resource report contains summary information for all historic sampling and drilling campaigns within and adjacent to the Project Area and provides a representative range of grades intersected in the datasets.
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	No other exploration data other than that presented for the purposes of the Mineral Resource estimation in this Report has been conducted on the Vaalhoek property. However, some preliminary metallurgical bottle roll test work has been completed on samples taken in the underground sections of the Vaalhoek mine as discussed in point 4 of sampling techniques in this table as well as the metallurgical factors in section 3 of this table 1.
Further work	The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).	Minxcon recommends that the original planned exploration drilling be completed to further test the grades in the expected payshoots for the underground mining. With the current inclusion of the Thelma Reef, an open cast option might be viable. Further work to test the open cast potential is recommended for the shallower portion of the Vaalheok Reef and Thelma Reef for the northern portion of the Project and the Hill section.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	A drilling budget or programme has not yet been determined as the strategy of the company needs to be finalised first. However, the potential exists down dip in the south-western portion of the project as well as possible open pit potential which needs to be drilled for confirmation. 

SECTION 3: ESTIMATION AND REPORTING OF MINERAL RESOURCES		
Criteria	**Explanation**	**Detail**
Database integrity	Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.	Minxcon captured the historical stoping, development, sampling points and stretch values during this exercise. No previous electronic database existed for the Vaalhoek Project. As part of the internal verification process Minxcon correlated the handheld GPS co-ordinates of the adits with the plans as part of the alignment process as well as relating them to the topography. The sampling data that was captured was also verified on an adhoc basis by different personnel as to the personnel that captured the data.
	Data validation procedures used.	As above.
Site visits	Comment on any site visits undertaken by the Competent Person and the outcome of those visits.	Minxcon personnel have consistently visited the gold properties held by Stonewall in the Sabie-Pilgrims Rest area, including Vaalhoek, since 2009 when they took on the role of Competent Persons. Most recently, the Competent Person of the Report, Mr Uwe Engelmann, undertook a site visit to the nearby Beta Mine on 15 December 2016. No recent site

SECTION 3: ESTIMATION AND REPORTING OF MINERAL RESOURCES		
Criteria	**Explanation**	**Detail**
		visit has occurred to Vaalhoek as there have been no further developments in terms of exploration or mining at the site.
	If no site visits have been undertaken indicate why this is the case.	See above.
Geological interpretation	Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.	The geological reef wireframes for the Vaalhoek Gold Mine were constructed by a Minxcon geologist and are based upon mine development plans and historical surveyed peg files (honouring the on reef development) provided by Stonewall. Minxcon is of the view that the confidence in the geological wireframes is such that it supports the relevant Mineral Resource categorisation currently utilised in the Mineral Resource estimate.
	Nature of the data used and of any assumptions made.	Scanned plans were digitised to generate development strings. These were coordinated and repositioned relative to underground plans and survey pegs. A geological contour plan was also used in conjunction with limited underground geological mapping as well as underground survey pegs were used in the generation of the geological model.
	The effect, if any, of alternative interpretations on Mineral Resource estimation.	Minxcon did not investigate alternative interpretations with respect to the geological model due to the lack of additional geological data. Minxcon would recommend that further geological work is undertaken to enhance the geological interpretation.
	The use of geology in guiding and controlling Mineral Resource estimation.	The geological reef wireframes for the Vaalhoek Gold Mine were constructed by a Minxcon geologist and are based upon mine development plans and historical surveyed peg files (honouring the on reef development) provided by Stonewall. The resultant geological wireframes were then utilised as a closed volume to constrain the volume and spatial estimate of the Mineral Resources.
	The factors affecting continuity both of grade and geology.	The Mineral Resource estimation has been restricted to the hard boundaries defined in the geological interpretation in the form of faulting and outcrop lines.
Dimensions	The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.	The orebody consists of two near horizontal shear zone varying in width from 2 cm to 340 cm and has been modelled to a strike length of approximately 4,000 m. The orebody has been wireframed to an average depth of approximately 150 m below surface, of which a maximum of 300 m is achieved on the south western extremity. The orebody outcrops to the north east approximately 4,000 m towards the east.
Estimation and modelling techniques	The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.	Estimation of the gold capped data was carried out using ordinary kriging, which utilised a minimum of five samples and a maximum of 20 samples in the point assay estimate and a minimum of four and a maximum of 15 for the stretch assay estimate. The range for the inferred resource was set to twice the variogram range for each domain based on the shortest range which was the Au range. This range for the estimation is for the stretch values. The maximum range used for the inferred resource estimation is set to twice the variogram range per domain for the Vaalhoek Reef. For the Thelma Reef a range of 200 m for the Inferred Mineral Resource estimations was applied. The search parameters for the estimation are based on the range of the variograms and a minimum of five drillholes or sample points and a maximum of 15. The Mineral Resource was then depleted with the mining voids. The estimation techniques applied are considered appropriate. Datamine Studio™ was utilised for the statistics, geostatistics and block model estimation. The search parameters informed by the variography for the various areas are presented in Section 7.5.3 of the CPR.
	The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.	The previous resource estimate was a historical manual block listing type resource. No previous electronic resource exists. Therefore, the only check that can be made is with the manual estimation which will have significant differences due to additional data on the Thelma Leaders as well as methodologies utilised. Minxcon did however conduct SWATH plots to verify the model to the sampling data.
	The assumptions made regarding recovery of by-products.	No investigation has been conducted with regards secondary mineralisation or correlation between pyrite and gold.
	Estimation of deleterious elements	No estimates pertaining to deleterious elements or other

SECTION 3: ESTIMATION AND REPORTING OF MINERAL RESOURCES		
Criteria	**Explanation**	**Detail**
	or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).	non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation) have been conducted.
	In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.	A block model was produced in Datamine Studio™ consisting of a cell size of 40 m x 40 m x 10 m in the X, Y and Z dimensions respectively for the stretch value estimate and a 20 m x 20 m x 10 m for the point data estimate. The single cell in the Z direction was utilised. The final estimated model was projected into the reef plane based on the structural interpretation. Block size was determined by means of kriging neighbourhood analysis.
	Any assumptions behind modelling of selective mining units.	No assumptions were made in terms of selective mining units with respect to the cell size selected.
Estimation and modelling techniques (continued)	Any assumptions about correlation between variables.	Grade (Au g/t) and reef width was estimated - no correlation between thickness and grade was found during the statistical analysis, however a cm.g/t value was calculated on a post estimation basis.
	Description of how the geological interpretation was used to control the resource estimates.	The resource estimation has been restricted to the hard boundaries encompassed by the geological wireframe.
	Discussion of basis for using or not using grade cutting or capping.	The Au g/t and reef width cm values were considered for capping as the log normal distribution showed a number of outliers. A cumulative co-efficient of variation plot was generated from the raw data and viewed with respect to the percentile distribution and inflection points. The stretch assay values for Vaalhoek Reef were capped at 60 g/t and no capping for the reef width. The Au assay values for the Vaalhoek Reef points were capped at 126 g/t with a capping of 200 cm for the reef width.
	The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available.	Swath analysis of the Vaalhoek and Thelma reefs was conducted in the east-west and north-south directions in order to check correlations between the block modelled grades and the raw sampled values. Swath analysis shows a good correlation with the sample grade. In addition, correlation between the estimate and the average value of a block was investigated.
Moisture	Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.	The density is based on a dry rock mass.
Cut-off parameters	The basis of the adopted cut-off grade(s) or quality parameters applied.	The following parameters were used for the declaration and pay limit calculation: Gold price, % MCF, dilution, discount rate, plant recovery factor, mining cost total plant cost. The Vaalhoek Mineral Resource has been split into an open cast resource and an underground resource. The open cast resource is based on the open cast pit that resulted from the pit optimisations in NPV scheduler. The parameters used for the open cast pit are a gold price of USD 1 471 per ounce, a mining cost of USD 2 / tonne and a processing cost of USD 22.38 / tonne. The resource falling within the pit was declared as the open cast resources at a cut-off of 0.5 g/t. For the underground portion of the resource it was declared at an economic pay limit of 2.56 g/t at a stoping width of 90 cm for a value of 230 cm.g/t.
Mining factors or assumptions	Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported	A minimum stoping width of 90 cm was assumed. Where channel width was less than 70 cm, dilution was increased accordingly. Elsewhere, the stoping width was calculated by adding 20 cm dilution to the Mineral Resource Estimation. No dilution was applied to the open pit resource.

SECTION 3: ESTIMATION AND REPORTING OF MINERAL RESOURCES		
Criteria	**Explanation**	**Detail**
	with an explanation of the basis of the mining assumptions made.	
Metallurgical factors or assumptions	The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	In February 2018 TGME conducted sampling at the historical workings at the Neck Section, of the Vaalhoek Mine, to determine the possible recoveries for the potential open cast resources. They took four samples as described earlier with the results averaging a 92 % theoretical recovery from the bottle roll test work. The four bottle roll results supplied to Minxcon are as follows:- 86.34%, 91.04%, 96.16% and 94.48%. These samples were milled to a P80 of 80 microns and then subjected to bottle roll tests for a period of 24 hours. The Vaalhoek Reef returned an average gold recovery of 90.4% while the Thelma Leader returned an average gold recovery of 93.6%. See table in report for all the details.
Environmental factors or assumptions	Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	No environmental factors or assumptions were applied to this Mineral Resource estimation.
Bulk density	Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.	Bulk density was assumed at 3.6 t/m³ based upon historical assumptions and estimates for the reef shear zone. A density of 2.84 t/m³ based on typical industry dolomite densities was used for the waste or dilution tonnes. No bulk density tests have been conducted.
	The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.	No bulk densities were taken and no historic densities have been recorded.
	Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	No bulk densities were taken and no historic densities have been recorded.
Classification	The basis for the classification of the Mineral Resources into varying confidence categories.	The Mineral Resource classification for Vaalhoek and Thelma reefs is based on a positive kriging efficiency and calculated variogram ranges.
	Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).	The Mineral Resource was only classified as Indicated and Inferred Mineral Resources. No Measured Mineral Resources were identified due to the lower confidence level associated with the historical data. Minxcon utilised a combination of variogram ranges, spread in confidence limits and minimum number of samples to be utilised in the estimate, in conjunction with geological continuity to assign Mineral Resource categories.
	Whether the result appropriately reflects the Competent Person's view of the deposit.	It is the Competent Person's opinion the Mineral Resource estimation conducted by Minxcon is appropriate and presents a reasonable result in line with accepted industrial practices.
Audits or reviews	The results of any audits or reviews of Mineral Resource estimates.	Minxcon, as well as the Competent Person, conducted internal reviews of the Mineral Resource estimate, geological modelling and the data transformations from 2D to 3D.
Discussion of	Where appropriate a statement of	Upon completion of the estimation, the model was visually

SECTION 3: ESTIMATION AND REPORTING OF MINERAL RESOURCES		
Criteria	**Explanation**	**Detail**
relative accuracy/ confidence	the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.	checked with regards to the drillholes and the estimated values. The Mineral Resource was reviewed with regards estimation and the average value for the estimation. Swath plot analysis was carried out on 100 m swaths in an east–west and a north–south direction. Included in the swath analysis was an ID^2 estimate to test the validity of the kriging estimation with the average. Swath analysis shows a good correlation with the sample grade and, it is Minxcon's opinion that the values estimated are representative of the orebody. The Competent Person deems the Mineral Resource estimate for the Vaalhoek Project to reflect the relative accuracy relative to the Mineral Resource categories as required by the Code for the purposes of declaration and is of the opinion that the methodologies employed in the Mineral Resource estimation, based upon the data received may be considered appropriate.
	The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.	Regional accuracy is considered acceptable as evidenced by the swath plots, and direct sample point versus block model checks have ensured acceptable local accuracy.
	These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	Accuracy of the estimate relative to production data cannot be ascertained at this point as the project is still in the exploration phase. Accurate historical production figures are not readily available.

SECTION 4: ESTIMATION AND REPORTING OF ORE RESERVES		
Criteria	**Explanation**	**Detail**
Mineral Resource estimate for conversion to Ore Reserves	Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.	Not Applicable
	Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.	Not Applicable
Site visits	Comment on any site visits undertaken by the Competent Person and the outcome of those visits.	Not Applicable
	If no site visits have been undertaken indicate why this is the case.	Not Applicable
Study status	The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.	Not Applicable
	The Code requires that a study to at least Prefeasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.	Not Applicable
Cut-off parameters	The basis of the cut-off grade(s) or quality parameters applied.	Not Applicable
Mining factors or assumptions	The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).	Not Applicable
	The choice, nature and	Not Applicable

SECTION 4: ESTIMATION AND REPORTING OF ORE RESERVES		
Criteria	**Explanation**	**Detail**
	appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.	
	The assumptions made regarding geotechnical parameters (e.g. pit slopes, stope sizes, etc.), grade control and pre-production drilling.	Not Applicable
	The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).	Not Applicable
	The mining dilution factors used.	Not Applicable
	The mining recovery factors used.	Not Applicable
	Any minimum mining widths used.	Not Applicable
	The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.	Not Applicable
	The infrastructure requirements of the selected mining methods.	Not Applicable
Metallurgical factors or assumptions	The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.	Not Applicable
	Whether the metallurgical process is well-tested technology or novel in nature.	Not Applicable
	The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.	Not Applicable
	Any assumptions or allowances made for deleterious elements.	Not Applicable
	The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.	Not Applicable
	For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?	Not Applicable
Environmental	The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.	Not Applicable
Infrastructure	The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.	Not Applicable
Costs	The derivation of, or assumptions made, regarding projected capital costs in the study.	Not Applicable
	The methodology used to estimate operating costs.	Not Applicable
	Allowances made for the content of deleterious elements.	Not Applicable
	The derivation of assumptions made of metal or commodity price(s), for	Not Applicable

SECTION 4: ESTIMATION AND REPORTING OF ORE RESERVES		
Criteria	**Explanation**	**Detail**
	the principal minerals and co-products.	
	The source of exchange rates used in the study.	Not Applicable
	Derivation of transportation charges.	Not Applicable
	The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.	Not Applicable
	The allowances made for royalties payable, both Government and private.	Not Applicable
Revenue factors	The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.	Not Applicable
	The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.	Not Applicable
Market assessment	The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.	Not Applicable
	A customer and competitor analysis along with the identification of likely market windows for the product.	Not Applicable
	Price and volume forecasts and the basis for these forecasts.	Not Applicable
	For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.	Not Applicable
Economic	The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.	Not Applicable
	NPV ranges and sensitivity to variations in the significant assumptions and inputs.	Not Applicable
Social	The status of agreements with key stakeholders and matters leading to social licence to operate.	Not Applicable
Other	To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:	Not Applicable
	Any identified material naturally occurring risks.	Not Applicable
	The status of material legal agreements and marketing arrangements.	Not Applicable
	The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.	Not Applicable

SECTION 4: ESTIMATION AND REPORTING OF ORE RESERVES		
Criteria	**Explanation**	**Detail**
Classification	The basis for the classification of the Ore Reserves into varying confidence categories.	Not Applicable
	Whether the result appropriately reflects the Competent Person's view of the deposit.	Not Applicable
	The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).	Not Applicable
Audits or reviews	The results of any audits or reviews of Ore Reserve estimates.	Not Applicable
Discussion of relative accuracy / confidence	Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.	Not Applicable
	The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.	Not Applicable
	Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.	Not Applicable
	It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	Not Applicable