

19 September 2016

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

ASX ANNOUNCEMENT

TRIBUNAL CONFIRMS AWARD TO STONEWALL

As announced to the ASX on 5 and 12 September 2016, Stonewall Resources Limited (**ASX: SWJ**) ("**Stonewall**" or "**Company**") has been successful in obtaining an award for damages, interest and costs in the arbitration proceedings against Shandong Qixing Iron Tower Co., Ltd. ("**Shandong**"), conducted under the rules of the Hong Kong International Arbitration Centre ("**HKIAC**") relating to the termination of the Share Sale Agreement ("**SSA**") between Stonewall, Shandong and others announced on 21 November 2014.

Shandong announced to the Shenzhen Stock Exchange on 8 September 2016 that it had requested the Tribunal to make a minor correction to wording in its reasons for the award. That request was rejected by the Tribunal on 14 September 2016. Accordingly, the Award and the Tribunal's reasons – as delivered on 1 September 2016 – remain final. In the same announcement, Shandong also stated that it had not then received a paper copy of the Tribunal's Award, however the HKIAC has since confirmed to Stonewall that the award was duly delivered to Shandong's legal counsel in Beijing on 5 September 2016.

Stonewall is therefore pleased to note that it is unaware of there being any further impediment to Shandong complying with the Award, or to Shandong's controlling shareholder, Longyue Investments, meeting its undertaking to pay to, or on behalf of Shandong, the funds required to fulfill the Arbitral Award, as stated in Shandong's announcement to the Shenzhen Stock Exchange on 8 September 2016:

The Arbitral Tribunal's final award directed as follows:

- Shandong is to pay Stonewall USD 12.6 million; plus
- Interest on that amount at 8%, compounded quarterly, commencing 1 January 2015 until paid; plus
- Shandong is to pay Stonewall's legal costs of AUD 1,498,678; plus
- Shandong is to bear 100% of the Tribunal's costs of HKD 1,899,765.25; plus
- Shandong to bear 100% of the HKIAC's administration costs of HKD 407,961.99

For further information

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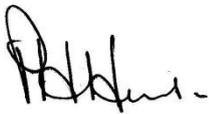
About Stonewall

Stonewall Resources is an Australian listed public company with gold mining and mineral exploration projects in the Republic of South Africa.

The Company is focused on the development of a near-term PMR (Pre-Mined Residue) gold production project targeting 25,000oz per annum by 2017.

The Company also controls a number of substantial exploration plays in one of South Africa's most prolific gold provinces.

On behalf of the board



Peter Hunt
Company Secretary