



Morning Comment

16 April 2012

GoldStone Resources Ltd (GRL.L)#	5.13p (5.00p-5.25p) (52-Wk: High 11.75p Low 4.38p)
BUY: 12 Month Price Target: 15p	Market Cap:£16.3m

Ghana Drill Results

GoldStone has this morning revealed further positive results from exploration drilling work on its flagship Homase/Akrokerry project in Ghana. Data from the three latest holes suggest that a high-grade gold zone now extends to a depth of at least 170 metres, rather than a 100 metre depth. The three holes were drilled at a distance of between 130 and 250 metres north of the high grade shoot under the northern part of the Homase pit that was reported back in August last year. We also learnt from the announcement that results from ten other drill holes are awaited on Homase/Akrokerry within two separate target areas.

Recommendation

We continue to be encouraged by the exploration progress being made by GoldStone, which bodes very well for the current JORC resource of 405,600 @ 1.42 g/t being upgraded in terms of both resource size and grade. This would move GoldStone nearer to proving up a gold deposit of around one million ounces and similar to those expanded from other small open pit gold resources in Ghana by other developers. We also await news in the coming months from GoldStone's earlier stage projects in Gabon and Senegal. It is interesting to note that Toro Gold announced last month a maiden resource of 1.05m ounces of gold at 2.2 g/t on its Mako project in Eastern Senegal. Mako lies just north of GoldStone's Sangola permit area and underlines the prospectivity of the area, most of which is largely untapped. Optiva Securities' continue to rate the shares as a BUY, with a target price of 15p, which offers investors a potential three times upside from the current share price of 5p.

Optiva Securities act as joint broker to GoldStone Resources

Jason Robertson | Analyst/Corporate Broker

D: +44 (0)20 3137 1906

jason.robertson@optivasecurities.com

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