

**This document is important and requires your immediate attention. If you are in any doubt about the contents of this document or the action you should take, you should immediately seek your own independent financial advice from your stockbroker, solicitor or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000.**

If you have sold or transferred all of your ordinary shares in GoldStone Resources Ltd, you should forward this document, together with the accompanying form of proxy, immediately to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee.

# **GOLDSTONE RESOURCES LTD**

*(Incorporated in Jersey with company number 71490)*

## **Directors:**

Mr Jurie Wessels (CEO & Finance Director)  
Dr Hendrik Schloemann (Exploration Director)  
Mr Nico van der Hoven (Non-executive Chairman)  
Mr Gennen McDowall (Non-executive Director)  
Mr Tim Churcher (Non-executive Director)

## **Registered Office:**

P.O. Box 560  
11-15 Seaton Place  
St. Helier JE4 8XP  
Jersey

28 May 2010

*To the holders of Ordinary Shares*

Dear Shareholder

## **Proposed Placing of Shares Notice of Extraordinary General Meeting**

### **1. Introduction**

It was announced today that Goldstone Resources Limited (“**Goldstone**” or the “**Company**”) has conditionally raised approximately £2.06 million, before expenses, by the placing of 58,857,142 new ordinary shares of 1 penny each (the “**Placing Shares**”) at a price of 3.5 pence per share (the “**Placing**”).

The Placing is conditional, *inter alia*, on admission of the Placing Shares to trading on the AIM market of the London Stock Exchange (“**Admission**”) and on the passing of an ordinary resolution of the Company which will be proposed at an Extraordinary General Meeting of the Company to be held at 2.00 p.m. on 14 June 2010 at the registered office of the Company, 11-15 Seaton Place, St. Helier JE4 8XP, Jersey (the “**EGM**”). At the end of this document is a notice convening the EGM which sets out the ordinary resolution to be proposed at the EGM (the “**Resolution**”). Further particulars of the Resolution are set out in paragraph 4 of this letter.

The purpose of this document is to provide you with background to, and details of, the Placing and to request shareholder support for the Resolution.

### **2. Background to the Placing**

Goldstone’s projects, located in Ghana and Senegal, range from grassroots projects to advanced exploration. The Company intends to utilise the funds raised to explore these projects further, in particular its advanced Homase project, which contains a JORC compliant gold resource of 282,608 ounces.

The Company is reviewing a number of new gold exploration opportunities in order to grow the portfolio and to reduce discovery risk. GoldStone is currently awaiting approval of two large gold exploration permits in Gabon, Central Africa.

### **3. Details of the Placing**

The Company, through its joint brokers Westhouse Securities Limited (“**Westhouse**”) and Orbis Equity Partners Limited (“**Orbis**”), has conditionally raised approximately £2.06 million, before expenses, by the issue of the Placing Shares to institutional and other investors.

The Placing is conditional on the placing agreement entered into between the Company, Westhouse and Orbis (the “**Placing Agreement**”) having become unconditional and Admission occurring on 15 June 2010, or such later time and date as the Company, Westhouse and Orbis may agree, being no later than 5.30 p.m. on 29 June 2010. If any of the conditions of the Placing Agreement are not fulfilled or waived on or before 5.30 p.m. on 29 June 2010, the Placing will not become unconditional and the placing monies will be returned to the placees as soon as practicable thereafter.

The Placing Shares will, when issued and fully paid, rank *pari passu* in all respects with the existing issued ordinary shares of one penny each in the Company (the “**Ordinary Shares**”) and are expected to be admitted to trading on AIM on 15 June 2010.

### **4. Extraordinary General Meeting**

You will find set out at the end of this document the notice convening the EGM at 2.00 p.m. on 14 June 2010 at 11-15 Seaton Place, St.Helier JE4 8XP, Jersey for the purposes of considering and, if thought fit, approving the Resolution. The Resolution will be proposed as an ordinary resolution of the Company and, as such, will require to be passed by a simple majority of the shareholders who (being entitled to do so) vote in person or by proxy at the EGM.

The purpose of the Resolution is to provide the Directors, in addition to the authority already conferred on the Directors, with authority to issue the Placing Shares without having to first offer such Placing Shares to shareholders pursuant to the pre-emption rights set out in Article 4(2) of the articles of association of the Company.

### **5. Action to be taken**

A form of proxy is enclosed for use by shareholders at the EGM. Whether or not you intend to be present at the EGM, you are asked to complete and return the form of proxy in accordance with the instructions printed thereon so as to be received by the Company’s registrars, Computershare Investor Services (Jersey) Ltd at Queensway House, Hilgrove Street, St Helier, Jersey, JE1 1ES, not later than 2.00 p.m. on, 12 June 2010. Completion and return of the form of proxy will not preclude you from attending the EGM and voting in person, if you so wish.

### **6. Recommendation**

The Directors believe that the Placing and the Resolution are in the best interests of the Company and its shareholders as a whole. The Directors unanimously recommend that shareholders vote in favour of the Resolution as they intend to do in respect of their own beneficial shareholdings (held either as potential discretionary beneficiaries in the case of Nico van der Hoven, Jurie Wessels and Hendrik Schloemann or as a nominee director on behalf of Bendigo Mining Ltd in the case of Tim Churcher) amounting in aggregate to 43,104,166 Ordinary Shares, representing approximately 26.36 per cent. of the current issued ordinary share capital of the Company.

Yours sincerely

**NICO VAN DER HOVEN**

*Non-executive Chairman*

# **GOLDSTONE RESOURCES LTD**

*(Incorporated in Jersey with company number 71490)*

## **Notice of Extraordinary General Meeting**

Notice is hereby given that an Extraordinary General Meeting of GoldStone Resources Ltd will be held at 11-15 Seaton Place, St.Helier JE4 8XP, Jersey at 2.00 p.m. (GMT) on 14 June 2010 for the purpose of considering and, if thought fit, passing the following resolution as an ordinary resolution:

### **Ordinary Resolution**

THAT, in addition to the authority to allot or grant options over shares conferred upon the directors under Article 4(2) of the Company's Articles of Association, and notwithstanding the pre-emptive rights of shareholders described in Article 4(2), the directors are hereby authorised to allot the Placing Shares, as such term is defined in the circular to shareholders dated 28 May 2010 (the "**Circular**"), on the terms described in the Circular subject to such non-material amendments and to terms as the directors may determine.

### **BY ORDER OF THE BOARD**

Jurie Wessels  
*Company Secretary*

28 May 2010

### **Registered Office:**

P.O. Box 560  
11-15 Seaton Place  
St.Helier JE4 8XP  
Jersey

### **NOTES:**

1. A member of the Company is entitled to appoint a proxy or proxies to attend, speak and vote at the meeting in his stead. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. A member may not appoint more than one proxy to exercise rights attached to any one share. A proxy does not need to be a member of the Company.
2. The appointment of a proxy does not preclude you from attending the meeting and voting in person. If you appoint a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
3. To be effective forms of proxy must be duly completed and returned so as to reach the Company's registrars, Computershare Investor Services (Jersey) Ltd at Queensway House, Hilgrove Street, St Helier, Jersey, JE1 1ES not less than 48 hours before the time appointed for the holding of the meeting.
4. To be entitled to attend and vote at the meeting or any adjournment thereof (and for the purpose of the determination by the Company of the number of votes they may cast), members must be entered in the Register of members at 6 p.m. on the day which is two days before the date of the meeting.

