

19 September 2016

GOLDSTONE RESOURCES LIMITED

("GoldStone" or the "Company")

Interim Results for the six months ended 30 June 2016

GoldStone (AIM: GRL), the AIM quoted company focused on gold in West and Central Africa, is pleased to announce its interim results for the six month period ended 30 June 2016.

Chairman's Statement

It is with pleasure that I present the interim results for GoldStone as Chairman of the Board. I am pleased to report that following the completion of the fundraise in July and with our new CEO, Emma Priestley, firmly in the driving seat, we are confident that we will be able to add value to the Company for the benefit of all shareholders.

Post the period end we raised, in aggregate, £1.0 million (approximately US\$1.3 million) through the placing announced on 28 July 2016, and I am pleased to say that the majority of the funds raised came from existing shareholders who demonstrated their support in the Company and its management. The fundraise was to provide, *inter alia*, funding to advance the Company's principal project, Homase-Akrokerry in Ghana, and we have now completed the 120 hole auger-drilling program and expect to mobilise shortly a multi-purpose reverse circulation ("RC") and diamond drill ("DD") rig to follow up on the extensions to known mineralisation within the Akrokerry licence as identified by the 2015 auger programme.

I do believe that we are finally seeing the bottom of the commodity cycle at last and there is a palpable confidence and enthusiasm in the junior mining sector, which has not been there for the past five years or so. GoldStone is well placed to take advantage of this and we are already seeing a number of opportunities being presented to us, which we will continue to review and assess going forward. Our focus, however, will initially be on adding to the resources we already have in Ghana.

I would like to thank Christopher Hall for the efforts he put into Goldstone during his tenure as Chairman, and we wish him well with his focus now as Chairman of Stratex International Plc, our major shareholder.

I look forward to being able to update you on the results of the recently completed auger and the planned RC/DD drilling programme at Homase-Akrokerry as they become available, and will undertake to keep you and the market fully informed about our progress.

Neil Gardyne

Chairman

Chief Executive Officer's Report

PRINCIPAL ACTIVITIES

The principal activities of the Company during and post the period were focused on concluding essential corporate administrative issues and in recent months the Company has undertaken the successful fundraise of £1.0 million (approximately US\$1.3 million) and the recommencing of exploration activities at the Company's principal project, Homase-Akrokerry, in Ghana.

REVIEW OF OPERATIONS

The Company continued to focus its activities on its two key licences in Ghana, namely Homase and Akrokerri. A well-structured programme of early works was undertaken, including rehabilitation of the site access roads, locating and pegging the drill site locations for the auger and RC/DD programmes, crop compensation negotiations, site clearing and procurement of elements for the refurbishment to the camp and certain items of mobile equipment. The Company also continues to be engaged with the local community with the restoration works to the Krodia and Adubriem Schools and the proposed outgrowers scheme involving the local community.

Homase-Akrokerri Licences - Ghana

The Group owns a 90 per cent. interest in the Homase licence and 100 per cent. of the Akrokerri licence. The local 10 per cent. partner in the Homase licence is supportive of the Company's plans.

The 2015 auger drilling programme identified, amongst other targets, a 1,500m gold-in-regolith anomaly at the AK02 prospect on the Akrokerri licence, immediately south-west and along strike of the 602,000 ounce Homase-Akrokerri JORC resource. The Homase-Akrokerri deposit is contiguous with Anglo Gold Ashanti's Obuasi Mine and the geology within Goldstone's Homase-Akrokerri Project is interpreted to be similar to that which hosts the Obuasi mineralisation.

The AK02 prospect has been prioritised for the planned RC drilling programme of up to 2,500m, whilst the auger programme has been designed to evaluate areas of ground between the anomalous zones identified in 2015.

The 120 hole auger programme has now been completed and the multi-purpose RC/DD drill rig is expected to be mobilised on site shortly with drilling expected to commence towards the end of September.

The rig also has the capability to undertake deeper drilling if warranted by the initial results and the DD capability will enable the Company to follow-up on zones of interest identified by the planned RC drilling and to test higher-grade zones of mineralisation beneath the existing resource. These zones have previously been identified as a result of exploration and drill programmes completed over the last 10 years.

Elsewhere in Ghana, minimal work has been undertaken at the Manso Amenfi project.

Gabon and Senegal

The Company continues to identify potential corporate deals for these licences in order to extract their underlying value without actively pursuing significant exploration work ourselves. This may take the form of joint ventures, disposals or other corporate restructuring.

Emma Priestley

Chief Executive Officer

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**Consolidated Statement of Financial Position
as at 30 June 2016**

<i>In United States dollars</i>	30 June 2016	31 December 2015	30 June 2015
	Unaudited	Audited	Unaudited
Assets			
Property, plant and equipment	10,219	9,110	21,507
Non-current assets	10,219	9,110	21,507
Trade and other receivables	-	912	7,693
Cash and cash equivalents	79,580	244,530	749,921
Current assets	79,580	245,442	757,614
Total assets	89,799	254,552	779,121
Equity			
Share capital – ordinary shares	1,008,352	1,008,352	1,008,352
Share capital – deferred shares	6,077,013	6,077,013	0
Share premium	25,717,878	25,717,878	25,717,878
Capital contribution reserve	555,110	555,110	6,632,123
Share options reserve	605,808	605,808	605,808
Accumulated deficit	(34,153,353)	(33,718,456)	(33,233,738)
Total equity	(189,192)	245,705	730,423
Liabilities			
Trade and other payables	28,991	8,847	48,698
Short term loan	250,000	0	0

Current and total liabilities	278,991	8,847	48,698
Total equity and liabilities	89,799	254,552	779,121

**Consolidated statement of comprehensive income
for the 6 months ended 30 June 2016**

<i>in United States dollars</i>	6 months ended 30 June 2016 Unaudited	year ended 31 December 2015 Audited	6 months ended 30 June 2015 Unaudited
Continuing operations			
Sundry income	1,758	27,500	14,938
Exploration expenses	(125,389)	(525,291)	(420,662)
Other expenses	(312,537)	(804,366)	(409,460)
Results from operating activities	(436,168)	(1,302,157)	(815,184)
Finance income	1,271	4,234	1,978
Net finance cost	1,271	4,234	1,978
Loss before tax	(434,897)	(1,297,923)	(813,206)
Loss from continuing operations	(434,897)	(1,297,923)	(813,206)
Other comprehensive income	0	0	0
Total comprehensive loss for the period	(434,897)	(1,297,923)	(813,206)
Loss per share:			
Basic loss per share	(0.007)	(0.021)	(0.013)
Diluted loss per share	(0.007)	(0.021)	(0.013)

**Consolidated statement of change in equity
for the 6 months ended 30 June 2016**

<i>in United States dollars</i>	6 months ended 30 June 2016	year ended 31 December 2015	6 months ended 30 June 2015

	Unaudited	Audited	Unaudited
Share capital – ordinary shares			
- at beginning of period - restated	1,008,352	1,008,352	1,008,352
- end of period	1,008,352	1,008,352	1,008,352
Share capital – deferred shares			
- at beginning of period - restated	6,077,013	6,077,013	0
- end of period	6,077,013	6,077,013	0
Share premium	25,717,878	25,717,878	25,717,878
Capital contribution reserve			
- at beginning of period - restated	555,110	555,110	6,632,123
- end of period	555,110	555,110	6,632,123
Share options reserve	605,808	605,808	605,808
Accumulated deficit			
- at beginning of period	(33,718,456)	(32,420,533)	(32,420,533)
- loss for the period	(434,897)	(1,297,923)	(813,206)
- end of period	(34,153,353)	(33,718,456)	(33,233,738)

**Consolidated statement of cash flow
for the 6 months ended 30 June 2016**

	6 months ended 30 June 2016	year ended 31 December 2015	6 months ended 30 June 2015
<i>in United States dollars</i>	Unaudited	Audited	Unaudited
Cash flow from operating activities			
Loss for the period	(434,897)	(1,297,923)	(813,206)

adjusted for:

- depreciation	0	12,397	0
- interest received	(1,271)	(4,234)	(1,978)

changes in:

- trade and other receivables	912	9,011	2,230
- trade and other payables	20,144	(42,040)	(2,189)

Net cash used in operating activities	(415,112)	(1,322,789)	(815,142)
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Cash flow from investing activities

Interest received	1,271	4,234	1,978
Acquisition of property, plant and equipment	(1,109)	0	0

Net cash used in / from investing activities	162	4,234	1,978
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Cash flow from financing activities

Proceeds from issue of ordinary share capital	0	0	0
Increase in short term loans	250,000	0	0

Net cash from financing activities	250,000	0	0
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Net (decrease) / increase in cash and cash equivalents	(164,950)	(1,318,555)	(813,164)
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Cash and cash equivalents at beginning of the year	244,530	1,563,085	1,563,085
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Cash and cash equivalents at end of the period	79,580	244,530	749,921
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Notes to the consolidated financial statement

1. Loss per share

	6 months ended 30 June <i>in United States dollars</i> 2016 Unaudited	year ended 31 December 2015 Audited	6 months ended 30 June 2015 Unaudited
Loss attributable to shareholders	(434,897)	(1,297,923)	(813,206)

Weighted average number of shares	62,286,363	62,286,363	62,286,363
Basic loss per share	(0.007)	(0.021)	(0.013)

2. Availability of Interim Report

The Interim Report will shortly be available on the Company's website www.goldstoneresources.com.

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").