

HD Stonewall Resources secures financing for \$3m convertible note

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Sydney - Monday - June 16 (RWE) - Stonewall Resources Limited (ASX: SWJ) announces that it has secured financing of \$3 million in debt funding via a Convertible Note with an existing shareholder.

The funding follows the company's announcement on 19 May 2014, which stated that Stonewall and Shandong Qixing Iron Tower Co, Ltd (Shandong) agreed to extend the effective date to 19 August 2014 to allow the Chinese regulatory bodies to grant their approvals.

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Subsequently, Stonewall announced on 10 June 2014 that Shandong received approval from the National Development and Reform Commission for its subsidiary to purchase 100% of Stonewall Mining Proprietary Limited.

This is a significant step towards satisfaction of a key condition precedent of the share sale agreement for the sale of Stonewall Mining announced on 22 November 2013 (SSA).

The funds secured by the Convertible Note will be used to assist with the company's working capital requirements, including those of its South African subsidiary Stonewall Mining Pty Ltd (Mining) until completion of the transaction with Shandong.

The terms of the Convertible Note can be summarised as follows:

** The Convertible Note has a term of 12 months, with an interest that accrues at a rate of 8% per annum from 1 January 2015 until the maturity date.

** Conversion can occur at any time at the election of the lender.

** The maximum number of shares to be issued is 18,750,000 under the company's 15% placement capacity in accordance with ASX Listing Rule 7.1.

CO mrdrrs : Stonewall Resources Limited | sqirtc : Shandong Qixing Iron Tower Company Limited

IN i211 : Metal Ore Mining | i32 : Machinery | i3204 : Industrial Plant/Steelwork | ibasicm : Basic Materials/Resources | igoldm : Gold Ore Mining | iindstrls : Industrial Goods | imet : Mining/Quarrying

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