

14 January 2016

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

ASX ANNOUNCEMENT

RECAPITALISATION AND FUNDING UPDATE

The directors of Stonewall Resources Limited (**‘Stonewall’** or the **‘Company’**) are pleased to advise of the successful restructuring of payment commitments relating to the Beatle Rock loan.

The Company and the directors of Beatle Rock have agreed to the restructuring of payment terms such that repayment due dates have been adjusted with the next payment now due on 29 February 2016 and with the final payment brought forward to 31 August 2016.

This new payment arrangement enables the Company to match anticipated cash flow and revenue generation with its payment commitments.

In accordance with the agreement, the Company has issued Beatle Rock with 10 million unlisted options exercisable at AUD0.015 expiring 3 years from the date of issue.

The Company previously announced on 1 December 2015 that, Stonewall’s operational priority continues to be the completion of expanded studies to commence with the Pre-mined residue project. In addition, it will pursue an initiative focusing on its Sabie Mines. In this regard it has entered into a conditional agreement with Chinese based exploration bureau, Ao-Zhong. Subject to completion of its due diligence, which is well advanced. A foreign investment application has now been submitted to the Foreign Investment Review Board (FIRB) and the parties having agreed to extend the due diligence and approval process by a further 30 days to 15 February 2016. Ao-Zhong intends to invest up to AUD4 million.

The Company will provide further updates to the market on funding initiatives for the above projects at such time as is appropriate.

MARKET DATA

ASX code:	SWJ
Current share price:	\$0.014
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

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.

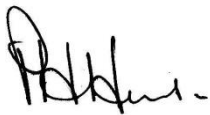
Beyond its current strategies, Stonewall has access to nearly 40 historical mines and prospect areas that can be accessed and explored.

For more information please visit: www.stonewallresources.com

For further information please contact:

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On behalf of the board



Peter Hunt
Company Secretary