

26TH August 2014

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

ASX ANNOUNCEMENT

**SHANDONG TRANSACTION SHAREHOLDER UPDATE
MINISTRY OF COMMERCE APPROVAL**

Stonewall Resources Limited (ASX: SWJ) (Stonewall) herewith updates shareholders on the Share Sale Agreement (SSA) with Shandong Qixing Iron Tower Co. Ltd (Shandong).

Stonewall is pleased to advise that Shandong has received approval from the Ministry of Commerce (MOC) for its subsidiary to purchase 100 percent of Stonewall Mining Pty Ltd from Stonewall.

Stonewall confirms that the parties are co-operating in satisfying the conditions precedent to the SSA. Shandong and its advisors continue to cooperate closely with the regulators.

The following Conditions Precedent of the (SSA) have been met:

- South African Takeover Regulation Panel Exemption - announced on 20 February 2014
- South African Competition Authorities Notification – announced on 20 February 2014
- Ministerial Consent under Section 11 of the Mineral and Petroleum Resources Development Act, 2002 (MPRDA) of South Africa – announced on 7 April 2014
- National Development and Reform Commission for Shandong Qixings subsidiary to purchase 100% of Stonewall Mining Propriety Limited – announced on 10 June 2014
- Ministry of Commerce (MOC) – announced on 26 August 2014

The remaining conditions include the relevant Chinese regulatory approvals including:

- State of Administration of Foreign Exchange (SAFE)
- China Securities Regulatory Commission (CSRC)

On 12 August 2014, the Company announced that the parties agreed to extend the End Date (the date by which the conditions precedent to the SSA are to be satisfied) to 3 October 2014 in order to provide the Chinese regulatory bodies with time to grant their approvals.

MARKET DATA

| | |
|-----------------------------|-------------|
| ASX code: | SWJ |
| Current share price: | \$0.175 |
| Total free floating shares: | 247 million |
| Total restricted shares: | 262 million |
| South African shares: | 80 million |
| Total shares: | 589 million |

DIRECTORS & SENIOR MANAGEMENT

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

MAJOR SHAREHOLDERS

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

For personal use only

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

ABOUT SHANDONG QIXING IRON TOWER CO., LIMITED

Shandong Qixing Iron Tower Co., Ltd (002359.SZ), a listed entity on Shenzhen Stock Exchange since February 10, 2010, is part of the Qixing Group Company Limited (Qixing Group).

Qixing Group is a privately owned large-scale diversified industrial company with 15 operating companies and 7 subsidiaries. The group's revenue exceeded RMB15 billion (US\$2.3 billion) in 2012 with 12,000 employees. Qixing Group has several key segments, aluminium, thermo-electricity (6 power stations with capacity of 1500MW), iron tower manufacturing, as well as a range of diversified downstream businesses including financial services, mining and tourism.

Qixing Group conducts business worldwide with products sold throughout China, as well as 24 countries in Central and South East Asia, Europe and Africa. Qixing Group is seeking to increase its international footprint and expand into the resources sector as part of its co-coordinated internationalisation and diversification strategy.

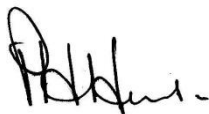
Qixing Group's headquarters (www.qxtt.cn) and major divisions are located in the National Economic and Technological Development Zone, Zouping County, 68 km west of Jinan, 39 km east to Zibo, in Shandong Province.

For further information please contact:

Trevor Fourie, Director
Stonewall Resources Limited
M: 0414 324 960
E: trevor@stonewallmining.com

Rod North, Managing Director
Bourse Communications Pty Ltd
T: (03) 9510 8309, M: 0408 670 706
E: rod@boursecommunications.com.au

On behalf of the board



Peter Hunt
Company Secretary

For personal use only