11 November 2016

GOLDSTONE RESOURCES LIMITED
("GoldStone" or the "Company")

Update on exploration of the Akrokerri licence area, Ghana

GoldStone Resources Limited (AIM: GRL), the West and Central Africa focused gold exploration company quoted on AIM, is pleased to provide an update on the recent drilling programme comprising 3,000 metres of auger and some 1,500 metres of Reverse Circulation ("RC") drilling of the AK02 prospect, located immediately south west and along strike of the Homase/Akrokerri deposit and within the Akrokerri licence.

Highlights

- RC drilling of a 750 metre-long gold-enriched saprolite zone identified within the AK02 prospect by the 2015 auger drilling programme confirmed mineralization at depth and returned significant intersections of 14 metres @ 1.18 g/t gold ("Au") and 8 metres @ 1.88 g/t Au
- A 120 hole infill auger programme defined a new 1,250 metre x 350 metre zone of gold enrichment in saprolite located approximately 100-200 metres east of the 2015 auger anomaly
- Geological interpretation of the 2016 auger and RC drilling indicates that the complex structural zone between Homase and AngloGold Ashanti's Obuasi Mine is prospective and that the south-western extension of the main Homase mineralized zone has been offset 200 metres eastward by faulting
- RC drilling of the southern part of the previously identified Homase-Akrokerri resource zone confirmed continuity of the zone but limited potential for identifying additional oxide resource
- Diamond drilling, targeting vertical depths of 200-300 metres, commenced to evaluate high-grade ore shoots beneath the known Homase oxide resource.

Neil Gardyne, Non-Executive Chairman, commented: "This phase of exploration, focused on the Akrokerri licence that straddles the linking structural zone between the Homase resource and the world-class Obuasi Mine, has demonstrated significant potential in terms of the deeper RC drilling of the target area identified in 2015 and also the identification of parallel zones of gold enrichment in saprolite resulting from the 2016 programme. These results and the juxtaposition of Akrokerri with Obuasi provide considerable encouragement to undertake further exploration in this area.

"In the meantime we have also commenced a preliminary programme of diamond drilling to probe the strike extensions of some of the deeper and higher-grade sulphide ore shoots previously identified within the known Homase 602,000 oz gold JORC-compliant resource.

"By focusing on adding to the oxide resource and also evaluating the deeper sulphide resource, we are looking to upgrade the total resource base and thus provide various options for exploiting both oxide and sulphide ores, a key corporate objective given the recovering gold price."

Further Details

The programme of auger drilling and RC drilling announced on 13 September 2016 has now been completed with 120 auger holes, for a total of 3,000 metres, and 13 RC holes totalling 1,424 metres, and all gold assays received. The original work programme (announced on 13 September 2016) proposed up to 2,500 metres of RC drilling but the initial drilling results proved adequate to confirm the anticipated zone of mineralization.

The work was focused on the AK02 prospect, located immediately south-west and along strike of the Homase/Akrokerri deposit and within the Akrokerri licence with the intention of utilising the auger drilling to evaluate specific areas not covered by the 2015 exploration programme and also to undertake RC drilling to investigate gold anomalies identified during the 2015 campaign (Figures 1 and 2).

The results of the 2015 auger programme confirmed the presence and continuity of a zone of gold enrichment in saprolite (in situ weathered bedrock), defined as exceeding a threshold of 44 ppb Au (up to 94 ppb Au), over a distance of approximately 1,500 metres. The follow-up RC programme targeted the 750 metre-long northern part of this zone. Interpretation of geophysical (magnetic) data indicates that the northern sector is probably an extension of the main Homase-Akrokerri mineralized shear zone but offset approximately 200 metres to the east by faulting.

Fig. 1. Results of 2015 and 2016 drilling on the Akrokerri licence.

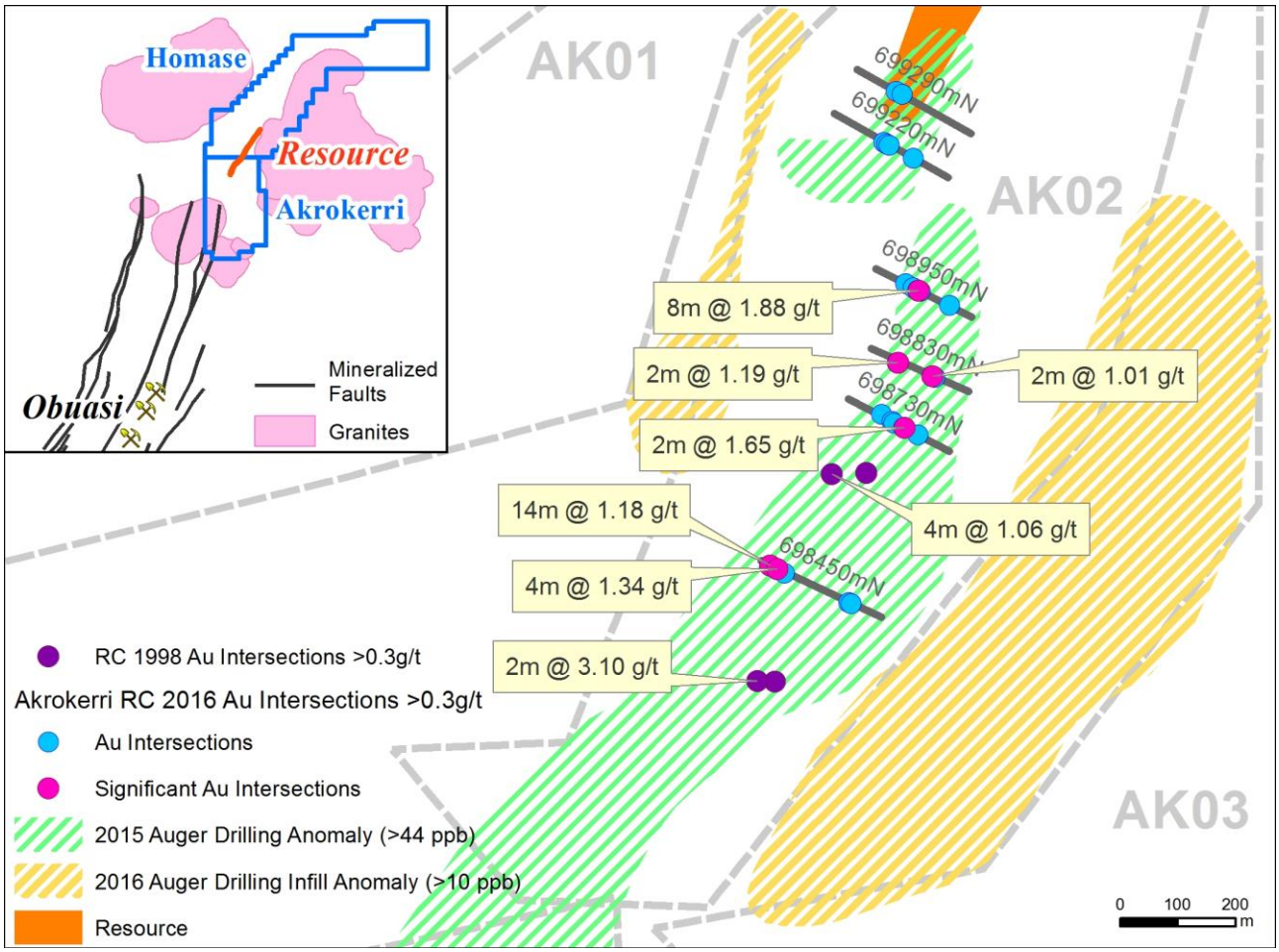
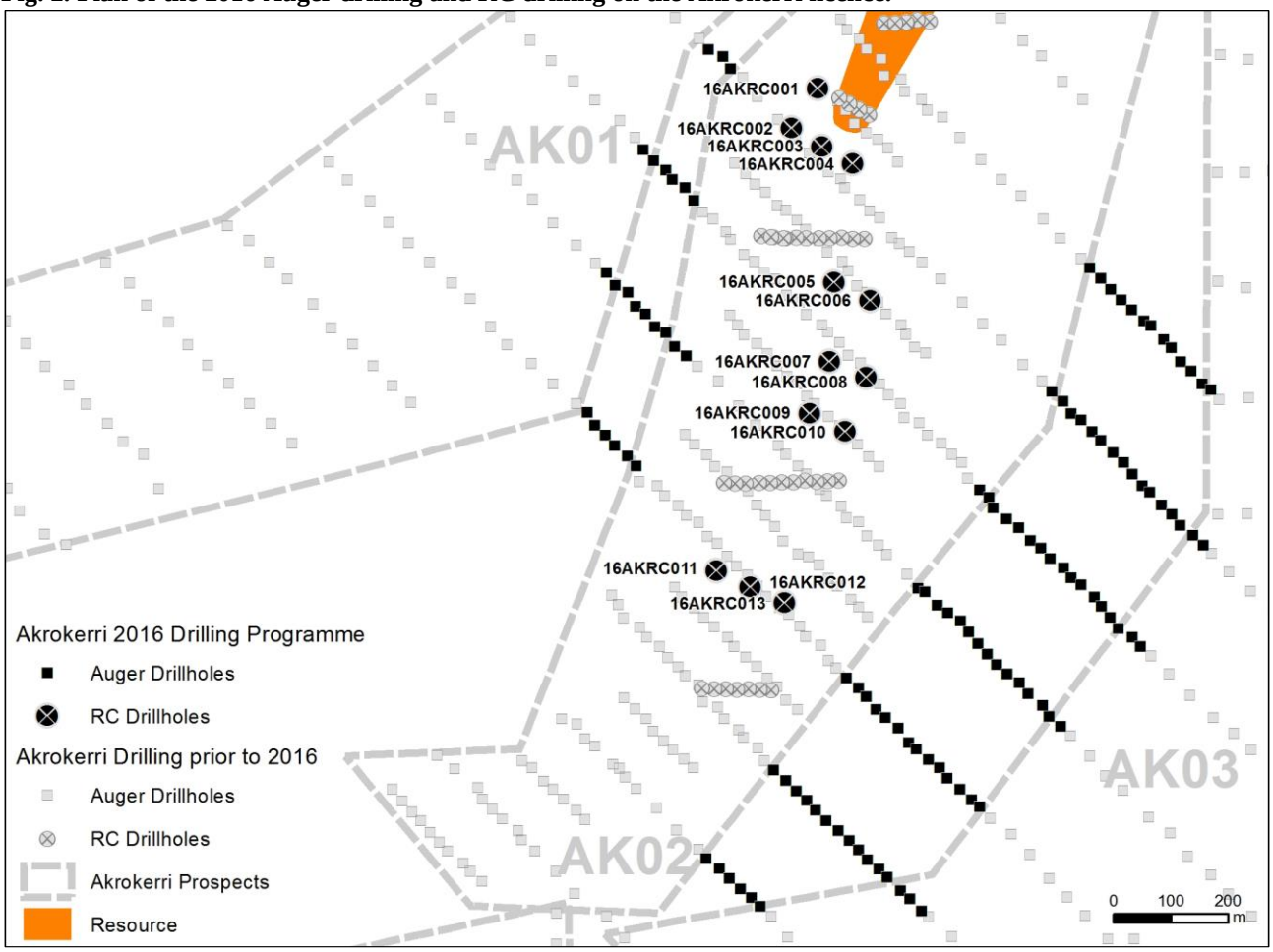


Fig. 2. Plan of the 2016 Auger drilling and RC drilling on the Akrokerri licence.



The AK02 prospect and much of the Akrokerri licence overlies the south-west extension of the main Homase resource zone, which has a JORC-compliant resource of 602,000 oz Au. Akrokerri is a geologically complex area extending approximately 2,500 metres from the Homase resource south-westwards to the licences of AngloGold Ashanti's Obuasi Mine, which has a combined exploited and remaining resource of as much as 45 million oz Au. The recently completed 120-hole infill auger programme identified widespread moderate gold anomalism (>10 ppb Au, up to 94 ppb) over an area of 1,250 metres x 350 metres to the east of the 2015 zone and a narrow anomalous zone to the west. In the opinion of the Directors, this confirmation of widespread gold anomalism in this area is not surprising and the Directors believe it to be indicative of the exploration potential of the Akrokerri licence.

The RC drilling programme comprised 13 holes totalling 1,424 metres, all declined at 55 degrees towards 115 degrees based on the latest interpretation of the structural geology. Four holes targeted the south-western extension of the Homase resource zone and these returned modest intersections that confirmed the continuity of the mineralization but indicate that there is limited opportunity to define additional resources in this area, unless "blind" ore shoots are present that do not extend to surface – a characteristic of some of the ore shoots of the nearby Obuasi Mine.

The remaining nine holes targeted the 750 metre-long 2015 saprolite-gold anomaly along four fence lines and returned significant intersections (>0.3 g/t Au), from north to south, of:

- Fence line 698950N: 8 metres @ 1.88 g/t Au from 102 metres (drill hole 16AKRC005)
- Fence line 698830N: 2 metres @ 1.19 g/t Au from 58 metres (16AKRC007) and 2 metres @ 1.01 g/t Au from 48 metres (16AKRC008)
- Fence line698730N: 2 metres @ 1.00 g/t from 110 metres (bottom of hole – 16AKRC009) and 2 metres @ 1.65 g/t Au from 28 metres (16AKRC010)

- Fence line 698450N: 14 metres @ 1.18 g/t Au from 16 metres and 4 metres @ 1.34 g/t Au rom 44 metres (16AKRC011)

All significant intersections from the RC drilling of >0.3 g/t Au are summarised in Table 1.

Table 1. 2016 RC drilling: significant intersections >0.3 g/t Au[1]

Hole ID	Depth from metres	Depth to metres	Interval metres	Grade g/t Au	Intersection
16AKRC001	90	94	4	0.48	4m @ 0.48 g/t
16AKRC001	108	112	4	0.53	4m @ 0.53 g/t
16AKRC003	36	40	4	0.51	4m @ 0.51 g/t
16AKRC003	46	50	4	0.59	4m @ 0.59 g/t
16AKRC003	54	62	8	0.69	8m @ 0.69 g/t
16AKRC004	30	36	6	0.91	6m @ 0.91 g/t
16AKRC005	64	68	4	0.59	4m @ 0.59 g/t
16AKRC005	86	88	2	0.48	2m @ 0.48 g/t
16AKRC005	102	110	8	1.88	8m @ 1.88 g/t
16AKRC006	0	6	6	0.40	6m @ 0.40 g/t
16AKRC006	88	90	2	0.94	2m @ 0.94 g/t
16AKRC007	58	60	2	1.19	2m @ 1.19 g/t
16AKRC008	48	50	2	1.01	2m @ 1.01 g/t
16AKRC008	56	60	4	0.41	4m @ 0.41 g/t
16AKRC009	68	72	4	0.69	4m @ 0.69 g/t
16AKRC009	102	104	2	0.36	2m @ 0.36 g/t
16AKRC009	110	112	2	1.00	2m @ 1.00 g/t
16AKRC010	28	30	2	1.65	2m @ 1.65 g/t
16AKRC010	68	70	2	0.32	2m @ 0.32 g/t
16AKRC011	16	30	14	1.18	14m @ 1.18 g/t
16AKRC011	34	40	6	0.63	6m @ 0.63 g/t
16AKRC011	44	48	4	1.34	4m @ 1.34 g/t
16AKRC011	70	74	4	0.42	4m @ 0.42 g/t
16AKRC013	42	44	2	0.37	2m @ 0.37 g/t
16AKRC013	50	58	8	0.71	8m @ 0.71 g/t

Notes: 1 Maximum internal dilution of any interval is 2 metre.

The RC results confirm the interpretation of the 750 metre-long gold-in-saprolite anomaly as a continuous NE-SW-trending zone, although the intersections along the southernmost fence line could also relate to an ENE-trending structural zone (Fig.1). Weathering is still pronounced at the depths at which the mineralization was intersected and it is possible that leaching of gold has occurred, a consequence of which is that gold contents below the zone of weathering may be higher than those reported from the drilling.

These results and other auger data are consistent with widespread gold mineralization in the complex structural zone between Homase and Obuasi and are being critically reviewed in relation to historical geophysical data with a view to further drilling, possibly preceded by more systematic high-resolution geophysical surveys.

In the meantime, a diamond drilling programme commenced on 1 November 2016 on the Homase licence with an initial three holes planned to explore the strike extensions of known ore shoots beneath the existing mined open pits that exploited higher-grade oxide material in 2001/02. The holes will be between 250 and 300 metres in length and will seek intersect sulphide mineralization at vertical depths of 200-250 metres. The Homase

mineralized zone hosts two, possibly three, relatively high-grade steeply plunging ore shoots. The Company believes that the longer-term future of the project lies in exploitation of higher-grade Obuasi-style mineralization and that there is a reasonable expectation that blind ore shoots still remain to be identified.

Sampling, assaying, and QA/QC

Goldstone's sampling of outcropping rocks, drill core, and other geological materials conforms to industry-wide good practice, with chain of custody being observed for all samples. Gold analysis for material sampled in this campaign is undertaken by ALS Limited in Kumasi, Ghana.

The Company maintains QA/QC on all analytical work via the use of certified reference materials, field duplicates, and blank samples in addition to monitoring of internal laboratory check-analyses.

Dr Bob Foster, FIMMM, CEng, is a Non-Executive Director of the Company and a Competent Person as defined in the JORC Code for Reporting of Exploration Results and consents to the inclusion in the release of the matters based on this information in the form and context in which it appears. .

For further information, please contact:

GoldStone Resources Limited Emma Priestley/ Neil Gardyne	+44 (0)20 7830 9650 / +27 (0)82 490 4427
Strand Hanson Limited Richard Tulloch / James Bellman	+44 (0)20 7409 3494
SI Capital Limited Nick Emerson / Andy Thacker	+44 (0)1483 413 500

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR").

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About GoldStone Resources Limited

GoldStone Resources Limited (AIM: GRL) is an AIM-quoted exploration company with projects in Ghana, Senegal and Gabon that range from grassroots to advanced exploration.

The Company is focused on developing the Homase-Akrokerri project in southern Ghana, which hosts an existing 602,000 oz gold JORC-compliant resource at an average grade of 1.77g/t, along strike from AngloGold Ashanti's Obuasi Gold Mine. Goldstone is focussed upon building a portfolio of high-quality projects in Ghana, in the highly prospective Birimian-age Ashanti Gold Belt, one of the most gold-endowed in the world with approximately 70 M oz gold produced to-date.

In Senegal, the Company holds the Sangola "Permis de Recherche", where a permit-wide termite mound sampling programme has identified several robust gold anomalies at surface. In Gabon, the Company holds the Oyem and Ngoutou permits, which both contain significant gold-in-soil anomalies in excess of 15 km in length. Nine diamond drill ("DD") holes have been completed at Oyem and returned best results of 1 metre @ 9.50 g/t Au and 1 metre @ 9.10 g/t Au within a 120 metre-wide zone of deformation. At Ngoutou, three DD holes have indicated gold mineralisation along a strike of at least 120 metres and with a best intersection of 16.0 metres @ 1.3 g/t Au. These licences are currently being reviewed by the Company.