

1 December 2015

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

ASX ANNOUNCEMENT

STONEWALL ENTERS INTO CONDITIONAL AGREEMENT WITH AO-ZHONG INTERNATIONAL MINERAL RESOURCES PTY LTD

Stonewall Resources Ltd (ASX: SWJ) ('Stonewall' or 'Company') is pleased to announce that it has entered into a conditional agreement with Chinese based exploration bureau, Ao-Zhong.

Following a review of operations and plans by the new Board and management, Stonewall confirms that a priority continues to be the completion of expanded studies to commence with its Pre-mined residue (PMR) project. PMR is a unique project which can be cash generative with short lead time. The existing TGME metallurgical plant will be used to process the PMR.

In addition, Stonewall will pursue an initiative focusing on its Sabie Mines. Stonewall previously announced that it had completed a concept study to commence with trial mining at its exciting Rietfontein Mine. In order to fully determine the Life of Mine (LOM) and capital requirements for a scalable operation, further studies are necessary. Stonewall, together with Ao-Zhong plans to commence with a full technical study, including increasing the mineral resource and upgrading the resource categories as defined in the JORC code. Importantly, the project will include the formatting of information in order to target capital markets in China.

MARKET DATA

ASX code:	SWJ
Current share price:	\$0.009
Total free floating shares:	1.519 billion
Total shares:	1.519 billion

DIRECTORS & SENIOR MANAGEMENT

George Jenkins, CEO
Trevor Fourie, Director
Bill Richie Yang, Director
Liu Yang, Director
James Liu, Director
Yihao Zhang, Director
Runxi Zhu, Director

MAJOR SHAREHOLDERS

Tasman Funds Management Pty Ltd
High Gift Investments Ltd
Smart Vision Investment Group Ltd
Khan International Limited
Buttonwood Nominees Pty Ltd

Subject to the completion of its due diligence within 45 days and Foreign Investment and Review Board (FIRB) approval, Ao-Zhong will invest up to A\$4 million into the project via a placement. A team of geologists from Ao-Zhong's parent company, East China Mineral Exploration and Development Bureau is scheduled to travel to TGME this week for 20 days on site to conduct preliminary ground exploration and data compilation.

Previously, Stonewall announced that its exploration strategy expected to increase resources by an estimated 0.34 to 3.07 Moz (refer Table 1 below).

Exploration Results

- Completed first phase of surface exploration at Beta
- Drilled 6 601m
- Drilling at Vaalhoek intersected extensive sulphide mineralisation
- Some existing mines characterised by multiple reefs

Table 1:

Project	SW	Minimum Tonnage	Maximum Tonnage	Minimum Grade	Maximum Grade	Minimum Estimated Gold	Maximum Estimated Gold
	cm	Mt	Mt	g/t	g/t	Moz	Moz
TGME Mines:							
Vaalhoek	100	3.5	10.9	1.00	4.00	0.12	1.41
Beta	100	3.5	3.5	0.95	3.50	0.11	0.4
Sabie Mines:							
Rietfontein	100	0.5	3.0	2.02	6.51	0.03	0.63
Glynn's	100	2.5	6.5	1.00	3.00	0.08	0.64
Total	100	10.0	23.9	1.03	3.97	0.34	3.07

ABOUT AO-ZHONG INTERNATIONAL

Ao-Zhong is an operational/investment company registered in Australia. Its parent company is East China Mineral Exploration and Development Bureau (ECE), a major Chinese mineral exploration, development and mining group, based in Nanjing and established in 1955. ECE has over 5,000 employees and is one of the few organisations authorized by the Chinese Government to carry out geological exploration and scientific research in major State classified projects.

ECE has discovered more than 160 ore deposits in China with a potential value of in excess of \$10 billion.

Since 2008, ECE has invested approximately AUD150 million into ASX listed resources companies, with direct and indirect operations in both Australia and Africa. Projects include rare earth projects, base metals, vanadium/titanium as well as iron ore projects.

Ao-Zhong/ECE's Australian headquarters are in Perth and African headquarters are in Namibia.

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 Burruga in New South Wales. Stonewall owns 74% of TGME, Sabie Mines and Bosveld Mines.

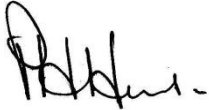
Beyond its current strategies, Stonewall has access to nearly 40 historical mines and prospect areas that can be accessed and explored.

For more information please visit: www.stonewallresources.com

For further information please contact:

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Peter Hunt
Company Secretary