

18 November 2015

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

ASX ANNOUNCEMENT

MARKET UPDATE ON RECAPITALISATION AND RETIREMENT OF DEBT

The Directors of **Stonewall Resources Ltd (ASX: SWJ)** ('Stonewall' or '**Company**') wish to update shareholders and the market with respect to recent developments relating to:

- Funding
- Repayment of Floor Price Notices relating to Convertible Securities with US Based Investors

FUNDING

The Company is pleased to announce that following the recent completion of share placements, approved at the Company's General Meeting, held on 17 August 2015, under which the Company raised a total of AUD 5,700,000, it has been successful in securing additional funding of AUD 2,550,000 through additional equity placements.

The Company has completed a placement of 155,555,556 ordinary shares to a sophisticated investor at a price of \$0.009 per share raising a total of AUD 1,400,000, the proceeds of which have been used to meet the Company's commitments under the re-structured repayment terms related to Convertible Securities with two US based institutional investors (refer below and to the Company's announcement of 21 October 2015 for further details).

The shares have been issued under the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1 and the requisite Appendix 3B will be released subsequent to this update.

In addition to this placement, the Company has received firm commitments from two existing investors to raise an additional AUD 1,150,000 through the placement of 121,052,632 shares at a price of \$0.0095 per share. It is envisaged that these placements will be completed in early December 2015 with the shares to be issued under a mix of the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1 and the Company's 10% Additional Placement Capacity pursuant to ASX Listing Rule 7.1A. All funds raised will be used to assist with the Company's general working capital requirements including that of its South African subsidiary, Stonewall Mining Pty Ltd.

MARKET DATA

ASX code:	SWJ
Current share price:	\$0.01
Total free floating shares:	1.519 billion
Total shares:	1.519 billion

DIRECTORS & SENIOR MANAGEMENT

Trevor Fourie, Director
Liu Yang, Director
James Liu, Director
Zihao Zhang, Director
Bill Richie Yang, Director
Runxi Zhu, Director

MAJOR SHAREHOLDERS

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

REPAYMENT OF DEBT COMMITMENTS

As announced on 21 October 2015, the Company was successful in restructuring its repayment commitments related to Convertible Securities with two US based institutional investors.

The Company is pleased to announce that it has met its commitments under the restructured payment terms through the successful fundraising initiatives outlined above. As announced in the Company's quarterly update, released on 30 October 2015, the remaining balance of the Convertible Securities with the two US based institutional investors is AUD 200,000 which mature on 28 January 2015.

ABOUT STONEWALL RESOURCES LIMITED

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

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

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

For more information please visit: www.stonewallresources.com

For further information please contact:

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Peter Hunt
Company Secretary