

2 May 2013

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

## GRANTING OF GLYNN'S MINING RIGHT TO TGME

### ASX ANNOUNCEMENT

#### HIGHLIGHTS

- **TGME granted the New Order Mining Right for the Glynn's Lydenburg Project**
- **Stonewall's subsidiaries have a total of 8 granted mining rights and 6 granted prospecting rights**

**Stonewall Resources Limited (ASX: SWJ)** ("Stonewall") is pleased to announce that the Department of Mineral Resources in South Africa has granted Transvaal Gold Mining Estates Ltd ("TGME") a mining right (MP MR 433) for Glynn's Lydenburg. TGME is a subsidiary of Stonewall Mining which has now been granted a total of 6 prospecting rights and 8 mining rights amongst its subsidiaries.

**In commenting on the granting of the New Order Mining Right, CEO, Lloyd Birrell said:**  
"The granting of this right is another example of Stonewall's rapid growth. The processing of the Glynn's tailings dam allows us to execute our preferred strategy, which is to commence operations with tailings and/or surface material. As a result of this initiative, we will be able to generate short term profits, establish an operational footprint, team and plant, perfect the process flow, and understand the metallurgy. This will serve as the ideal platform to ramp up to full scale underground mining in the Sabie region, all achieved at low capex levels."

The granting of the New Order Mining Right presents the opportunity to develop a cornerstone project in Sabie. The Glynn's Project will be managed by the Stonewall management team out of Sabie Mines' new offices located in the town of Sabie.

The Mining Right area comprises the farms, Grootfontein and Olifantsgeraamte. The Glynn's Lydenburg Tailings Dump is situated west of the town of Sabie and is composed of two terraces. The dump is accessible via a well-maintained all-weather gravel forestry road that crosses a railway track and that branch off the main tarred road from the town of Sabie, Mpumalanga, a province of the Republic of South Africa.

#### MARKET DATA

ASX code:	SWJ
Current share price:	\$0.08
Total free floating shares:	194 million
Total restricted shares:	211 million
Deferred consideration shares:	73 million
South African shares:	65 million
Total shares:	543 million

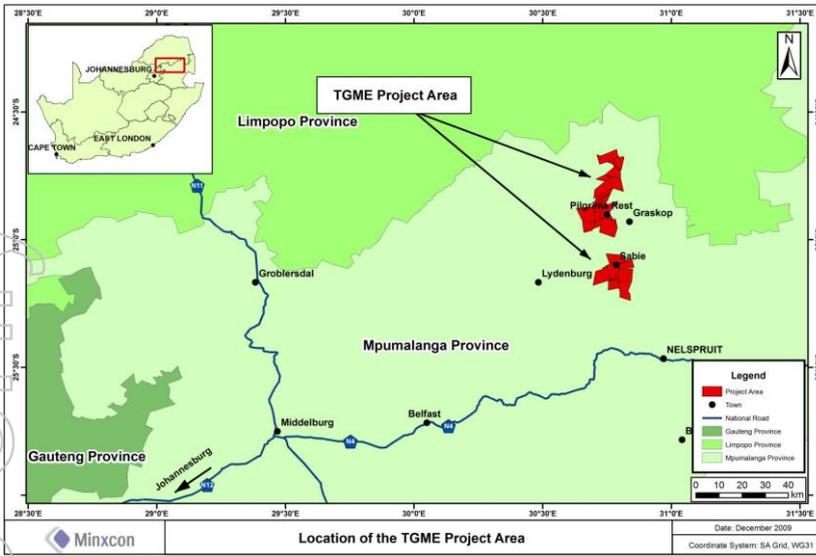
#### DIRECTORS & SENIOR MANAGEMENT

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

#### MAJOR SHAREHOLDERS

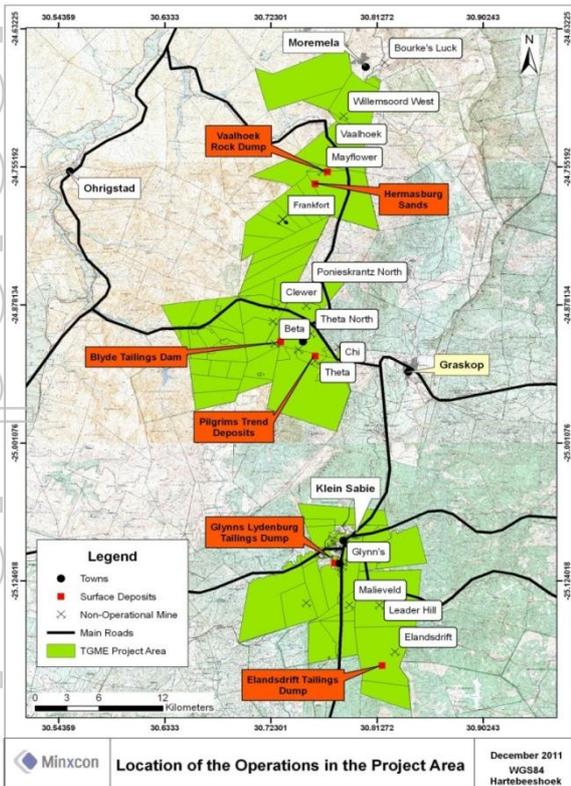
Khan International Limited  
Salamanca Ventures Limited  
Murray SA Investment (Pty) Ltd  
Hanhong New Energy Holdings Ltd

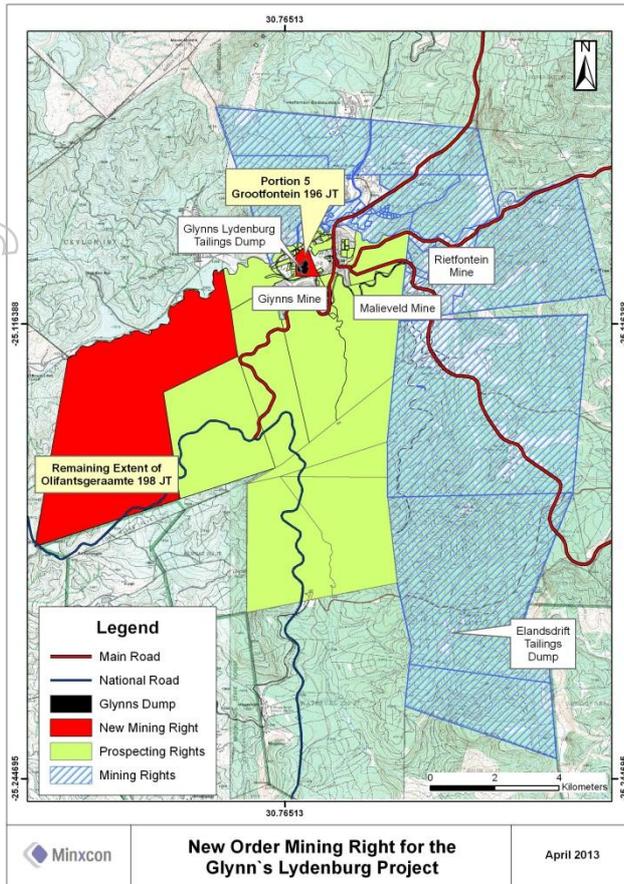
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**RESOURCE**

Mineral Resource Category	Surface Operation	Reef	Density	Tonnes	Grade	Gold	Gold	Cut-off Grade
			(t/m <sup>3</sup> )	(Mt)	(g/t)	(Kg)	('000 oz)	(g/t)
Measured	Glynn's Lydenburg	Tailings	1.4	1.212	0.8	970	31.1	0





## GEOLOGY

The Project Area is situated within the Sabie-Pilgrim's Rest Goldfield, approximately 300 km northeast of the Witwatersrand Basin. Gold mineralisation occurs within sedimentary host rocks of the Transvaal Supergroup. This metallogenic province extends for approximately 140 km in a north-northeasterly direction, over a maximum width of 30 km along the Great Escarpment of Southern Africa.

The Glynn's Reef is found within the Oaktree Formation of the Malmani Subgroup, and has been mined extensively at Elandsdrift, Glynn's Lydenburg and Vaalhoek Mines. The Glynn's tailings dump is a portion of the residue from the mining of the Glynn's reef.

## PROSPECTING AND EXPLORATION DRILLING

### Glynn's Lydenburg Tailings Dump

A total of 140 narrow diameter auger holes were drilled on a grid pattern (25m x 25m grid with grid lines trending north-south and east-west) into the Glynn's Lydenburg tailings dump. Drill holes were drilled to refusal, typically to a few centimetres below the tailings. Drilling was conducted during May 2007.

The drilling at the Glynn's Lydenburg Tailings Dump was used to estimate the volume of the dump, in conjunction with the survey points of the digital terrain model.

Auger drilling at Glynn's Lydenburg established that the maximum depth of the dump increases towards the west. The results of the ground gravity survey at Hermansburg indicated the position of the Vaalhoek dyke and various other structural features of the area.

## TRANSVAAL GOLD MINING ESTATES LIMITED

Transvaal Gold Mining Estates is situated within the Sabie-Pilgrim's Rest Goldfield in the Mpumalanga Province of South Africa, and stretches for over 65 km between the towns of Pilgrim's Rest and Sabie. Transvaal Gold Mining Estates has been mined since 1886 with estimated historical production of 200 t of gold (6 Moz). Stonewall has identified excellent surface deposits, which include old tailings dams, rock dumps and open pits, and underground exploration targets, which include flat dipping, near-horizontal mineralised zones and one near-vertical mineralised zone.

## 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.

The Company began production from the TGME Project tailings operations in the 2nd quarter of 2011 and commissioned the second tailings operation at the Bosveld Project in the 3rd quarter of 2012, and is currently earning revenue from both operations.

Near-term projects target an increase in production to 40,000 ounces pa by the end of 2013, increasing to 205,000 ounces pa by the end of 2016.

The near-term objective of the Company's exploration strategy is to identify an additional 330,000 to 3,070,000 ounces of Mineral Resources by end 2013, including an upgrade of between 399,000 and 665,000 ounces from Inferred to Indicated by end-2013, with particular focus on the Company's TGME Project.

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](http://www.stonewallresources.com)

### For further information please contact:

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On behalf of the board



**Peter Hunt**  
**Company Secretary**

### Competent Persons Statement

The information in this Presentation that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Charles Muller, who is a Member or Fellow of the South African Council for Natural Scientific Professions, which is a Recognised Overseas Professional Organisation' (ROPO) included in a list promulgated by the ASX from time to time. Charles Muller is employed by Minxcon and has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Charles Muller consents to the inclusion in this Presentation of the matters based on his information in the form and context in which it appears.

### Forward looking statements

Statements in this announcement regarding the Company's plans with respect to its mineral properties are or may be forward-looking statements. There can be no assurance that the plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that the Company will be able to convert Inferred resources to Indicated resources or Indicated resources to Measured resources, that any mineralisation will prove to be economic, or that a mine will successfully be developed at any of the Company's mineral properties. The potential quantity and grade of exploration targets is conceptual in nature at this stage as there has been insufficient exploration to define a Mineral Resource quantity under the JORC code. Further, it is uncertain if future exploration will result in the determination of a Mineral Resource.