

GOLDSTONE RESOURCES LIMITED

("GoldStone" or the "Company")

Interim results for the half-year ended 31 August 2012

GoldStone (AIM: GRL), the AIM quoted company focused on gold in West and Central Africa, announces its interim results for the half-year ended 31 August 2012.

Operational Highlights (including post half-year-end):

- 48% increase in Homase/Akrokerry resource
- Encouraging drilling results at the Sangola licence in Senegal identify potential for a mineralised trend over 2km. Best results include 3 metres @ 11.8 g/t gold, 3 metres @ 4.9 g/t gold and 3 metres @ 2.4 g/t
- Initial phase of drilling reaching completion at Oyem in Gabon and results are awaited
- Jonathan Best, former CFO of AngloGold Ashanti appointed to the board

Jurie Wessels, GoldStone's Chief Executive, commented: "*We are very pleased with the progress and the potential value this may unlock over the next year. The increase in the Homase/Akrokerry resource is encouraging and the discovery in Senegal improves the prospectivity of the Sangola licence. We are also looking forward to receiving results from the Oyem drilling campaign.*"

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Chief Executive Officer's Report

Since the final results published at the end of August, the Company has progressed all of its five projects, which are located in three stable African democracies. In the past nine months we have increased the resource at the Homase/Akrokerri project in Ghana from 405,600 oz to 602,000 oz and reported very encouraging results at our highly prospective Sangola prospect in Senegal. We are also nearing completion of the initial phase of drilling at our exciting Oyem prospect in Gabon. Further exploration is planned for all our prospects in the coming year.

In early October Jonathan Best joined the board as a non-executive director. Mr Best brings a wealth of relevant industry experience, expertise and knowledge to the GoldStone board.

Ghana Projects

The Homase/Akrokerri project is located in the heart of the Ashanti Gold Belt in Ghana within the prolific gold province of the Ghanaian Birimian rocks. The Homase/Akrokerri project consists of two licences: the Akrokerri Licence, which adjoins the north-eastern border of AngloGold Ashanti's Obuasi mine and secondly, the Homase Licence within which there is an open pit where AngloGold Ashanti mined approximately 40,000 oz of gold in 2002/3.

GoldStone announced its maiden JORC-compliant gold resource estimate for Homase in April 2010 and for Akrokerri in June 2011, which combined to produce a resource of 405,600 oz, all from historical drilling results. GoldStone commenced drilling in June 2011 and the resource has now increased to 602,000 oz. Fifty one holes have been drilled at an all inclusive drilling cost of US\$3.93 million to return 14,376 metres of core on both licences. From results received for 23 holes drilled on the Homase Licence, the Company announced a 24% (96,400 oz) increase in the resource in August 2012. A further increase of 100,000oz was announced on 22 November 2012. The total resource of 602,000 oz is a 48% increase on the maiden resource published in June 2011.

Results of current resource estimate, for which a cut-off grade of 0.5 g/t gold was applied, are summarised below:

MINERAL RESOURCE BY CATEGORY

CATEGORY	TONNAGE Tonnes (million)	GRADE (Au g/t)	CONTAINED GOLD (Ounces)
Measured	1.61	2.24	116,000
Indicated	4.41	1.73	245,000
Measured & Indicated	6.01	1.87	361,000
Inferred	4.56	1.64	241,000
Total *	10.6	1.77	602,000

MINERAL RESOURCE BY MATERIAL

CATEGORY	TONNAGE Tonnes (million)	GRADE (Au g/t)	CONTAINED GOLD (Ounces)
Oxide	2.39	1.29	100,000
Fresh Rock	8.18	1.91	502,000
Total *	10.6	1.77	602,000

* Totals may not add up correctly due to rounding

The following tables summarise the resource for each of the Homase and Akrokerri Licences at a 0.5 g/t Au cut-off:

HOMASE LICENCE

MATERIAL TYPE	CLASS	TONNAGE	GRADE	CONTAINED GOLD
		Tonnes (million)	(Au g/t)	Koz
Oxide	Measured	0.37	1.43	17
	Indicated	0.89	1.11	32
	Inferred	0.25	1.09	9
Fresh Rock	Measured	1.23	2.49	98
	Indicated	2.13	2.19	149
	Inferred	1.95	1.62	101
Total* – Oxide	All	1.52	1.19	58
Total* – Fresh Rock	All	5.30	2.05	349
Total* – Oxide & Fresh	All	6.83	1.86	407

AKROKERRI LICENCE

MATERIAL TYPE	CLASS	TONNAGE	GRADE	CONTAINED GOLD
		Tonnes (million)	(Au g/t)	Koz
Oxide	Measured	-	-	-
	Indicated	0.55	1.51	27
	Inferred	0.32	1.41	14
Fresh Rock	Measured	-	-	-
	Indicated	0.84	1.38	37
	Inferred	2.04	1.77	116
Total* – Oxide	All	0.87	1.47	41
Total* – Fresh Rock	All	2.88	1.66	153
Total* – Oxide & Fresh	All	3.75	1.62	195

* Totals may not add up correctly due to rounding

The resource update returned encouraging increases in both tonnage and grade. The total resource now stands at 10.6 million tonnes and the average grade increased from 1.42 g/t to 1.77 g/t.

GoldStone owns 65% of the Homase Licence and may attain an 85% interest upon successful completion of a feasibility study of any nature over the area. The Company also increased its interest in the Akrokerrri Licence to 100% by acquiring the residual interest from Volta Resources Inc. in September 2012.

An interpretation of the recently completed VTEM survey data set in conjunction with other data sets in the Company's data base revealed more than 30 exploration targets in the Homase/Akrokerrri project area, some of which are on strike of the existing resource and associated with a conductor

identified as hosting the calculated gold resource. These targets will be explored further by soil sampling, pitting and trenching in order to identify near-surface drill targets in areas which may enlarge the existing resource.

The Minerals Commission of Ghana has not yet granted an extension or renewal in respect of the Homase and Akrokerry Licences, but these are expected to be finalised shortly. The interest the Company holds in each licence is subject to a 10% free carried interest in favour of the Government of Ghana, which will become effective once exploitation occurs.

At the Manso Amenfi project, over which GoldStone has a joint venture with Asasemu Mining Limited, previously identified gold anomalies, some of which trend parallel to nearby well known gold-bearing structures, are currently being evaluated by in-fill soil sampling and pitting. The high-resolution airborne magnetic and radiometric survey conducted by XCalibur Airborne Geophysics in October 2012 has proven to be successful as it increased our general understanding of the geology of the permit and because it detected numerous structures coincident with the identified gold anomalies. The survey results will assist the Company's exploration team in re-interpreting the gold-in-soil anomalies and in the optimal siting of pits and trenches in order to identify targets for further exploration drilling. GoldStone currently owns 10% in the Manso Amenfi licence and has the right to increase its interest to 25% through expenditure of approximately US\$250,000 on the project before March 2013. Thereafter the Company may increase its interest in the project to 85% in increments either by reaching certain benchmarks (achieving a code compliant resource of any magnitude and a feasibility study) or after spending agreed exploration funds (an additional US\$1.8 million) on the project.

Senegal (Sangola Licence)

The 471 km² Sangola Licence, which is wholly owned by GoldStone, lies in the south-eastern corner of Senegal in a prolific gold province where more than 30 million ounces of gold has been discovered in the past 10 years. The Sangola Licence area is bisected by a known gold bearing shear zone known as the Main Transcurrent Shear Zone ("MTZ"). This shear zone is host to the 3.4 Moz Massawa deposit of Randgold Resources, which lies 30km towards the north-east of the licence area.

Three major elongated gold-in-soil anomalies, Baraboye, Tiabedji and Tiobo, all of which are associated with underlying structures close to the MTZ, have been identified and explored by the Company. The Thiabedji anomaly was investigated by a 11,350m RAB ("Reverse Air Blast") drilling programme between May and July 2012 and yielded very encouraging results with the recognition of a mineralised trend up to 70 metres wide and 2km in extent. Initial geological interpretation suggests that the mineralisation is controlled by two north-east trending secondary structures splaying off the regional MTZ and indicates a bedrock gold source is likely in the south-western portion of the six kilometre long Thiabedji gold anomaly. Best results included 3 metres @ 11.8 g/t gold, 3 metres @ 4.9 g/t gold and 3 metres @ 2.4 g/t. Further exploration, which will comprise a RC ("Reverse Circulation") drilling programme, will investigate the potential for deeper mineralisation. A RAB drilling programme at the other prospects in the Sangola licence and guided by the recently completed airborne magnetic and radiometric survey is also planned to commence next year.

Gabon Projects (Oyem & Ngoutou)

The Oyem and Ngoutou licences were granted to the Company in April 2011. The licence areas share three common and prospective characteristics. Firstly, both licences hold large contiguous and geologically compelling gold-in-soil anomalies, which were identified during a country-wide EU

sponsored survey by the Gabonese Government. Secondly, the anomalies on both licences coincide with a contact zone, which is confirmed by geophysical data, that exists between amphibolite and gneissic rocks and thirdly, both licences contain significant artisanal gold workings in the streams that drain the gold-in-soil anomalies.

Both areas are easily accessible for drilling using existing logging roads. Drilling of approximately 1,000m of diamond core drilling in the central and most accessible part of the 15km long Oyem gold-in-soil anomaly has been ongoing under challenging conditions since July 2012 and is nearing completion. Most of the drill samples have been processed and are being shipped for assay to a laboratory in Johannesburg, South Africa. Initial results are expect shortly. A new track mounted Boart Longyear 38 diamond core drill rig, specifically adapted for the hilly terrain of Ngoutou, has been sent to Libreville for mobilisation early in January 2013 for a 1,500m drilling campaign at Ngoutou.

Outlook

In the forthcoming months, the Company will continue to explore and possibly drill at the Manso Amenfi project and finalise our drilling operations at Oyem. At Homase/Akrokerrri various options are being investigated to commercialise the 602,000 oz gold resource and ongoing low cost exploration will be conducted to identify further near-surface drill targets to expand the resource base. The potentially company-transforming prospects of Sangola, Oyem and Ngoutou will be drilled in the New Year and, as with Homase/Akrokerrri, the Directors are investigating a number of routes for commercialisation.

Jurie Wessels
Chief Executive Officer
28 November 2012

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	6 months ended 31 Aug 2012 Unaudited \$	Year ended 29 Feb 2012 Audited \$	6 months ended 31 Aug 2011 Unaudited \$
Revenues	3,543	24,043	16,792
Interest receivable	3,543	24,043	16,792
Exploration expenses			
Exploration expenses	(3,832,608)	(4,173,439)	(1,801,097)
Gross loss	(3,829,065)	(4,149,396)	(1,784,305)
Other operating expenses	(625,617)	(1,541,149)	(692,921)
LOSS FOR THE FINANCIAL PERIOD	(4,454,682)	(5,690,545)	(2,477,226)

OTHER COMPREHENSIVE INCOME	-	-	-
TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL PERIOD	(4,454,682)	(5,690,545)	(2,477,226)
Loss per ordinary share			
Basic and diluted loss per share (cents per share)	(1.4)	(1.8)	(1.1)

CONSOLIDATED BALANCE SHEET

	31 Aug 2012 Unaudited	29 Feb 2012 Audited	31 Aug 2011 Unaudited
	\$	\$	\$
FIXED ASSETS			
Tangible assets	29,802	37,071	35,495
Investment in a subsidiary	-	-	2
	<u>29,802</u>	<u>37,071</u>	<u>35,497</u>
CURRENT ASSETS			
Deposits	34,467	-	-
Cash at bank	2,680,864	7,572,698	3,461,510
	<u>2,715,331</u>	<u>7,572,698</u>	<u>3,461,510</u>
CREDITORS: Amounts falling due within one year			
Creditors and accruals	(129,499)	(539,454)	(436,542)
Net current assets	<u>2,585,831</u>	<u>7,033,244</u>	<u>3,024,968</u>
TOTAL ASSETS LESS CURENT LIABILITIES	<u>2,615,633</u>	<u>7,070,315</u>	<u>3,060,465</u>
CAPITAL AND RESERVES			
Share capital	5,234,834	5,234,834	3,776,592
Share premium	23,844,234	23,844,234	19,572,538
Capital contribution reserve	555,110	555,110	555,110
Share options and warrants reserve	605,808	605,808	(676,400)
Profit and loss account - (deficit)	<u>(27,624,353)</u>	<u>(23,169,671)</u>	<u>(20,167,375)</u>
SHAREHOLDERS' FUNDS	<u>2,615,633</u>	<u>7,070,315</u>	<u>3,060,465</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	6 months ended 31 Aug 2012 Unaudited \$	12 months ended 29 Feb 2012 Audited \$	6 months ended 31 Aug 2011 Unaudited \$
SHARE CAPITAL - £0.01 per value			
Beginning of period	5,234,834	3,746,214	3,746,214
Issue of shares	-	1,488,620	30,378
End of period	5,234,834	5,234,834	3,776,592
SHARE PREMIUM			
Beginning of period	23,844,234	18,214,386	19,426,002
Issue of shares	-	5,629,848	75,944
Fair value of share options	-	-	70,592
End of period	23,844,234	23,844,234	19,572,538
CAPITAL CONTRIBUTION RESERVE	555,110	555,110	555,110
SHARE OPTIONS AND WARRANTS RESERVE	605,808	605,808	(676,400)
ACCUMULATED DEFICIT			
Balance at beginning of period	(23,169,671)	(17,690,149)	(17,690,149)
Net loss	(4,454,682)	(5,690,545)	(2,477,226)
Credit to equity-settled share-based payments	-	211,023	-
End of period	(27,624,353)	(23,169,671)	(20,167,375)
	2,615,633	7,070,315	3,060,465

CONSOLIDATED STATEMENT OF CASH FLOW

	6 months ended 31 Aug 2012 Unaudited \$	12 months ended 29 Feb 2012 Audited \$	6 months ended 31 Aug 2011 Unaudited \$
Loss for the financial period	(4,454,682)	(5,690,545)	(2,477,226)

Adjusted for:

Depreciation	17,146	13,450	5,943
Share options granted to directors and employees	-	211,023	-
Interest received	(3,543)	(24,043)	(16,792)
Increase in deposits	(34,467)		
(Decrease) / increase in creditors	(409,955)	371,777	268,864
	<u>(4,816,567)</u>	<u>(5,118,338)</u>	<u>(2,219,211)</u>
Investing activities			
Interest received	3,543	24,043	16,792
Purchase of fixed assets	(9,877)	(11,870)	(2,788)
	<u>(6,334)</u>	<u>12,173</u>	<u>14,004</u>
Financing activities			
Proceeds from issue of ordinary share capital	-	7,118,468	106,322
Increase / (decrease) in cash	(4,822,901)	2,012,303	(2,098,885)
Cash at the beginning of the period	7,572,698	5,560,395	5,560,395
Cash at end of the period	<u>2,680,864</u>	<u>7,572,698</u>	<u>3,461,510</u>

EARNINGS PER SHARE

	6 months ended 31 Aug 2012 Unaudited \$	12 months ended 29 Feb 2012 Audited \$	6 months ended 31 Aug 2011 Unaudited \$
Loss attributable to shareholders	<u>(4,454,682)</u>	<u>(5,690,545)</u>	<u>(2,477,226)</u>
Weighted average number of shares	<u>318,356,738</u>	<u>318,356,738</u>	<u>224,276,548</u>
Basic loss per share (cents)	(1.4)	(1.8)	(1.1)

Basic loss per share is calculated by dividing the losses attributable to ordinary shareholders by the weighted average number of shares in issue.