

16 June 2014

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

ASX ANNOUNCEMENT

STONEWALL SECURES FINANCING FOR \$3 MILLION CONVERTIBLE NOTE

The Board of Directors of **Stonewall Resources Limited** (ASX: SWJ) (Stonewall) (Company) is pleased to announce that it has secured financing of \$3 million in debt funding via a Convertible Note with an existing shareholder.

The funding follows the Company's announcement on 19 May 2014, which stated that Stonewall and Shandong Qixing Iron Tower Co., Ltd (Shandong) agreed to extend the effective date to 19 August 2014 to allow the Chinese regulatory bodies to grant their approvals.

Subsequently, Stonewall announced on 10 June 2014 that Shandong received approval from the National Development and Reform Commission for its subsidiary to purchase 100% of Stonewall Mining Proprietary Limited. This is a significant step towards satisfaction of a key condition precedent of the share sale agreement for the sale of Stonewall Mining announced on 22 November 2013 (SSA).

The funds secured by the Convertible Note will be used to assist with the Company's working capital requirements, including those of its South African subsidiary Stonewall Mining Pty Ltd (Mining) until completion of the transaction with Shandong.

The terms of the Convertible Note can be summarised as follows:

- The Convertible Note has a term of 12 months, with an interest that accrues at a rate of 8% per annum from 1 January 2015 until the maturity date
- Conversion can occur at any time at the election of the lender
- The maximum number of shares to be issued is 18,750,000 under the Company's 15% placement capacity in accordance with ASX Listing Rule 7.1

All new shares when issued under the Convertible Note will rank equally with existing shares on issue.

MARKET DATA

ASX code:	SWJ
Current share price:	\$0.19
Total free floating shares:	247 million
Total restricted shares:	262 million
South African shares:	80 million
Total shares:	589 million

DIRECTORS & SENIOR MANAGEMENT

David Murray, Chairman
Trevor Fourie, Director
Nathan Taylor, Director
Liu Yang, Director
James Liu, Director
Lloyd Birrell, CEO

MAJOR SHAREHOLDERS

Khan International Limited
Salamanca Ventures Limited
Buttonwood Nominees Pty Ltd
Murray SA Investment (Pty) Ltd
Hanhong New Energy Holdings Ltd

ABOUT STONEWALL RESOURCES LIMITED

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

Stonewall's three key projects are the TGME Project, located around the towns of Pilgrims Rest and Sabie in the Mpumalanga Province of South Africa (one of South Africa's oldest gold mining districts), the Bosveld Project, located in South Africa's KwaZulu-Natal Province, and the Lucky Draw Project, located in Australia, near the township of Burranga in New South Wales. Stonewall owns 74% of TGME, Sabie Mines and Bosveld Mines.

Beyond its current strategies, Stonewall has access to nearly 40 historical mines and prospect areas that can be accessed and explored.

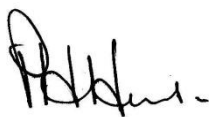
For more information please visit: www.stonewallresources.com

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On behalf of the Board



Peter Hunt
Company Secretary