

28 February 2017

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

ASX ANNOUNCEMENT

SCOPING STUDY RESULTS – REVISION

Please see attached a revised version of the Scoping Study Results released earlier today.

The revision relates to the correction of a typographical error on Page 4 of the announcement.

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ASX ANNOUNCEMENT

RIETFontein SCOPING STUDY HIGHLIGHTS POTENTIALLY ROBUST HIGH-GRADE GOLD PROJECT

The Board of **Stonewall Resources Limited (ASX: SWJ)** ("**Stonewall or Company**") is pleased to announce the Scoping Study results for its fully permitted Rietfontein high-grade, hard-rock development. The Scoping Study was delivered by South African mining engineering consultants Bara Consulting (Pty) Ltd ("**Bara**") following geological and Mineral Resource assessments by South African geological consultants Minxcon, conducted in accordance with the JORC (2012) Reporting Code, as announced on the 7 February, 2017. **Rietfontein contains a JORC resource of 2.55Mt @ 11g/t for 905koz (Indicated & Inferred).**

Rietfontein is the first Scoping Study to be reported of the three areas of potential mine development currently under scoping-level investigation by Minxcon and Bara. Results from Beta hard-rock and the PMR project work will be progressively announced as the work is completed in coming months.

The results of the Rietfontein study suggest a base-case pre-tax NPV of US\$114M, and C1 cost of US\$417/oz is achievable, and importantly provides strong encouragement for the Company to commit to the next stage of its Rietfontein resource upgrade, exploration and development program, as well as to commence the Preliminary Feasibility Study (PFS) phase, including the declaration of ore reserves.

Cautionary Statement

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 34% Indicated Mineral Resources and 66% Inferred (refer to Fig.5, & ASX release dated 7/2/17 for Mineral Resource Statement). The Rietfontein mine has been previously operated to extract gold and has existing underground development and some infrastructure in place. The company intends to conduct further drilling to upgrade the Mineral Resource incorporated in the mine plan to Measured & Indicated Mineral Resources as appropriate 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.

The Company is now engaging with development, mining and construction orientated contractors as well as potential financiers to establish the Pre-Feasibility basis for Rietfontein's mining and processing operations and the financing required.

Managing Director Rob Thomson said, *"Stonewall is focused on bringing the Rietfontein project in South Africa into production in 2018. This fully permitted, high grade project should deliver robust cashflow to Stonewall and importantly, underpin the company's growth strategy to produce 100,000+ ounces pa over the medium term and to be a low cost gold producer in South Africa. Central to this development strategy is refurbishing and upgrading of the existing TGME processing plant at Pilgrims Rest which last operated in 2015 when successful trial mining and processing of the PMR occurred."*

KEY CONCLUSIONS OF THE STUDY:

- The Rietfontein project appears financially robust and potentially within the lowest quartile of operating costs globally
- A base case pre-tax project Net Present Value of US\$114M with an Internal Rate of Return of 83%, giving a payback period of two years
- Initial Production rate at 200ktpa to deliver an average of 60kozpa with expansion potential to be investigated as indicated below
- Initial Peak Funding Requirement of US\$31M for upgrading and refurbishing the existing TGME processing plant and establishing initial underground development and related infrastructure
- C1 Operating cost of US\$417/oz
- Opportunities for enhancement include; increasing the Mineral Resource base through extensional exploration, upgrade of current Inferred and Indicated Mineral Resources to Measured and Indicated Mineral Resource categories, increased gold recoveries from mid 80's to greater than 90% through BIOX or other oxidation methods, and increasing the mining rate to 250ktpa or beyond
- The PFS study will investigate possible dual access to the orebody from the North and South, subject to confirmatory drilling. The Southern access is expected to allow for quicker access to higher grade parts of the ore body as illustrated in the JORC Report.
- If confirmatory and potentially extensional down-dip drilling is successful, preliminary planning discussions with Bara indicate opportunities to increase production to 250-300 ktpa (70-80 kozpa)

OVERVIEW

Stonewall Resources Limited is pleased to announce the results of a Scoping Study completed for its Rietfontein Gold project ('Project') in the Southern part of the companies gold holdings in the historical gold mining area of Pilgrims Rest in South Africa (Figure 1) which has produced over 6.0Moz @ 10 g/t Au (Figure 2).

Rietfontein is a core component of the Company's extensive Mineral Resource base of 3.4Moz @ 3.71 g/t Au as announced on the ASX 7 February, 2017, and included as an Appendix to this release.

The project area is located 300 km north east of Johannesburg and 65 km north-north west of Nelspruit.

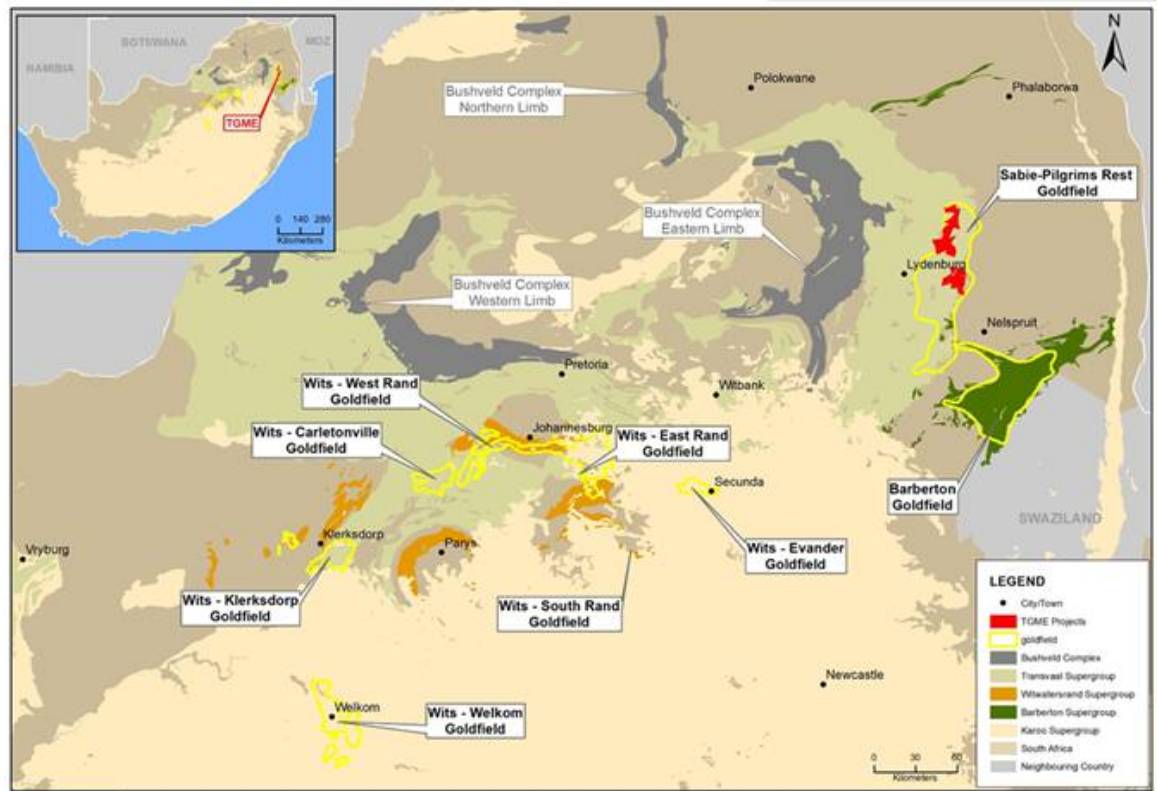


Figure 1) Location of Sabie-Pilgrim's rest Goldfield

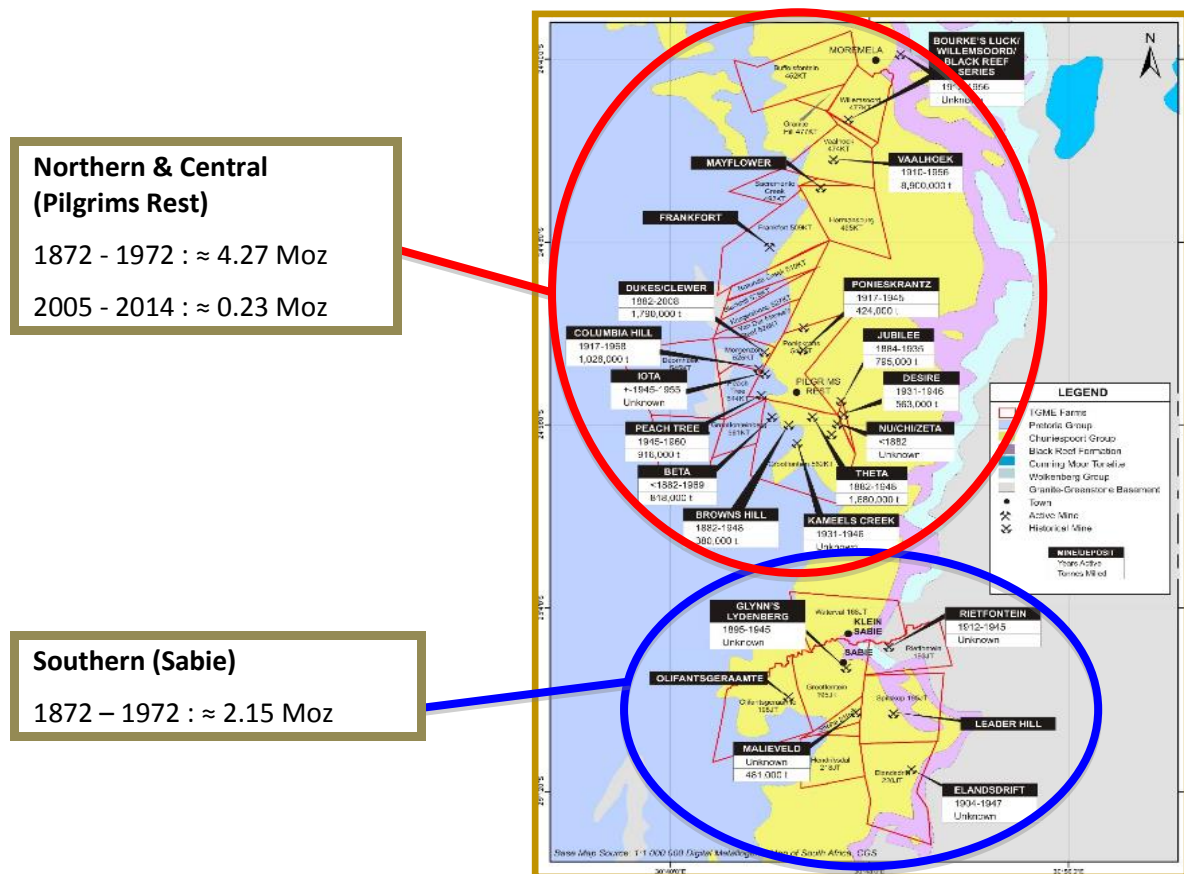


Figure 2) Map of historical mine production in the TGME project area

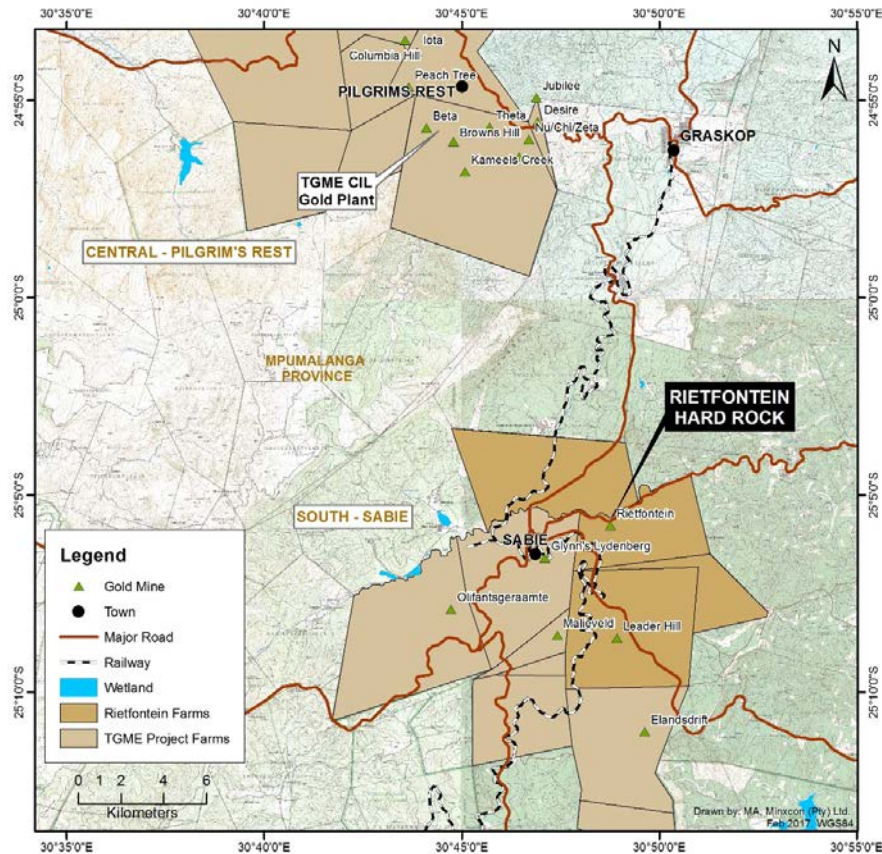


Figure 3) Location of Rietfontein mine near town of Sabie and showing local infrastructure.

The Rietfontein Scoping Study set out to achieve an industry-accepted guideline on cost estimates of up to $\pm 35\%$ and has been prepared using 2012 JORC Code guidelines. This level of confidence has been achieved through technical studies completed by the company's consultants using direct responses from industry suppliers and other sources.

The outcomes of the Study confirm the potential for the Project to be an economically viable operation (Table 2) potentially within the lowest cost quartile for global gold producers.

The Mineral Resources at Rietfontein on which the Study is based have been previously announced by SWJ (ASX release 7 February 2017). These resources form the basis for the mining planning and scheduling studies that generate a near-surface, preliminary high-grade mining inventory of:

- **1.47Mt @ 9.51g/t Au for 448koz contained gold and 387koz recovered** (assuming 10% dilution and 86% plant recovery).

Table 1: Rietfontein Mineral Resource Classification (Minxcon, 20 January 2017)

Resource Classification	Stope Au	Reef Width	Stope width	Stope	Stope Tonnes	Au Content	
	g/t	cm	cm	cm.gt	Mt	kg	koz
Measured	-	-	-	-	-	-	-
Indicated	10.06	76	111	1,113	0.720	7,247	233
Total Measured and Indicated	10.06	76	111	1,113	0.720	7,247	233
Resource Classification	Stope Au	Reef Width	Stope width	Stope	Stope Tonnes	Au Content	
	g/t	cm	cm	cm.gt	Mt	kg	koz
Inferred	11.40	108	132	1,502	1.834	20,901	672

Notes:

1. Mineral Resources are reported at resource cut-off of 1.8 g/t (230 cm.g/t).
2. 33% of the Inferred Mineral Resource occurs below the last known data point.
3. Fault losses of 5% for Indicated and 10% for Inferred Mineral Resources have been applied.

Key aspects of the Scoping Study are provided below.

Parameter	Detail
Mineral Resources	Indicated: 0.72Mt @ 10.06 g/t Au for 233koz Inferred: 1.80Mt @ 11.40 g/t Au for 672koz
Production Schedule	1.47Mt @ 9.51g/t Au for 448koz contained
Mine Life	9 yrs including ramp-up (7 yrs full production)
Processing Rate (design rate)	200ktpa
Recovery (Life of Mine)	86% overall recovery (387koz LOM recovered)
Capital Cost (peak drawdown)	US\$31M
Operating Costs	US\$ 110/t operating cost (US\$417/oz recovered)
Project NPV (10% DCF), before tax	US\$114M
LOM Capital Costs	Sustaining Capital of US\$5.8Mpa over the Life of Mine, and AISC of US\$578/oz including royalties, excluding initial capital

Table 2) Summary of Scoping Study parameters

Mining

Primary access to the underground mine will be via the existing adit on 3 Level (1015 mamsl). The adit and haulage will be enlarged from its current size of approximately 2.8 m wide by 2.8 m high to at least 3.2 m by 3.2 m. This will allow the use of rubber tyred articulated dump trucks (ADTs) underground. Ore would be extracted by shrinkage stopeing and loading and hauling will be done by load haul dumpers (LHDs) and rubber-tire trucks. The ore above 3 Level will report to 3 Level via ore passes for haulage to surface. Ore from below 3 Level will be trucked from the face to surface (3 Level). Refer to Figure 4, below.

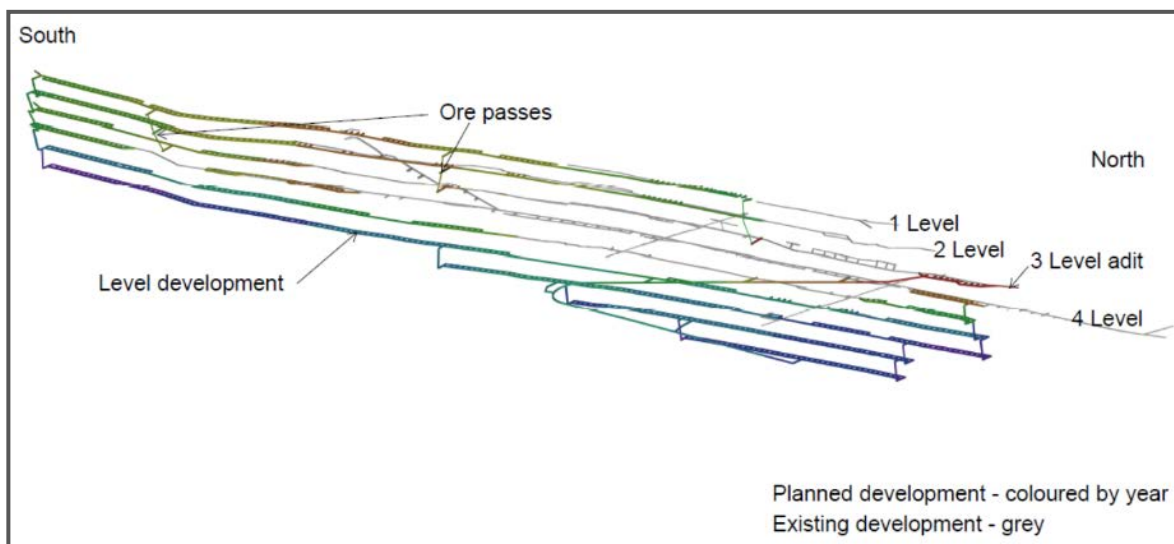


Figure 4) Layout of Rietfontein mine showing mine levels

Run of mine ore will be trucked 41km to the TGME plant. The preliminary production schedule contemplates underground mining of 200ktpa over a period of 9 years (including ramp-up period, see Figure 5).

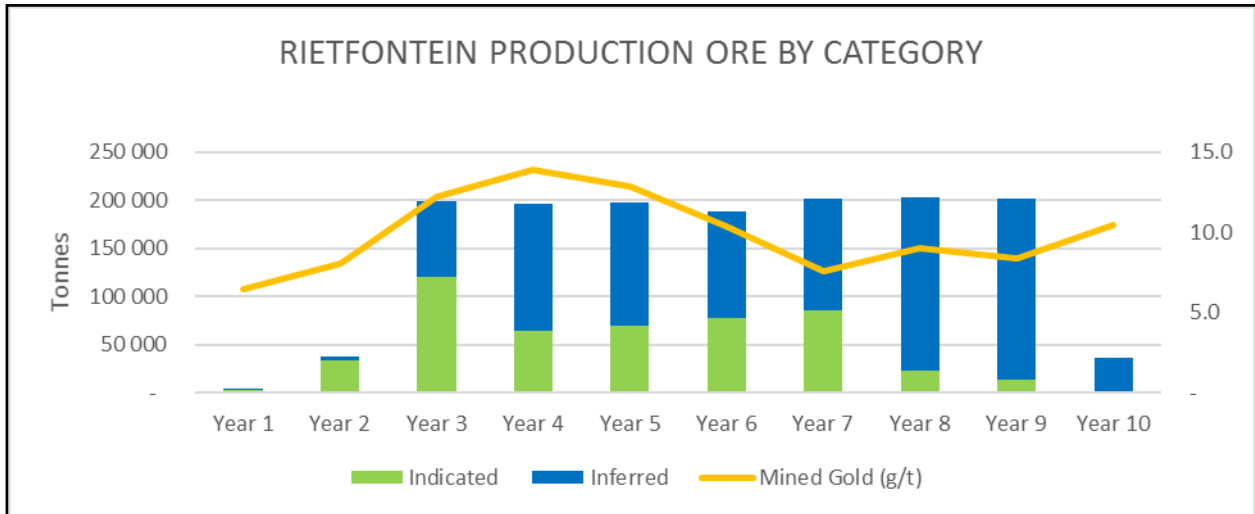


Figure 5) Scoping study model showing ore sources.

Processing

The processing of the Rietfontein ore will be done at the existing TGME processing plant following refurbishment and upgrade. Material will be crushed, milled and floated to produce a high grade concentrate. The concentrate will be partially oxidised through the introduction of oxygen in a high shear mixing environment. The concentrates will then be leached through a high grade CIL plant for the recovery of gold. Flotation tails will be processed through a separate CIL plant for the recovery of gold.

Significant effort will be put into gravity gold recovery given the past records indicating a 30% free gold recovery over simple corduroy cloth tables. It is expected that modern gravity gold recovery methods will significantly improve the free gold recovery. Carbon will be processed through an elution plant for the recovery of gold (Figure 6).

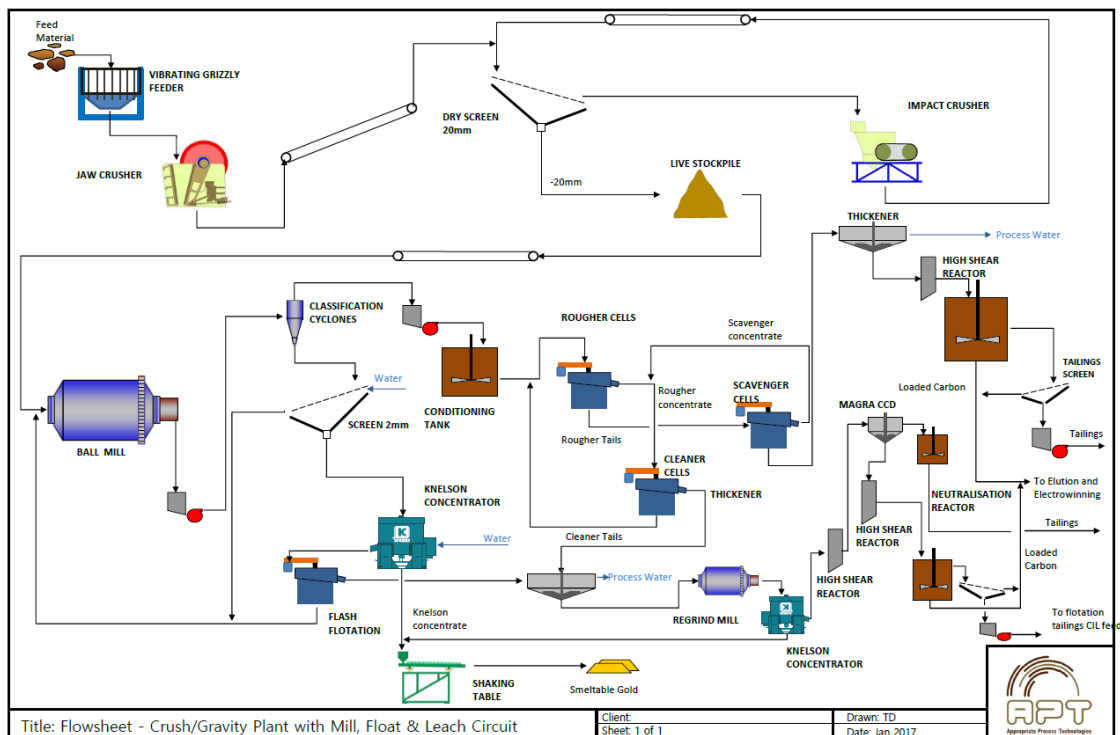


Figure 6) Proposed flowsheet for TGME plant which will treat Rietfontein ore

The processing plant was operated as recently as late 2014, early 2015 during the trial mining of the Pre Mined Residue from the Beta mine. This processing included the screening of the material followed by milling, CIL and elution for the recovery of gold. The indicative processing schedule is shown in Figure 7.

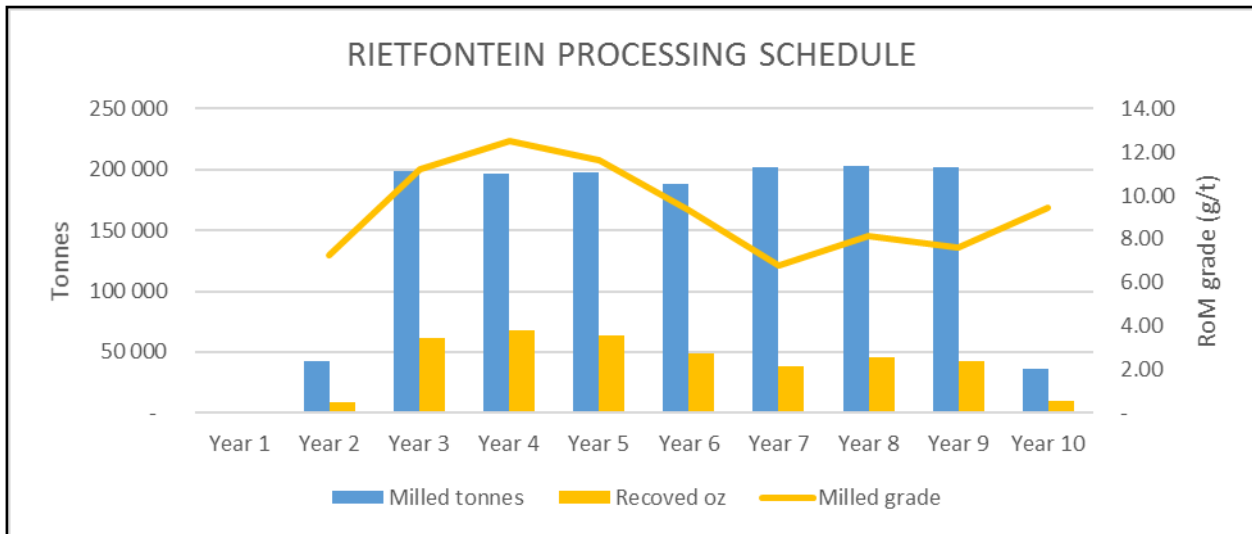


Figure 7) Proposed processing schedule.

Infrastructure

The Rietfontein mine is located immediately to the south of the main tar road between Sabie and Hazyview and some 3.3km west of the town of Sabie. The orebody strikes north-north east and approximately parallel to the main tar road between Sabie and White River and passes underneath the road at a point 5km to the southwest of the town of Sabie, see Figure 8 below.

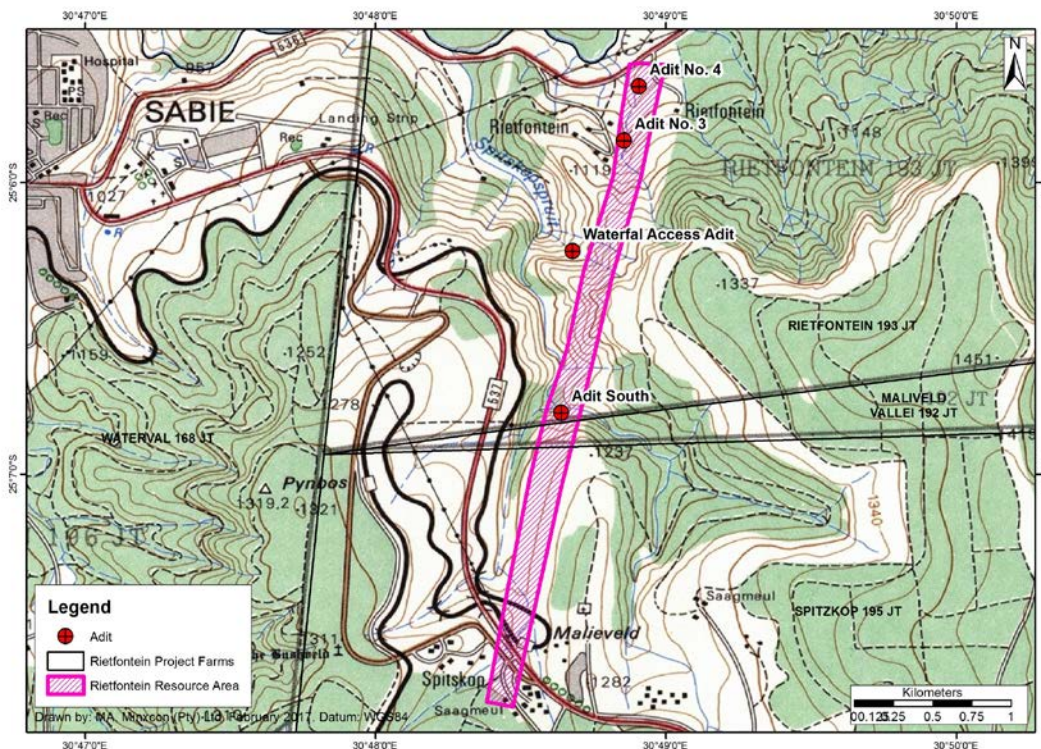


Figure 8) Location image showing orebody projection.

Underground access to Rietfontein Mine is possible through a number of existing adits however the no.3 adit (1015amsl) is the most suited to access the mine and is in good condition.

Limited infrastructure exists in the vicinity of the adit including:

- Concrete stabilised area around and above the adit entrance to prevent erosion (Figure 9)
- Stormwater drainage and water handling arrangements.
- Security shed
- Concrete apron

There is also a previously used tailings dam close to the 3 Level adit, which may be of use in the future should on-site processing be an option.

Rietfontein is 41 km from the TGME using existing public roads via the R536 to Sabie and then the R532 and R533 to Pilgrims Rest. A 22kV powerline is located 0.5 km away.



Figure 9) Location of Adit 3, recently refurbished in 2014.

The TGME plant has existing infrastructure, including but not limited to:

- Fully permitted TGME processing plant including milling, CIL, Elution, Gold Room and Tailings Facility
- Offices
- Workshops
- Stores
- Grid Power
- Water for processing activities
- The permitted tailings facility has a current estimated capacity of 2.2Mt, with further expansion to a capacity of 5 to 10Mt to be evaluated as part of pre-feasibility work (Figure 10).



Figure 10) Aerial shot of TMGE processing plant & tailings storage dam, 41km from Rietfontein.

Environmental and permitting

The legal mining permit issued in 2006, allows for the mining of this venture and specifically by a Mining Right (358MR) registered with the DMR. The mining permit is valid until 2028 with options to extend.

This Right allows for the construction of the surface infrastructure; rehabilitation of the adits; access to the underground workings; disposal of waste rock on the surface and mining of ore.

Power lines suitable for providing the necessary power for infrastructure and mining are nearby and follow the main bitumen road which allows direct access to the site. The Right also allows for the transport of ore along this road to Pilgrims Rest, where Stonewall's TGME Metallurgical Processing Facility is situated some 41 km from Rietfontein Mine.

The project also has a Water User Licence which is valid for the duration of the Project. The mining right includes phase two developments in the Southern area of Rietfontein; where additional mining infrastructure is planned on surface.

Operating Costs

Operating costs for the mining and processing of the Rietfontein ore have been estimated to scoping levels of accuracy using benchmark costs available to Bara Consulting and Stonewall Resources. The mining operating costs are benchmarked against other similar sized narrow vein gold mines in Southern Africa.

Processing costs were estimated based on Stonewall and Bara's experience with similar gold processing plants.

Technical services, engineering and head office overhead costs were benchmarked from similar sized operations in the Bara database (Table 3).

OPERATING COST		
Mining	48	US\$/t
Engineering	11	US\$/t
Surface transport	9	US\$/t
Technical Services	9	US\$/t
Processing	22	US\$/t
Finance and Administration	7	US\$/t
Head Office Overheads	3	US\$/t
Total Operating Cost	110	US\$/t

Table 3) Estimated operating costs

This amounts to an average (C1) operating cost of US\$417 per oz of gold produced.

Mining modifying factors were estimated based on the nature of the orebody and the mining method applied, as follows:

- Minimum mining width of 90 cm
- Pillar losses of 15%
- Dilution
 - Planned (gullies and development) at 3%
 - Unplanned at 10%
- Mine call Factor (inverse of gold loss) of 90%

Capital Cost

The project capital costs required for the refurbishment and upgrade of the processing plant, mining infrastructure and other mine development is estimated at US\$37M (Table 4). Re-opening and development of the underground mine is on the critical path of the project and refurbishment and upgrade of the TGME plant is required to commence in the second half of year 1 and first gold production is expected in the middle of the second year.

CAPITAL COST		
Mining - development	44	US\$M
Mining equipment	4	US\$M
Underground infrastructure	6	US\$M
Surface Infrastructure	2	US\$M
TGME Plant	18	US\$M
EPCM	1	US\$M
Sustaining capital	3	US\$M
Project Capital	37	US\$M
Development and sustaining Capital	41	US\$M
Total Life of Mine (LOM) Capital Cost	78	US\$M

Table 4) Life of Mine Capital Costs

Due to the fast tracked project schedule cash flow from gold sales is expected as early as Year 2, reducing the peak funding requirement (maximum drawdown) to US\$31M.

Sustaining capital, which includes underground waste development and other normal sustaining capital items amounts to an additional US\$41M, or an average of US\$5.8M per year during steady state production.

The all-in-sustaining-costs (AISC), which includes operating cost, sustaining capital and royalties is estimated at US\$578/oz of gold sold.

Cashflow

Life of mine revenue, before deduction of royalties, is estimated at US\$464M, based on a gold price of US\$1200 per oz. Life of mine pre-tax net cashflows are estimated at US\$218M, averaging US\$31M per year. These figures are exclusive of initial capital expenditure (first two years).

Price Assumptions

The financial modelling and revenue assumptions are based on a US\$ gold price of \$1200 per oz. In estimating capital and operating costs a ZAR to US\$ exchange rate of R13.50 : US\$1.00 was assumed.

NPV

The project pre-tax Net Present Value (NPV), at a nominal 10% discount rate, is US\$114M.

IRR & Payback Period

The Project Internal Rate of Return (IRR) is 83%, reflected in the two year period to payback upfront capital costs.

Sensitivities

The key financial projections of the project are most sensitive to movements in the revenue stream. This is driven by changes to either gold price or recovered grade. Movement of 10% in the revenue received (either grade or gold price) results in change of US\$26M or 23% movement (Figure 11).

The project is less sensitive to changes in opex and least sensitive to capital cost variation (Figure 12).

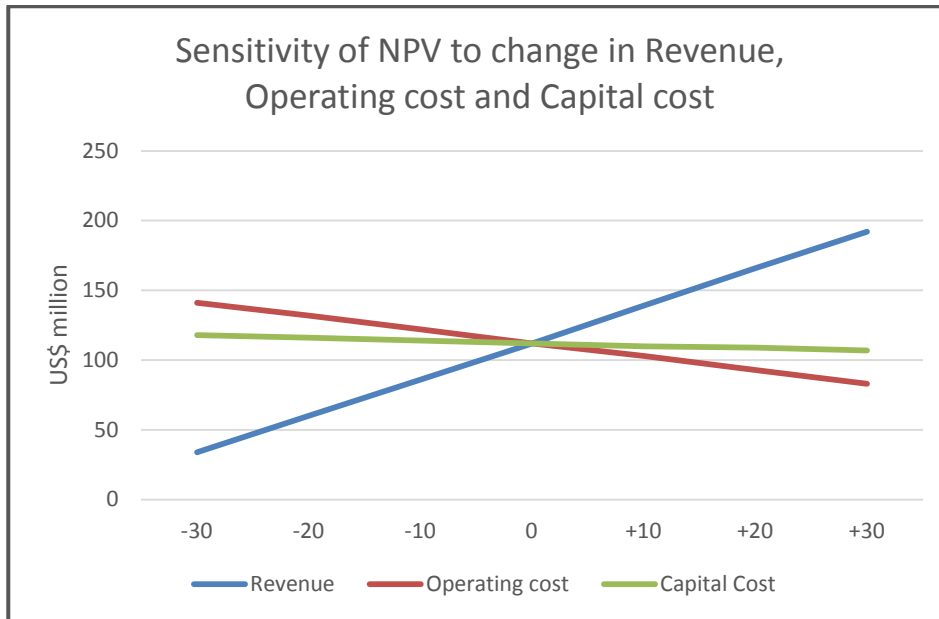


Figure 11) Operating and Capital Cost Sensitivity

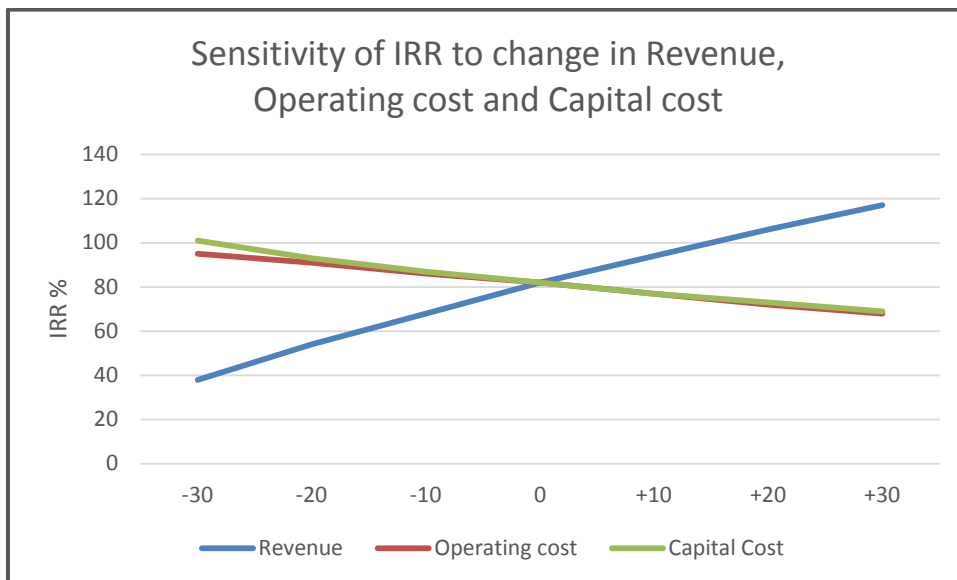


Figure 12) IRR sensitivity. Source : Bara

Future work

A drilling program designed by the company's competent person (Minxcon) is planned for the Rietfontein project with a view to increasing the confidence level of resources in the mining inventory through increasing the quantity of indicated resources, as well as to test for strike and depth extensions.

In addition, samples will be taken from the current underground faces with a view to upgrading the current resources on the Rietfontein mine. This resource sampling will generate samples for metallurgical testwork which will allow for further enhancements to the process flow diagram as well as provide input into the geotechnical and groundwater studies. Nine phases of drilling for a total of 30,387 metres (76 holes) is planned (Figure 13).

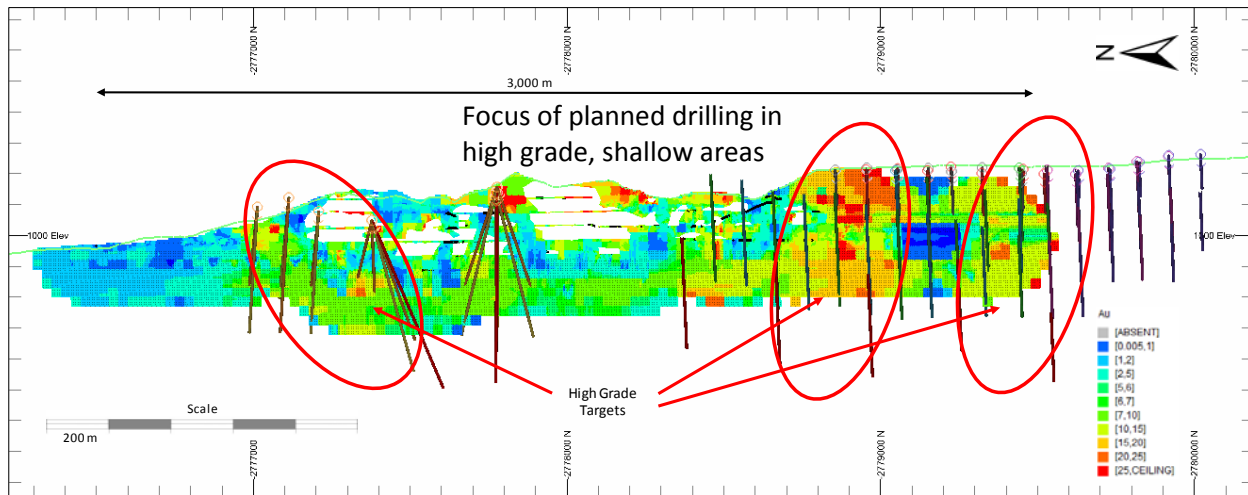


Figure 13) Proposed exploration program at Rietfontein: A Total of 76 holes are planned to upgrade the resource.

COMPETENT PERSON'S STATEMENT

The Competent Person responsible for the Mineral Resources as presented in this press release is Mr Uwe Engelmann (BSc (Zoo. & Bot.), BSc Hons (Geol.), Pr.Sci.Nat. No. 400058/08, MGSSA) of Minxcon (Pty) Ltd. Mr Engelmann is satisfied that the information as presented by Stonewall is a true reflection of the Mineral Resources of the Rietfontein Gold Project. The Mineral Resources as presented in the consolidated Mineral Resource tabulations represents a true reflection of the existing JORC Code (2012) compliant stated Mineral Resources (as per 2017 estimates) together with the updated Rietfontein Mineral Resources for all the Stonewall operations. Mr Engelmann is satisfied that the information as presented by Stonewall may be publically disclosed.

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 high-grade gold projects, provide cost advantages relative to other gold producers in the region.

SWJ's core projects are TGME, located next to the historical gold mining town of Pilgrims Rest, and Sabie Mines, located in the Sabie are, both 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 2012 – 2015, the Company is currently focussing on the refurbishment of the existing CIL plant and Elution Circuit with the intention of resuming gold production by 2018. The Company aims to build a solid production platform from which it can expand the production profile and extend the mine life of the project.

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

Please visit our website: www.stonewallresources.com

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FORWARD LOOKING STATEMENT

This announcement contains Forward Looking Statements, which are at the time of publication believed to have a reasonable basis, however are subject to inherent uncertainties, risks and other factors which may occur in the future and give cause to change the assumptions and forecasts made in this document.

Investors are asked not to place undue reliance on such forecasts, and SWJ is under no obligation to inform the market if any of these assumptions change in the future, excluding normal disclosure and market reporting requirements as required under ASX guidelines and applicable law.

This release contains a summary of information relating to the potential mine development, however does not propose to contain all relevant information, and SWJ makes no warranty as to the completeness or accuracy of the information provided. Any conclusions, inferences, judgments, opinions, recommendations or other interpretations either contained in this document should not be relied upon. There can be no assurance that future results or events will be consistent with any such opinions, forecasts or estimates.

Recipients of this document are advised to conduct their own investigation as to the reasonableness of the assumptions made in this release, and to take into account their own circumstances in consultation with their advisers, when considering any investment in the available securities or instruments relating to the company referred to in this release. This document is not to be interpreted as a recommendation to subscribe, purchase or otherwise obtain or dispose of any securities or other instruments naming Stonewall Resources or related parties. Neither this report nor the information contained in it is intended to be an offer to any person, or to induce or attempt to induce any person to enter into or to offer to enter into any agreement for or with a view to acquiring, disposing of, subscribing for or underwriting securities or undertaking any commercial transactions relating to the assets covered in this report.

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MATERIAL ASSUMPTIONS

Material Assumptions

Material assumptions used in the estimation of the production target and associated financial information are set out in the following table:

Criteria	Commentary
Mineral Resource estimate underpinning the production target	<p>The Mineral Resource estimate declared on 7 February 2017 underpins the production target. This estimate was prepared by a Competent Person in accordance with JORC Code 2012.</p> <p>The production target is approximately 387koz of recovered gold, at an average targeted production rate of 60kozpa for the first four years of full production and peaking at 68kozpa. Approximately 34% of the total production target is in the Indicated and 66% in the Inferred Resource categories. A cut off of 5 g/t Au has been used in determining the production target in the scoping study mine plan.</p>
Site Visits	<p>Site visits were carried out by representative of the;</p> <ul style="list-style-type: none"> • Independent Resource Consultant • Representatives of the Mining, Engineering and geo-technical consultancy, • Metallurgical consultancy.
Study Status	<p>The production target and financial information in this release are based on a scoping study. The scoping study referred to in this announcement is based on low-level technical and economic assessments and is insufficient to support the estimation of Ore Reserves or to provide assurance of an economic development case at this stage or to provide certainty that the conclusions of the scoping study will be realised.</p>
Mining factors or assumptions	<p>Mining modifying factors were estimated based on the nature of the orebody and the mining method applied, as follows:</p> <ul style="list-style-type: none"> • Minimum mining with – 90 cm • Dilution <ul style="list-style-type: none"> ○ Planned (gullies and development) – 3% ○ Unplanned – 10% • Mine call Factor (inverse of gold loss) – 90% • Pillar losses – 15% <p>These are considered appropriate after assessing the nature of the orebody as well as the likely mining methods.</p>
Metallurgical factors or assumptions	<p>Overall metallurgical recovery of 86%. Free gold recovery of 30% (This is expected to be as high as 50% with current gravity recovery methods). Information is partly based on a Boxall report done in 1938.</p> <p>Float recovery of 77% (this is expected to be higher with current flotation technologies). CIL recovery on oxidised flotation concentrate 85% (Fowler). This is expected to be matched given the older roaster technologies and expected inefficiencies during the operations in the 1930's. CIL recovery on flotation tails 65% (Estimate based on Fowler report)</p>
Environmental	<p>Rietfontein is fully permitted for mining and removal of material through road transport including an approved Water User Licence</p>

Criteria	Commentary
Infrastructure	An assessment of public infrastructure has been carried out. On mine infrastructure has been scoped according to industry practice and scoping study level capital estimates have been made.
Capital Costs	<p>Capital estimates have been developed using a combination of benchmark projects and consultant databases. Capital costs include:</p> <ul style="list-style-type: none"> • Cost to establish the underground mine and mining equipment • The cost of refurbishing the processing plant, which includes all infrastructure related to processing the ROM ore and disposing of the tailings. • The cost of mine support infrastructure, including infrastructure required for explosives, electrical power and pumping. • Indirect project costs, such as engineering costs, freight and contingency. <p>The capital costs do not make provision for the following:</p> <ul style="list-style-type: none"> • Head office costs. • Mine closure and environmental costs. • Social responsibility costs. <p>The costs presented are real costs and are exclusive of escalation.</p>
Operating Costs	<p>The basis of Operating Costs has been defined as the cost of all ongoing mining, processing and operational activities. Operating costs therefore comprise:</p> <ul style="list-style-type: none"> • The cost of underground mining including ore development and stoping, including the cost of man power, consumables and bulk supply. • The cost of processing the ore to saleable products, including the cost of man power, consumables and bulk supply. • The cost of shared services for the support of the operation, including the cost of on- site labour, infrastructure, camp costs and bulk supply. • The cost of transporting the ore from the mine to the processing facility. <p>Operating costs have been determined through database costs and estimations based on similar operations.</p> <p>The costs presented have a base date of February 2017, are presented in United States Dollars.</p> <p>The operating costs do not make provision for the following:</p> <ul style="list-style-type: none"> • Head office costs. • Closure and environmental costs. • Off-site costs. • Social responsibility costs. <p>The costs presented are real costs and are exclusive of escalation. The Company believes that on- site operating costs will be within the lower quartile of the industry peer group. The basis for this assumption is the ability to discretely mine high grade ore by selective mining with hand-held drilling methods (shrinkage stoping). The mining operation is simple and small requiring only around 17,000 tonnes per month of feed to the plant.</p>
Revenue factors	A gold price of US\$1200 per oz has been assumed in the scoping study. The ZAR to US\$ exchange assumed is R13.50 to US\$1.00.

Criteria	Commentary
Schedule and Timeframe	The project development schedule indicates that the Project can be constructed and be in production within two years. The re-opening of the mine is on the critical path. The major capital expenditure on the refurbishment of the TGME processing plant is required approximately six months to a year later than the start-up capital for the mine re-opening.
Funding	The Company believes that reasonable grounds exist to assume that funding for the Project will be available. The Company believes that the highly robust economics, relative efficient capital intensity and modest project size and approach will facilitate successful fund raising for the project. The ability of a Project to be funded remains a key risk to successful project implementation.
Economic	A discount rate of 10% has been used for financial modelling. This number was selected as a generic cost of capital and considered a prudent and suitable discount rate for project funding and economic forecasts in Africa.
Social	The Company is involved with a number of projects in the local communities. General acceptance of the project is good. No material risks have been identified in this regard.
Other	There are no known naturally occurring material risks to the Rietfontein Project.
Classification	<ul style="list-style-type: none"> Resources were classified in accordance with the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition). The classification of the Mineral Resources was completed based on the geological continuity, estimation performance, number of drill samples, drill hole spacing and sample distribution. The Competent Person is satisfied that the result approximately reflects his view of the deposit. <p>Mineral Resource Estimation and Reporting methods are discussed in "Section 3 of Appendix A, JORC Code, 2012 Edition – Table 1 reporting template"</p>
Audit or reviews	The mining and processing and infrastructure components of the scoping study were independently reviewed by Stonewall specialist consultants. No material issues were identified by the reviewers.

STONEWALL MINING CONSOLIDATED MINERAL RESOURCES

Following the increase of the Rietfontein Mineral Resources (specifically the Inferred Mineral Resources), the following Stonewall Mining Consolidated Mineral Resource Statement has been compiled for the Stonewall operations, incorporating the JORC (2012) compliant Rietfontein Mineral Resources with the existing JORC (2004) compliant Mineral Resources of Stonewalls other project areas:-

Table 1: Updated January 2017 Mineral Resources of the Underground Stonewall Operations

Mineral Resource Category	UG Mine	Reef	Density	Tonnage	Gold Grade	Gold Content		Cut-Off Grade
			t/m ³	Mt	g/t	kg	koz	cm.g/t
Measured	Frankfort	Bevette's	3.6	0.170	4.77	811	26.1	133
Total Measured			3.6	0.170	4.77	811	26.1	133
Indicated	Frankfort	Bevette's	3.6	0.282	5.04	1,421	45.7	133
	DH/Clewer	Rho	3.3	0.696	3.39	2,359	75.8	133
	Beta	Beta	3.6	0.591	4.86	2,871	92.3	133
	Rietfontein*	Rietfontein	2.9	0.720	10.06	7,247	233	230
	Olifantsgeraamte	Olifantsgeraamte	3.6	0.090	4.43	399	12.8	133
Total Indicated			3.3	2.379	6.01	14,297	459.6	
Total Measured and Indicated			3.3	2.549	5.93	15,108	485.7	

Mineral Resource Category	UG Mine	Reef	Density	Tonnage	Gold Grade	Gold Content		Cut-Off Grade
			t/m ³	Mt	g/t	kg	koz	cm.g/t
Inferred	Frankfort	Bevette's	3.6	0.468	5.30	2,480	79.7	133
	DH/Clewer	Rho	3.3	0.046	2.09	96	3.1	133
	Beta	Beta	3.6	6.165	3.11	19,174	616.5	133
	Theta	Theta lower	3.8	0.104	9.78	1,017	32.7	133
	Morgenzon	Top Rho	3.8	0.053	5.51	292	9.4	133
	Vaalhoek	Vaalhoek	3.8	1.346	5.74	7,726	248.4	133
	Ponieskrantz	Portuguese	3.8	0.549	2.77	1,521	48.9	133
	Rietfontein*	Rietfontein	2.9	1.834	11.40	20,901	672.0	230
	Olifantsgeraamte	Olifantsgeraamte	3.6	0.421	4.59	1,932	62.1	133

Mineral Resource Category	UG Mine	Reef	Density	Tonnage	Gold Grade	Gold Content		Cut-Off Grade
			t/m ³	Mt	g/t	kg	koz	cm.g/t
	Glynn's	Compound Hill	3.8	3.840	3.84	14,746	474.1	133
	Malieveld	Glynn's	3.8	1.709	3.51	5,999	192.9	133
	Nestor	Sandstone	3.8	0.443	2.37	1,050	33.8	133
	Frankfort	Theta	3.6	0.226	2.56	577	18.6	133
	Dukes Hill	Theta	3.0	0.124	13.45	1,668	53.6	133
Total Inferred			3.6	17.328	4.57	79,179	2,545.8	

Notes:

1. * Rietfontein Mineral Resources as presented are in compliance with the JORC Code (2012) and constitute an updated estimate of historical data.
2. The Mineral Resources of the remainder of the areas are in compliance with the JORC Code (2004).
3. Mineral Resources for the underground operations are reported at resource cut-off of 230 cm.g/t for Rietfontein and 133 cm.g/t for the remainder.
4. 33% of the Inferred Mineral Resource is below the last known data point for the Rietfontein Mineral Resource.
5. Fault losses of 5% for Indicated and 10% for Inferred Mineral Resources have been applied to Rietfontein.
6. Only the Mineral Resources lying within the legal boundaries are reported.
7. 1 kg = 32.15076 oz.
8. Columns may not add up due to rounding.
9. The Effective date of the Mineral Resource statement is 30 June 2014 for all the declared Mineral Resources, with the exception of Rietfontein where the effective date is 20 January 2017.
10. Beta Mine Mineral Resources have been calculated over 90 cm stopping width; Frankfort Mine calculated over minimum achievable stopping width of 90 cm; Rietfontein Mine calculated over a diluted stope width of 128 cm.
11. The tonnages and grades are quoted as in situ tonnes.
12. Mineral Resources declared are for the entire project and have not been divided into attributable portions.

Table 2: June 2014 Mineral Resources of the Open-pittable Surface Stonewall Operations

Mineral Resource Category	Surface Operation	Operation Type	Density	Tonnage	Gold Grade	Gold Content		Cut-Off Grade
			t/m³	Mt	g/t	kg	koz	g/t
Measured	Hermansburg	Open Pit	2.3	0.151	1.59	240	7.7	0.2
Total Measured			2.3	0.151	1.59	240	7.7	0.2
Indicated	Hermansburg	Open Pit	2.3	0.752	1.2	902	29	0.2
	DG1		2.3	0.389	1.72	669	21.5	0.2
	DG2		2.3	2.032	0.61	1240	39.9	0.2
Total Indicated			2.3	3.173	0.88	2811	90.4	0.2
Total Measured and Indicated			2.3	3.324	0.92	3051	98.1	0.2

Mineral Resource Category	Surface Operation	Operation Type	Density	Tonnage	Gold Grade	Gold Content		Cut-Off Grade
			t/m³	Mt	g/t	kg	koz	g/t
Inferred	Hermansburg	Open Pit	2.3	0.244	0.41	100	3.2	0.2
	DG1		2.3	0.286	1.42	406	13.1	0.2
	DG5		2.3	0.271	0.5	136	4.4	0.2
Total Inferred			2.3	0.801	0.8	642	20.7	0.2

Notes:

1. All the open-pittable Mineral Resources are in compliance with the JORC Code (2004).
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. All open-pittable Mineral Resources have an effective date of 30 June 2014.
6. Mineral Resources declared are for the entire project and have not been divided into attributable portions.

Table 3: June 2014 Mineral Resources of the Stonewall Tailings Dams

Mineral Resource Category	Surface Operation	Reef	Density	Tonnage	Gold Grade	Gold Content		Cut-Off Grade
			t/m ³	Mt	g/t	kg	koz	g/t
Measured	Glynn's Lydenburg	Tailings	1.4	1.212	0.8	970	31.2	0
	Blyde 1	Tailings	1.4	0.447	0.72	322	10.4	0
	Blyde 2	Tailings	1.4	0.22	0.61	134	4.3	0
	Blyde 3	Tailings	1.4	0.274	0.88	241	7.7	0
	Blyde 4	Tailings	1.4	0.141	0.73	103	3.3	0
Total Measured			1.4	2.294	0.77	1770	56.9	0
Indicated	Blyde 5	Tailings	1.4	0.012	0.58	7	0.2	0
Total Indicated			1.4	0.012	0.58	7	0.2	0
Total Measured and Indicated			1.4	2.306	0.77	1777	57.1	0

Mineral Resource Category	Surface Operation	Reef	Density	Tonnage	Gold Grade	Gold Content		Cut-Off Grade
			t/m ³	Mt	g/t	kg	koz	g/t
Inferred	Blyde 3a	Tailings	1.4	0.023	0.57	13	0.4	0
	TGME Plant	Tailings	1.4	2.101	3.09	6,490	208.6	0
Total Inferred			1.4	2.124	3.06	6,503	209.0	0

Notes:

1. The Tailings Dam Mineral Resources are in compliance with the JORC Code (2004).
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. Effective date 30 June 2014 for the Mineral Resource statement.
6. Mineral Resources declared are for the entire project and have not been divided into attributable portions.

Table 4 : June 2014 Mineral Resources of the Stonewall Rock Dumps

Mineral Resource Category	Surface Operation	Reef	Density	Tonnage	Gold Grade	Gold Content		Cut-Off Grade
			t/m ³	Mt	g/t	kg	koz	g/t
Inferred	Vaalhoek	Rock Dump	1.7	0.121	1.59	192	6.2	0.2
Total Inferred			1.7	0.121	1.59	192	6.2	0.2

Mineral Resource Category	Surface Operation	Reef	Density	Tonnage	Gold Grade	Gold Content		Cut-Off Grade
			t/m ³	Mt	g/t	kg	koz	g/t
Inferred	Plant Floats	Processed Material	1.6	0.041	0.54	22	0.7	0
Total Inferred			1.6	0.041	0.54	22	0.7	0

Mineral Resource Category	Surface Operation	Reef	Density	Tonnage	Gold Grade	Gold Content		Cut-Off Grade
			t/m ³	Mt	g/t	kg	koz	g/t
Inferred	Beta Main	Rock Dump <9 mm	1.8	0.048	1.13	54	1.7	0
Inferred	Beta Main	9 mm to 20 mm	1.8	0.061	0.55	33	1.1	0
Total Inferred			1.8	0.109	0.81	88	2.8	0

Notes:

1. All the Rock Dump Mineral Resources are in compliance with the JORC Code (2004).
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. Effective date 30 June 2014 for the Mineral Resource statement.
6. Mineral Resources declared are for the entire project and have not been divided into attributable portions.

Table 5: Total Mineral Resource Statement of Total Stonewall Operations as at 20 January 2017

Mineral Resource Category	Type of Operation	Tonnage	Gold Grade	Gold Content	
		Mt	g/t	kg	koz
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*	2.379	6.01	14297	459.6
	Surface	3.173	0.88	2,811	90.4
	Tailings	0.012	0.58	7	0.2
Total Indicated		5.564	3.08	17,115	550.2
Inferred	UG*	17.328	4.57	79179	2,545.8
	Surface	0.801	0.8	642	20.7

Mineral Resource Category	Type of Operation	Tonnage	Gold Grade	Gold Content	
		Mt	g/t	kg	koz
	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		20.523	4.22	86,626	2,785.3
Grand Total		28.702	3.71	106,562	3,426.2

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 Mineral Resource estimation for Rietfontein 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.
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 Mineral Resources) totals some 28.7Mt at a weighted mean grade of 3.71 g/t Au for about 106.6 tonnes of gold translating into some 3.4Moz.

RIETFontein – JORC UPGRADE (JORC TABLE ONE)

Section 1 Sampling Techniques and Data

SECTION 1: SAMPLING TECHNIQUES AND DATA			
Criteria	Explanation	Detail	Reference
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.	Only two types of sampling are applicable to Rietfontein Gold Mine. a) Channel chip sampling and b) drillhole sampling. All chip samples values were captured as 'pennyweights' (dwt) (Pre-1946) The quality of the chip sample could not be ascertained due to its historical nature. A total of 2,265 chip samples were captured off original assay sheets. b) 6 Of the 8 drillholes indicated poor recoveries. Drilling was undertaken in the 1990s.	5.1.1 5.1.2 5.5.1
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Chip sample positions were plotted on the development centre lines indicating face sampling normal to the reef dip. All values were converted using factors of 2.54 cm for 1 inch and 1.714285 g/t for 1 dwt. The underground sampling grid typically occurred on a 2m by 2m grid where applicable, which is a historical grid (Pre-1946). This grid was put in place due to the nugget effect of the reef. The minimum size of the samples was 20 cm to obtain a minimum weight of 500 grams.	5.1.1 5.5.1
	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	Samples presented in the database represent full reef composites. 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.	5.1.2 5.5.1

SECTION 1: SAMPLING TECHNIQUES AND DATA			
Criteria	Explanation	Detail	Reference
	information.		
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.).	Drilling was in the form of diamond drilling. Only core loss, intersection length and grade (g/t) are recorded. Due to the age of the data in question and the non-availability of the historical drill core, information regarding drilling diameter, drill tube type, core orientation is not available.	5.2
Drill sample recovery	Method of recording and assessing core and chip sample recoveries and results assessed.	Diamond drill core recovery was recorded on the available sampling plan, however no record exists as to how sample recoveries were assessed.	5.3
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	Due to the historical nature of the data in question, measures taken to maximise sample recovery and ensure representative nature of the samples are not known.	5.3
	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 due to the lack of historical drill core and sample rejects. 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. Twinning of these historical holes might serve to support this theory.	5.3
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.	No drillhole logs are available for the surface drilling on the Rietfontein Gold Mine, only sample points from a sampling plan. New exploration drillholes would have to be utilised to conduct such studies. This has also resulted in Minxcon downgrading some of the previous Indicated Mineral Resources to Inferred Mineral Resources.	5.4
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	No drillhole logs are available for the surface drilling on the Rietfontein Gold Mine, only sample points from a sampling plan. New exploration drillholes would have to be utilised to conduct such studies. This has also resulted in Minxcon downgrading some of the previous Indicated Mineral Resources to inferred Mineral Resources. No core or core photography is available for review.	5.4
	The total length and percentage of the relevant intersections logged.	Not known: No drillhole logs are available.	5.4
Sub-sampling techniques and sample preparation	If core, whether cut or sawn and whether quarter, half or all core taken.	Once the core had been split the core was sampled either along lithological boundaries or in 1 m intervals. The smallest sample that was taken was 25 cm which is governed by the minimum weight required for a laboratory sample. No drill core was however available for review.	5.5.3.1
	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.	5.5.3.1
	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.	5.5.3.1
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Not known. Historical sub-sampling techniques were not available for review.	5.6.3 5.6.4 5.6.5
	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.	Not known. Historical sub-sampling techniques were not available for review.	5.5.3.1
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Not known. Historical sample size taken were not recorded	5.5.3.1 5.6.5
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. It is assumed that the technique represents total analysis.	5.5.3.1
	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 conducted by laboratories as mentioned above were utilised in the generation of the Rietfontein sampling database.	5.6.1

SECTION 1: SAMPLING TECHNIQUES AND DATA			
Criteria	Explanation	Detail	Reference
	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) and precision have been established.	No records of Assay QAQC are available for the dataset in question due to the age there-of (i.e. Pre-1946 for chip sampling, and 1990s for drilling).	5.5.3.1 5.6.1
Verification of sampling and assaying	The verification of significant intersections by either independent or alternative company personnel.	No verification of assay results is currently possible due to the historical nature of the data and the non-availability of the core	5.7
	Discuss any adjustment to assay data.	No adjustments were made to raw assay data according to Minxcon's knowledge.	5.7
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Not Known. Historical data capture and data entry procedures were not available for review.	5.7
	The use of twinned holes.	No twinned holes were drilled.	5.7
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.	Stonewall has utilised a handheld GPS for the purpose of locating historical adits and mine entrances, which in turn have been utilised in positioning the historical underground working in 3D. The sampling has in turn been fixed to the underground development and stoping voids. It is Minxcon's opinion that sample positional accuracy would be within 5 to 10 m of the original sample point (within acceptable limits of a GPS).	5.8
	Specification of the grid system used.	The grid system used is Hartebeeshoek 1994, South African Zone WG31.	5.8
	Quality and adequacy of topographic control.	Minxcon utilised the GPS co-ordinates provided by Stonewall for the adit positions, as well as ventilation openings to assist in verifying and fixing the workings in 3D space. Very good correlation between the digital topography and the underground mining profiles was found.	5.8
Data spacing and distribution	Data spacing for reporting of Exploration Results.	No Exploration Results have been reported	5.9
	Whether the data spacing and 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.	It is Minxcon's opinion that drillhole and sample spacing is adequate for the purpose of conducting meaningful Mineral Resource estimation to the level of Indicated Mineral Resources in and around stoping areas due to the density of the chip sampling data.	5.9
	Whether sample compositing has been applied.	All samples within the database represent full reef composites.	5.9
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.	Mineralised zones are vertical to sub vertical. Drillholes were orientated at angles to intercept the mineralised shear zones at as near a perpendicular angle in plan and acute angle in section as possible in order that the sampling of drill core minimises the sampling bias. Chip sampling was conducted normal to reef dip. It is Minxcon's view that sampling orientation has attempted to reduce sample bias with respect to angle of intersection. All intersections represented corrected reef widths.	5.10
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this	Available information indicates that the drilling orientation provides reasonably unbiased sampling of the mineralisation zones.	5.10
Sample security	The measures taken to ensure sample security.	Measures taken to ensure sample security are not available due to the historical nature of the data in question.	5.11
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	The Rietfontein underground areas are currently inaccessible, thus the sampling data cannot be verified as there is no audit trail. Therefore, review of sample techniques was not possible. Minxcon reviewed all historical datasets attributed to Rietfontein, 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	5.12

Section 2 Reporting of Exploration Results

SECTION 2: REPORTING OF EXPLORATION RESULTS			
Criteria	Explanation	Detail	Reference
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) (which wholly owns Rietfontein Gold Mine) and Sabie Mines Proprietary Limited (Sabie), the balance is held by Black Economic Empowerment (BEE) entities. Stonewall is in the process transferring an additional 10% over to BEE entities, after which it will hold a 74% interest in Bosveld. This is in line with the requirements of the South African Mining Charter. 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). TGME, Sabie and Bosveld all carry out gold mining operations in South Africa.	2.5
	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 Mining Right No. 358MR was executed on 5 June 2013. The Mining right is valid for a period of 15 years after execution date. The 358MR is valid up until 4 June 2028.	2.5.3.3
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	Acknowledgement is hereby made for the historical exploration done by Cheston Minerals who conducted some drilling on the Rietfontein Gold Mine in the 1990's.	3.4 6.2
Geology	Deposit type, geological setting and style of mineralisation.	The Rietfontein Reef is a vertical hydrothermal quartz vein occurring in the basement granites. It penetrates the overlying Black Reef Quartzite for a short distance before petering out. The quartz vein follows the regional trend of faulting on a NNE – SSW direction. It has been traced over 16 km on strike and mined for 3 km along its strike length. The gold-bearing material contains appreciable amounts of silver, copper, arsenic and bismuth. The granite surrounding the quartz vein is heavily decomposed as a result of the hydrothermal fluids and influx of surface water along the outcrop trace of the quartz vein.	6.3
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.	A total of 8 diamond drillholes have been drilled on the Rietfontein property. Collar information, drilling metres, etc. are not available. Only the reef intercepts on section, reef width, gold grade and core loss are available.	6.4
	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.	Of the 8 drillholes included in the database, a total of 4 were excluded from the estimation due to excessive poor core recovery.	6.4
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 intersection. For the purpose of the Mineral Resource estimation only Inferred Mineral Resource were reported in areas in proximity to the historical drillholes.	6.5
	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 use in the Mineral Resource estimation. Data aggregation methods utilised in generating the full reef composites are not available for review due to the age of the data.	6.5
	The assumptions used for any reporting	No metal equivalents were calculated.	

SECTION 2: REPORTING OF EXPLORATION RESULTS			
Criteria	Explanation	Detail	Reference
	of metal equivalent values should be clearly stated.		
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 drillhole angle are not known. Downhole lengths have not been reported – only true reef widths have been recorded on the historical sampling plans and sections.	6.6
		Only true width data is available. All significant grades presented represent the value attributable to the corrected sample width and not the real sampled length.	6.6
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views.	A section view of the chip sample and drillhole intercepts is presented in Section 6.7 of the full Report. All drill intercepts (corrected widths) are tabulated.	6.4
			6.7
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.	6.8
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 Rietfontein property.	6.9.1.1 6.9.1.2 6.9.1.3 6.9.2.1 6.9.3.1
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 has recommended significant additional drilling to understand the mineralisation, mineralisation mechanism and definitive geological relationships between lithologies. This is also recommended to prove up the current Mineral Resource as well as to prove the existence of potential extensions to the current mineralised zones. Minxcon has recommended some 30,500 m of drilling, of some 25,000 m to Resource definition and upgrading of existing Mineral Resource categories.	6.10
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Drilling planning is currently underway and the proposed drilling layout in 9 phases is depicted and described in Section 6.10 of the Report	6.10

Section 3 Estimation and Reporting of Mineral Resources

SECTION 3: ESTIMATION AND REPORTING OF MINERAL RESOURCES			
Criteria	Explanation	Detail	Reference
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 reviewed all historical datasets attributed to Rietfontein, 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 found that database integrity was maintained over the years.	7.1 & 5.12
	Data validation procedures used.	Minxcon reviewed all historical datasets attributed to Rietfontein, 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 found that database integrity was maintained over the years.	7.1 & 5.12

SECTION 3: ESTIMATION AND REPORTING OF MINERAL RESOURCES			
Criteria	Explanation	Detail	Reference
Site visits	Comment on any site visits undertaken by the Competent Person and the outcome of those visits.	Minxcon personnel have consistently visited the TGME properties since 2009 when they took on the role of Competent Persons'. A site visit by the Competent Person in line with the current Mineral Resource estimate has not been undertaken.	1.4
	If no site visits have been undertaken indicate why this is the case.	No recent site visits have been undertaken by the Competent Person to Rietfontein Gold Mine as no significant change has taken place over recent years.	
Geological interpretation	Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.	The geological reef wireframes for the Rietfontein Gold Mine were constructed by a Minxcon geologist and are based upon mine development plans (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.	7.3
	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. 2D sample data was rotated and then projected on line to the relevant development section in order to place it in the correct 3D space.	7.3
	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.	7.3
	The use of geology in guiding and controlling Mineral Resource estimation.	Scanned plans were digitised to generate development strings. These were coordinated and repositioned relative to underground plans. On reef development was then utilised to define the reef position in order to construct the geological wireframe. Sampling data was then projected to the wireframe and used to generate hanging wall and footwall wireframes based on true reef width. The resultant wireframes were then utilised in constraining the Mineral Resource estimate.	7.3
	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 and to a depth of some 440 m below surface.	7.3.1 7.5.5
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 central orebody consists of multiple shear zones varying in width from 1 cm to 236 cm and has been modelled to a strike length of approximately 4,700 m. The orebody has been wireframed to an average depth of 800 m below surface, of which a maximum of 440 m was utilised in the Mineral Resource estimation exercise.	7.3.2 7.4
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.	The dataset was capped at 123 g/t which is in the 99 percentile. Minxcon utilised 'Cumulative Coefficient of Variation' plots to assist with the capping. CAE Studio 3™ 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 7.5.5 of the Report	7.3.1 7.5.1 7.5.5
	The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.	A Mineral Resource was estimated in 2011 by Minxcon. This was estimated in 2D and utilised cm.g/t estimation. The current estimate utilises the Au g/t values and geologically modelled thicknesses and is modelled in 3D.	7.5.7
	The assumptions made regarding recovery of by-products.	No investigation has been conducted with regards secondary mineralisation or correlation between pyrite and gold.	7.5.6
	Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).	No estimates pertaining to deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation) have been conducted.	7.3.1
	In the case of block model interpolation, the block size in relation to the average	The mineralised envelope has been estimated into a block model. The dimension of the block model utilised was 30 m by	7.4

SECTION 3: ESTIMATION AND REPORTING OF MINERAL RESOURCES			
Criteria	Explanation	Detail	Reference
Estimation and modelling techniques (continued)	sample spacing and the search employed.	30 m by reef width for the parent cell. Block size was determined based upon separation between stoping levels (40 m).	
	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.	7.4
	Any assumptions about correlation between variables.	Only grade was estimated - no assumptions were made regarding correlation between thickness and grade.	
	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.	7.3.1
	Discussion of basis for using or not using grade cutting or capping.	The dataset was capped at 123 g/t which is in the 99 percentile. Minxcon utilised 'Cumulative Coefficient of Variation' plots to assist with the capping. CAE Studio 3™ was utilised for the statistics, geostatistics and block model estimation.	7.5.1
	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 was conducted in the horizontal and vertical in order to check correlations between the block modelled grades and the raw sampled values. In addition correlation between the estimate and the average value of a block was investigated.	7.5.5
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.	7.10
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 optimisation showed that the economic cut-off would be 1.80 g/t at a stoping width of 128 cm for a value of 230 cm.g/t.	7.6
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 with an explanation of the basis of the mining assumptions made.	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.	7.7
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.	No Metallurgical factors or assumptions were to this Mineral Resource estimation.	7.8
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	No environmental factors or assumptions were applied to this Mineral Resource estimation.	7.9

SECTION 3: ESTIMATION AND REPORTING OF MINERAL RESOURCES			
Criteria	Explanation	Detail	Reference
	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.		
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 2.9 t/m ³ based upon historical assumptions and estimates. No bulk density tests have been conducted.	7.11
	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 only historic densities were available.	7.11
	Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	No Bulk densities were taken and only historic densities were available.	7.11
Classification	The basis for the classification of the Mineral Resources into varying confidence categories.	The Mineral Resource classification was based on the data spacing; variography ranges and data integrity.	7.11
	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 Resource. Areas around drillholes were only classified as Inferred Mineral Resources due to lack of backing information. Underground chip samples were only used to define Indicated Mineral Resources. No Measured Mineral Resources were identified due to the low confidence level associated with the historical data.	7.1.1
	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.	7.12
Audits or reviews	The results of any audits or reviews of Mineral Resource estimates.	Minxcon, well as the Competent Person, conducted internal reviews of the Mineral Resource estimate, geological modelling and the data transformations from 2D to 3D.	7.13
Discussion of relative accuracy/ confidence	Where appropriate a statement of 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.	Upon completion of the estimation, the model was visually checked with regards to the drillholes and the estimated values. Swath plot analysis was carried out comparing the chip samples and drillholes in a particular swath to the estimation block model also falling within the same swath. The swath plots produce a good correlation with regards the estimation and the data in both the north-south plots and the vertical plots. The Competent Person deems the Mineral Resource estimate for the Rietfontein 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.	7.14
	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.	7.14
	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.	7.14

Section 4 Estimation and Reporting of Ore Reserves

SECTION 4: ESTIMATION AND REPORTING OF ORE RESERVES

Criteria	Explanation	Detail	Reference
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 appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.	Not Applicable	
	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	

SECTION 4: ESTIMATION AND REPORTING OF ORE RESERVES			
Criteria	Explanation	Detail	Reference
	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 the principal minerals and co-products.	Not Applicable	
	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	

SECTION 4: ESTIMATION AND REPORTING OF ORE RESERVES			
Criteria	Explanation	Detail	Reference
	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	
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	Not Applicable	

SECTION 4: ESTIMATION AND REPORTING OF ORE RESERVES			
Criteria	Explanation	Detail	Reference
	used.		
	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	