

3 July 2015

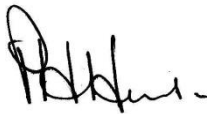
Australian Securities Exchange
Level 5, 20 Bridge Street
SYDNEY NSW 2000

ASX ANNOUNCEMENT

NOTICE OF GENERAL MEETING & PROXY FORM

Please find attached a Notice of General Meeting and Proxy Form which has been despatched to shareholders today.

On behalf of the board



Peter Hunt
Company Secretary

For personal use only



STONEWALL
RESOURCES

STONEWALL RESOURCES LIMITED

ACN 131 758 177

NOTICE OF GENERAL MEETING

TIME: 11:00am AEST
DATE: Tuesday 4 August 2015
PLACE: RACV Club Victoria
501 Bourke Street
Melbourne VIC 3000

**THIS IS AN IMPORTANT DOCUMENT AND SHOULD BE READ IN ITS ENTIRETY.
PLEASE READ IT CAREFULLY.**

If you are unable to attend the General Meeting, please complete the Proxy Form enclosed and return it in accordance with the instructions set out on that form. If you are in any doubt as to how to vote, you should consult your financial or legal adviser as soon as possible. Should you wish to discuss the matters in this Notice of Meeting, please do not hesitate to contact the Company Secretary on (+61 8) 7324 6000.

For personal use only

NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting of Stonewall Resources Limited (the **Company**) will be held at:

Venue: RACV Club Victoria
501 Bourke Street
Melbourne VIC 3000

Date: Tuesday 4 August 2015

Time: 11.00 am AEST

This Notice of Meeting should be read in conjunction with the accompanying Explanatory Statement.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the General Meeting.

The Directors have determined pursuant to Regulations 7.11.37 and 7.11.38 of the Corporations Act 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders of the Company at 7.00 pm (AEST) on Friday 31 July 2015.

AGENDA

Resolutions

RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF 2,700,000 SHARES TO INSTITUTIONAL INVESTORS

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

“That for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 2,700,000 fully paid ordinary shares to a sophisticated investor on the terms and conditions set out in the Explanatory Statement.”

RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF 6,000,000 UNBLISTED OPTIONS TO INSTITUTIONAL INVESTORS

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

“That for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 6,000,000 unlisted options to a sophisticated investor on the terms and conditions set out in the Explanatory Statement.”

RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF 7,142,858 SHARES TO A SOPHISTICATED INVESTOR

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

“That for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 7,142,848 fully paid ordinary shares to a sophisticated investor on the terms and conditions set out in the Explanatory Statement.”

RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF 51,128,201 SHARES TO A SOPHISTICATED INVESTOR

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

“That for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 51,128,201 fully paid ordinary shares to a sophisticated investor on the terms and conditions set out in the Explanatory Statement.”

RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF 9,090,909 SHARES TO A SOPHISTICATED INVESTOR

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

“That for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 9,090,909 fully paid ordinary shares to a sophisticated investor on the terms and conditions set out in the Explanatory Statement.”

RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF 1,818,182 SHARES TO A SOPHISTICATED INVESTOR

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

“That for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 1,818,182 fully paid ordinary shares to a sophisticated investor on the terms and conditions set out in the Explanatory Statement.”

RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF 2 CONVERTIBLE NOTES ON 29 JANUARY 2015 AND POTENTIAL SHARE ISSUES ON SUBSEQUENT CONVERSION

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

“That for the purposes of the ASX Listing Rules, including ASX Listing Rules 7.1 and 7.4, and for all other purposes, Shareholders ratify the issue of 2 Convertible Notes on 29 January 2015 to sophisticated investors including any shares allotted and issued on subsequent conversion on the terms and conditions set out in the Explanatory Statement.”

RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF A CONVERTIBLE NOTE ON 19 JUNE 2015 AND POTENTIAL SHARE ISSUES ON SUBSEQUENT CONVERSION

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

“That for the purposes of the ASX Listing Rules, including ASX Listing Rules 7.1 and 7.4, and for all other purposes, Shareholders ratify the issue of a Convertible Note to a sophisticated investor on 19 June 2015 including any shares allotted and issued on subsequent conversion on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement – Resolutions 1 - 8

The Company will disregard any votes cast by a person who participated in the issue of equity securities under the Additional Placement Capacity (and any associate of that person) and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed (and any associate of that person). However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

RESOLUTION 9 – ISSUE OF 3,000,000 UNLISTED OPTIONS TO ADVISOR

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

“That for the purposes of the ASX Listing Rules, including ASX Listing Rules 7.1, and for all other purposes, Shareholders approve the issue of 3,000,000 unlisted options on the terms and conditions set out in the Explanatory Statement.”

RESOLUTION 10 - ISSUE OF SECURITIES TO COMPLETE ACQUISITION OF STONEWALL MINING PROPRIETARY LIMITED

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That for the purposes of ASX Listing Rules 7.1 and for all other purposes, Shareholders approve the issue of 79,520,240 ordinary fully paid shares to South African based shareholders of Stonewall Mining Proprietary Limited pursuant to an Option Agreement entered into by the Company with those shareholders on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement – Resolutions 9 & 10

The Company will disregard any votes cast by a person who may participate in the proposed issue of equity securities under the Additional Placement Capacity (and any associate of that person) and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed (and any associate of that person). However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

RESOLUTION 11.1 – ELECTION OF DIRECTORS: Mr Bill Richie Yang

To consider, and if thought fit, to pass, the following resolution as an **ordinary resolution**:

9.1 “That Mr Bill Richie Yang, a non-executive director of the Company having been appointed as an addition to the board on 16 June 2015, in accordance with clause 13.2 of the Company’s constitution and, being eligible, offering himself for election, be elected as a director of the Company.”

RESOLUTION 11.2 – ELECTION OF DIRECTORS: Dr Yihao ‘Eric’ Zhang

To consider, and if thought fit, to pass, the following resolution as an **ordinary resolution**:

9.2 “That Dr Yihao Eric Zhang, a non-executive director of the Company having been appointed as an addition to the board on 16 June 2015. In accordance with clause 13.2 of the Company’s constitution and, being eligible, offering himself for election, be elected as a director of the Company”.

Explanatory Statement

The accompanying Explanatory Statement forms part of this Notice of General Meeting and should be read in conjunction with it.

Proxies

Please note that:

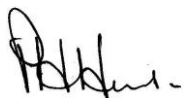
- (a) A shareholder entitled to attend and vote at the General Meeting is entitled to appoint a proxy;
 - (b) A proxy need not be a member of the Company;
 - (c) A shareholder may appoint a body corporate or an individual as its proxy;
 - (d) A body corporate appointed as a Shareholder’s proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder’s proxy; and
 - (e) Shareholders entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.
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The enclosed proxy form provides further details on appointing proxies and lodging proxy forms. If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate should provide that person with a certificate or letter executed in accordance with the Corporations Act authorizing him or her to act as that company’s representative. The authority may be sent to the Company or its share registry in advance of the General Meeting or handed in at the General Meeting when registering as a corporate representative.

Voting Entitlements

In accordance with Regulations 7.11.37 and 7.11.38 of the Corporations Act 2001 (Cth), the Board has determined that a person’s entitlement to vote at the General Meeting will be the entitlement of that person set out in the register of Shareholders as at 7.00pm AEST on Friday 31 July 2015. Accordingly, transactions registered after that time will be disregarded in determining Shareholder’s entitlement to attend and vote at the General Meeting.

By Order of the Board of Directors



Peter Hunt
Company Secretary
3 July 2015

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at a General Meeting of the Company to be held on Tuesday, 4 August 2015 at 11.00 am (AEST).

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the resolution in the accompanying Notice of General Meeting.

This Explanatory Statement should be read in conjunction with the Notice of General Meeting.

RESOLUTION 1 – Ratification of Prior Issue of 2,700,000 Shares to Institutional Investors

1.1 General

On 29 January 2015, the Company issued 2,700,000 Shares issued as Collateral Shares. Pursuant to the Share Purchase and Convertible Security Agreements entered by the Company on the 28th January 2015 with a market issue price of 4.5 cents and a total value of \$121,500.

As announced to the ASX, the issues were made to two US Based institutional investors.

The Company engaged the services of a licensed securities dealer to manage the placement and agreed to pay the dealer a fee of 6% (exclusive of goods and services tax) on the amount raised under the placement.

Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those 2,700,000 Shares (**Ratification**).

1.2 ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a Company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

1.3 ASX Listing Rule 7.4

Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a Company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

1.4 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 2,700,000 Shares were allotted;
- (b) At a market issue price of \$0.045 per Share;
- (c) The Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

- (d) The Shares were allotted and issued to a client of the licensed dealer, who are institutional investors. These subscribers are not a related party of the Company; and
 - (e) The funds raised from this issue were used to assist with the Company's working capital requirements, including those of its South African subsidiary, Stonewall Mining Pty Ltd.
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RESOLUTION 2 – Ratification of Prior Issue of 6,000,000 Unlisted Options to Institutional Investors

2.1 General

On 4 March 2015, the Company issued 6,000,000 unlisted options at an exercise price of \$0.043 per Share issued pursuant to the Share Purchase and Convertible Security Agreements entered by the Company on 28 January 2015.

As announced to the ASX, the issues were made to two US Based institutional investors.

Resolution 2 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the 6,000,000 unlisted options (**Ratification**).

A summary of ASX Listing Rule 7.1 is set out in Section 1.2 above.

A summary of ASX Listing Rule 7.4 is set out in Section 1.3 above.

By ratifying these issues, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

2.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 6,000,000 unlisted options were granted with an expiry date of 26 February 2018;
 - (b) The exercise price for the options is \$0.043 per Share;
 - (c) The Unlisted Options were for the exercise to fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
 - (d) The Unlisted Options were granted to clients of the licensed dealer, who are institutional investors. These subscribers are not a related party of the Company; and
 - (e) The Unlisted Options were granted as an incentive with no funds generated from the granting of the unlisted options.
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RESOLUTION 3 – Ratification of Prior Issue of 7,142,858 Shares to Institutional Investors

3.1 General

On 16 April 2015, the Company issued 7,142,858 Shares at an issue price of \$0.014 per Share as elected by convertible security holders to convert a total of \$100,000 in shares in accordance with the terms of the Share Purchase and Convertible Security Agreements entered by the Company on 28 January 2015.

As announced to the ASX, the issues were made to two US Based institutional investors.

Resolution 3 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those 7,142,858 Shares (**Ratification**).

A summary of ASX Listing Rule 7.1 is set out in Section 1.2 above.

A summary of ASX Listing Rule 7.4 is set out in Section 1.3 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

3.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 7,142,858 Shares were allotted;
- (b) The issue price was \$0.014 per Share;
- (c) The Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) The Shares were allotted and issued to clients of the licensed dealer, who are institutional investors. These subscribers are not a related party of the Company; and
- (e) No funds were raised from this issue and the issue was used to reduce the debt the Company owed pursuant to the Share Purchase and Convertible Security Agreements entered by the Company on 28 January 2015.

RESOLUTION 4 – Ratification of Prior Issue of 51,128,201 Shares to a Sophisticated Investor

4.1 General

On 16 June 2015, the Company issued 51,128,201 Shares to the value of \$562,410 being that part of the issue of shares that were placed under listing rule 7.1.

As announced to the ASX on 17 June 2015, the issue was made to a sophisticated investor.

The Company engaged the services of a licensed securities dealer to manage the placement and agreed to pay the dealers a fee of 7% (exclusive of goods and services tax) cash and 3% in Call Options (see Resolution 9) on the amount raised under the placement.

Resolution 4 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those 51,128,201 Shares (**Ratification**).

A summary of ASX Listing Rule 7.1 is set out in Section 1.2 above.

A summary of ASX Listing Rule 7.4 is set out in Section 1.3 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

4.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 51,128,201 Shares were allotted;
 - (b) At a market issue price of \$0.011 per Share;
 - (c) The Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
 - (d) The Shares were allotted and issued directly to the licensed dealer, who is a sophisticated investor. The subscribers are not a related party of the Company; and
 - (e) The funds raised from this issue were used for partial repayment of an outstanding convertible note and to assist with the Company's working capital requirements.
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RESOLUTION 5 – Ratification of Prior Issue of 9,090,909 Shares to a Sophisticated Investor

5.1 General

On 16 June 2015, the Company issued 9,090,909 ordinary shares to raise \$100,000.

As announced to the ASX on 17 June 2015, the issue was made to a sophisticated investor.

Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those 9,090,909 Shares (**Ratification**).

A summary of ASX Listing Rule 7.1 is set out in Section 1.2 above.

A summary of ASX Listing Rule 7.4 is set out in Section 1.3 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

5.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 9,090,909 Shares were allotted;
 - (b) At an issue price of \$0.011 per Share;
 - (c) The Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
 - (d) The Shares were allotted and issued to a sophisticated investor. This subscriber is not a related party of the Company; and
 - (e) The funds raised from this issue were used for partial repayment of an outstanding convertible note and to assist with the Company's working capital requirements.
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RESOLUTION 6 – Ratification of Prior Issue of 1,818,182 Shares to a Sophisticated Investor

6.1 General

On 17 June 2015, the Company issued 1,818,182 ordinary shares to raise \$20,000.

As announced to the ASX on 17 June 2015, the issue was made to a sophisticated investor.

Resolution 6 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those 1,818,182 Shares (**Ratification**).

A summary of ASX Listing Rule 7.1 is set out in Section 1.2 above.

A summary of ASX Listing Rule 7.4 is set out in Section 1.3 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

6.4 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 1,818,182 Shares were allotted;
- (b) At an issue price of \$0.011 per Share;
- (c) The Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) The Shares were allotted and issued to a sophisticated investor. This subscriber is not a related party of the Company; and
- (e) The funds raised from this issue were used for partial repayment of an outstanding convertible note and to assist with the Company's working capital requirements.

RESOLUTION 7 – Ratification of Prior Issue of 2 Convertible Notes on 29 January 2015 and Potential Share Issues on Subsequent Conversion

7.1 General

On 29 January 2015, the Company announced the successful recapitalisation of the Company with funding of up to AUD \$13.5 million including an initial drawdown of AUD \$1.5 million through the issue of Unsecured Convertible Notes to two US based institutional investors.

The terms of the Unsecured Convertible Notes are as follows:

- AUD \$1.5 million unsecured convertible securities (with a face value of AUD \$1.8 million) to be provided initially with a 12 month maturity
- Convertible at 85% of an average price calculation at the time of conversion
- Company has a floor protection mechanism that allows the Company to not issue the shares under a conversion price lower than a floor price specified by the Company,

The amounts funded under the agreement will bear no interest and will be unsecured.

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Resolution 7 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those two Unsecured Convertible Notes and potential share issues on subsequent conversion by the noteholders (**Ratification**).

A summary of ASX Listing Rule 7.1 is set out in Section 1.2 above.

A summary of ASX Listing Rule 7.4 is set out in Section 1.3 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

7.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 2 Unsecured Convertible Notes were issued;
- (b) The face value of the notes were AUD \$0.9 million each with a 12 month maturity. The Noteholders have the ability to elect to convert at an issue price of 85% of the average of three (3) daily VWAPs per Share (in Australian dollars, to three decimal places provided that if the resultant number contains four or more decimal places, such number shall be rounded down to the next lowest number containing three decimal places) as chosen by the Investor in its sole discretion, during the twenty (20) consecutive trading days immediately prior to the relevant conversion notice date. (The Company has a floor protection mechanism that allows the Company to not issue the shares under a conversion price lower than a floor price of AUD 0.07 per share)
- (c) Any future Shares issued on conversion will all be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) Any future Shares allotted and issued will be to the noteholders who are institutional investors. These subscribers are not a related party of the Company; and
- (e) The funds raised from the issue of the Unsecured Convertible Notes were used to assist with the Company's working capital requirements, including those of its South African subsidiary, Stonewall Mining Pty Ltd. No funds will be raised from any future issue upon conversion by the noteholders and any issue upon conversion will be used to reduce the debt the Company owes pursuant to the Share Purchase and Convertible Security Agreements entered by the Company on 28 January 2015.

RESOLUTION 8 – Ratification of Prior Issue of a Convertible Note on 19 June 2015 and Potential Share Issues on Subsequent Conversion

8.1 General

On 19 June 2015, the Company announced it had entered into a convertible note with a sophisticated investors to raise AUD \$1.4 million as part of a recapitalisation of the Company.

The terms of the Convertible Note are as follows:

- AUD \$1.4 million unsecured convertible notes drawn down in two tranches:
- Convertible at a deemed issue price of AUD \$0.009 (to a maximum of 155,555,556 shares)
- The Company may elect to redeem the convertible note after the completion of the proposed Rights Issue

- The Company must repay the Convertible Note Proceeds, along with the accrued interest of 12% per annum (if applicable), if the investor does not elect to convert the convertible note.
- Maturity date of 1 year

Resolution 8 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Convertible Notes and potential issue of 155,555,556 shares on potential subsequent conversion by the noteholders (**Ratification**).

A summary of ASX Listing Rule 7.1 is set out in Section 1.2 above.

A summary of ASX Listing Rule 7.4 is set out in Section 1.3 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

8.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 1 Convertible Notes was issued;
- (b) The face value of the note was AUD \$1.4 million drawn in two tranches with a 1 year maturity. The Noteholder has the ability to elect to convert an issue price of AUD \$0.009 to receive a maximum of 155,555,556 shares. The Company may elect to redeem the convertible note after the completion of a proposed rights issue. The Company must repay the Convertible Note proceeds along with accrued interest of 12% per annum (if applicable) in the event that the investor does not elect to convert the convertible note.
- (c) Any future Shares issued on conversion will all be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) Any future Shares allotted and issued will be to the noteholder who is a sophisticated investor. This subscriber is not a related party of the Company; and
- (e) The funds raised from the issue of the Convertible Note were used for partial repayment of an outstanding convertible note and to assist with the Company's working capital requirements. No funds will be raised from any future issue upon conversion by the noteholder and any issue upon conversion will be used to reduce the debt the Company owes pursuant on the Convertible Note.

RESOLUTION 9 - Issue of 3,000,000 Unlisted Options to Advisor

9.1 General

Resolution 9 seeks Shareholder approval for the granting and issue of 3,000,000 unlisted options (**Advisor Options**) to Tasman Funds Management Pty Ltd or its nominees (**Tasman**).

The issue of the Advisor Options is in respect to agreed fees payable in the form of Call Options pursuant to an Advisory Mandate entered between the Company and Tasman on or around 6 June 2015. The Call Option Fee is payable on funds raised via a direct equity raising on 16 June 2015 (see Resolution 4) totalling AUD \$1.1m.

A summary of ASX Listing Rule 7.1 is set out in Section 1.2 above.

The passing of this resolution will allow the Company to issue the Advisor Options during the period of 3 months after this General Meeting (or a longer period if allowed by ASX), without using the Company's 15% placement capacity.

9.2 Technical Information Required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of the Advisor Options to Tasman:

- (a) The maximum number of Unlisted Options to be granted is 3,000,000;
- (b) The Advisor Options will be issued to Tasman, or their Nominee, (who is not a related party of the Company) in consideration for past services provided in relation to the recapitalisation of the Company in June 2015 and therefore no funds will be raised.
- (c) The Advisor Options will be granted no later than 3 months after the date of the General Meeting (or such later date permitted by any ASX waiver or modification of the Listing Rules and it is intended that granting will occur on the same date;
- (d) The terms of the Advisor Options are that they will have a 2 year expiry period and will be exercisable at \$0.0165 being 1.5 times the price of issue of shares in the direct equity raise giving rise to the granting of the Advisor Options;
- (e) Any shares issued upon exercise of the Advisor Options will all be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.

RESOLUTION 10 - Issue of Securities to Complete Acquisition of Stonewall Mining Proprietary Limited

10.1 General

The Company entered into a Share Sale Agreement with the non-South African based shareholders of Stonewall Mining Proprietary Limited (**Stonewall Mining**) dated 5 July 2012 to purchase 80.02% of the issued share capital of Stonewall Mining.

Shareholders approved the Company entering into the Share Sale Agreement and the issue of securities pursuant to the Share Sale Agreement at a general meeting held on 2 October 2012. As previously announced to the ASX, the transactions covered by the Share Sale Agreement including the issue of all securities pursuant to it have been completed.

The Company also entered into an Option Agreement, pursuant to which the Company obtained an option to buy, and the South African based shareholders of Stonewall Mining obtained an option to sell, the remaining 19.98% of Stonewall Mining's issued share capital to the Company. The parties may exercise their respective options provided the acquisition of shares in the Company by the South African based Stonewall Mining shareholders is compliant with South African exchange control legislation.

Shareholders approved the Company entering into the Option Agreement and the issue of securities pursuant to the Option Agreement at the general meeting held on 2 October 2012.

The Company has reached the view it is now in a position to exercise its option under the Option Agreement. As the issue of securities under the Option Agreement was originally approved on 2 October 2012, the Company seeks fresh approval for the issue of 79,520,240 ordinary fully paid shares to the South African based shareholders of Stonewall Mining under this resolution.

Completing the acquisition of all of Stonewall Mining's issued share capital will simplify the overall holding structure of the Company and its subsidiaries, which will assist in future dealings with investors and financiers.

A summary of ASX Listing Rule 7.1 is set out in Section 1.2 above.

By approving this resolution, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

10.2 Technical Information Required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of shares pursuant to the Option Agreement:

- (a) The maximum number of ordinary fully paid shares in the Company to be issued is 79,520,240;
- (b) The Company's intention is to exercise its option under the Option Agreement and issue the shares within 3 months of the General Meeting;
- (c) The shares will be issued for nil cash consideration as they will be issued in consideration of the purchase of the remaining issued share capital not already held by the Company in Stonewall Mining. Accordingly, no funds will be raised from the issue of the shares;
- (d) The shares will be issued to the South African based shareholders of Stonewall Mining in the amounts set out in the schedule to this Notice of Meeting;
- (e) The shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing fully paid ordinary shares.

RESOLUTION 11 – Election of Directors: Mr Bill Richie Yang and Dr Yihao 'Eric' Zhang

On 17 June 2015 the board of directors of Stonewall Resources Limited announced the appointment of Mr Bill Richie Yang and Dr Yihao 'Eric' Zhang as directors of the Company effective from 16 June 2015.

11.1 Mr Bill Richie Yang is Head of Resource of Tasman Funds Management Pty Ltd where his focus is on the global acquisition of mineral assets which present significant upside. Mr Yang is an experienced company Director, working primarily in the junior resources sector. Currently Mr Yang sits as an Alternate Director in Bligh Resources Limited, an ASX listed gold exploration and development company.

Mr Yang has over 10 years of experience working with public and private companies, focused on capital raising and M&A, with a focus on inward China and Hong Kong based investment in the resources sector.

Additionally, Mr Yang has also held numerous executive directorship and management roles in junior resource companies.

Mr Yang holds a Bachelor Degree in Commerce from the University of New South Wales, majoring in Business Economics and Finance.

11.2 Dr Yihao 'Eric' Zhang is Chief Executive Officer and Director of Tasman Funds Management Pty Ltd, a Sydney-China based funds management company. He is also a Director of China Construction International Corporation (Australia) Pty Ltd, a Chinese State Owned Enterprise subsidiary in Australia and Bligh Resources Limited, an ASX listed gold exploration and development company.

Dr Zhang holds a Doctor of Philosophy from Macquarie University, a Master of Science by Research from Macquarie University and a Master of Engineering from University of Technology.

Enquiries

Shareholders are encouraged to contact the Company Secretary on (+61 8) 7324 6000 if they have any queries in respect to the matters set out in these documents.

TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The General Meeting of the Company to which this Notice of Meeting relates will be held at 11.00 am AEST on Tuesday, 4th July 2015 at:

RACV Club Victoria
501 Bourke Street
Melbourne VIC 3000

YOUR VOTE IS IMPORTANT

The business of the General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the General Meeting on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the proxy form.

In accordance with section 249L of the Corporations Act, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and
- a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. (If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.)

New sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this General Meeting. Broadly, the changes mean that:

- if proxy holders vote, they must call all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair on certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company’s members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

SCHEDULE

Shareholder Name	No. of Shares to be Issued
Mr L.D Birrell	47,855,712
Mr D.A Birrell	23,329,659
Mrs J.P McLeod	6,739,679
Arcay Capital Partners Pty Ltd	1,595,190
Total	79,520,240

All Correspondence to:

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** www.boardroomlimited.com.au

☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 11:00am AEST on Sunday 2 August 2015.**

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a security holder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **11:00am AEST on Tuesday 4 August 2015.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged:

📠 **By Fax** + 61 2 9290 9655

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia

👤 **In Person** Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Your Address
This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Stonewall Resources Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting (mark box)**

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the General Meeting of the Company to be held at the **RACV Club Victoria, 501 Bourke Street, Melbourne VIC 3000 on Tuesday, 4 August 2015 at 11:00am AEST** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

The Chair of the Meeting intends to vote undirected proxies in favour of each of the items of business.

STEP 2 VOTING DIRECTIONS
* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		FOR	AGAINST	ABSTAIN*			FOR	AGAINST	ABSTAIN*
Res 1	Ratification of Prior Issue of 2,700,000 Shares to Institutional Investors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 7	Ratification of Prior Issue of 2 Convertible Notes on 29 January 2015 and Potential Share Issues on Subsequent Conversion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 2	Ratification of Prior Issue of 6,000,000 Unlisted Options to Institutional Investors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 8	Ratification of Prior Issue of a Convertible Note on 19 June 2015 and Potential Share Issues on Subsequent Conversion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 3	Ratification of Prior Issue of 7,142,858 Shares to a Institutional Investors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 9	Issue of 3,000,000 Unlisted Options to Advisor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 4	Ratification of Prior Issue of 51,128,201 shares to a Sophisticated Investor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 10	Issue of Securities to Complete Acquisition of Stonewall Mining Proprietary Limited	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 5	Ratification of Prior Issue of 9,090,909 shares to a Sophisticated Investor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 11.1	Election of Director – Mr Bill Richie Yang	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 6	Ratification of Prior Issue of 1,818,182 shares to a Sophisticated Investor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 11.2	Election of Dr Yihao 'Eric' Zhang	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SHAREHOLDERS
This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1 <input style="width: 100%; height: 30px;" type="text"/> Sole Director and Sole Company Secretary	Securityholder 2 <input style="width: 100%; height: 30px;" type="text"/> Director	Securityholder 3 <input style="width: 100%; height: 30px;" type="text"/> Director / Company Secretary
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Contact Name..... Contact Daytime Telephone..... Date / / 2015