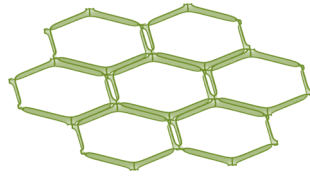


OAKDALE RESOURCES LIMITED

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31 October 2017

ASX ANNOUNCEMENT

SEPTEMBER 2017 - QUARTERLY ACTIVITIES REPORT

Highlights

- As announced earlier today Oakdale Resources Limited (Oakdale) has entered into an Option Agreement to acquire a 51% interest in Africa Mineral Sands Limited Pte Ltd ("AMS"). AMS owns 74% of Vast Mineral Sands (Pty) Ltd ("VMS").
- VMS has the rights to 100% of an extensive heavy mineral sand asset, with contained residual diamonds, located on the Alexkor SOC Limited ("Alexkor") mining lease area in North-West South Africa
- Alexkor has been actively mining diamonds on the mining lease area since 1928 and the waste material has been discarded on large coarse tailing dumps and slime dams. The dumps and sands on the Alexkor mining lease area contain zircon, rutile, monazite, ilmenite and magnetite which will be re processed by VMS
- Oakdale Resources will, over the next 180 days, undertake all necessary due diligence and other necessary enquiries, obtain valuations of the assets and obtain an Independent Experts Report into the Vast Mineral Sands Project before determining its final offer price and whether to proceed with the proposed transaction.
- The Company is also continuing to look for commercial and other opportunities to further develop the Oakdale Graphite Project on the Eyre Peninsula in South Australia. The Company is currently in negotiations with an Indian graphite company to test the graphite concentrate to determine if the concentrate can be upgraded
- The Company is proposing to undertake a capital raising in the current quarter to enable it to undertake the due diligence and other work required on the Vast Mineral Sands Project and to pursue the Oakdale Graphite Project opportunity. Details of the proposed capital raising will be announced as soon as the details have been finalised.

Oakdale Resources earlier today announce that it has entered into an Option agreement to acquire a 51% interest in Africa Mineral Sands Pte Ltd. African Mineral Sands Pte Ltd owns a 74% interest in Vast Mineral Sands (Pty) Ltd. Vast Mineral Sands (Pty) Ltd has the rights to 100% of an extensive heavy mineral sand asset, with contained residual diamonds, located on the Alexkor SOC Limited (Alexkor) mining lease area in North-West South Africa.

Alexkor SOC Limited has been actively mining diamonds on the mining lease area in North- West South Africa since 1928 and the waste material has been discarded on large coarse tailing dumps and slime dams. The dumps and sands on the Alexkor mining lease area contain zircon, rutile, monazite, ilmenite and magnetite, which will be re processed by Vast Mineral sands (Pty) Ltd.

Prior to completing the proposed transaction Oakdale Resources will undertake all necessary due diligence and other enquiries into the VAST Mineral Sands Project and obtain an Independent Experts Report to determine the appropriate price for the acquisition of the 51% interest and whether it wishes to proceed and complete the acquisition.

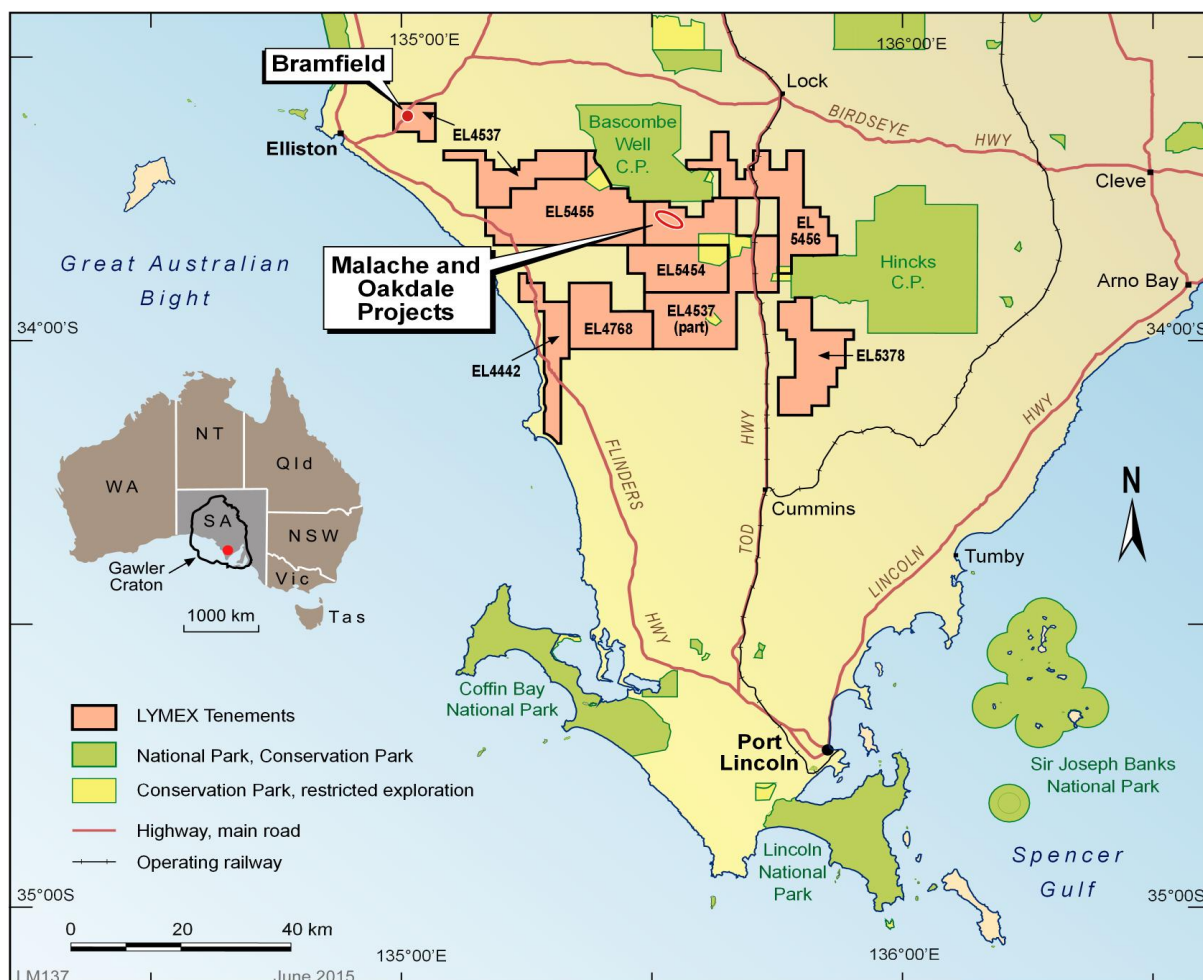
In the event, following completion of all necessary due diligence and other enquiries and obtaining an Independent Experts Report on the Vast Mineral Sands project by Oakdale Resources the parties are not able to agree on a price and terms for the acquisition of the 51% interest in AMS, the transaction will not proceed, and the option held by Oakdale Resources will terminate. There will then be no further obligations in relation to the proposed transaction on either of the parties

Alexander Bay Heavy Mineral Project, Namaqualand in South Africa





Oakdale Graphite Project - Eyre Peninsula South Australia



The Company will also continue to pursue the commercialisation of its Oakdale Graphite Project located on the Eyre Peninsula in South Australia and is in negotiations with an Indian graphite company to further test the graphite concentrate to determine if the concentrate can be upgraded.

Oakdale Resources has reviewed a large numbers of potential projects over the past 12-18 months to provide additional scale to the Company and to be developed alongside its existing Oakdale Graphite Project on the Eyre Peninsula in South Australia.

The Company has focused on locating a project that will deliver long term value to Oakdale Resources shareholders and believes the VAST heavy mineral sand assets has the potential to be that project and achieve long term sustainable value for Oakdale Resources shareholders.

The Company will provide regular market updates to shareholders as the Vast Mineral Sands due diligence process is completed and the capital raising details are finalised.

For further information please contact John Lynch on (07) 3624 8188

John E Lynch
B. Sc (Sydney) M.Sc. (James Cook) FAICD and FAIMM
Managing Director

Competent Person's Statement

The information in this Quarterly Report for Oakdale Resources Limited was compiled by Mr John Lynch who is a member of the Australian Institute of Geoscientists and Fellow of the Australasian Institute of Mining and Metallurgy.

John Lynch has sufficient experience, which is relevant to the styles of mineralisation and types of deposits under consideration and to the activity to which he is undertaking to qualify as a "Competent Person" as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' John Lynch consents to the inclusion in this Quarterly Report of the matters set out in the Quarterly Report based on the information in the form and context in which it appears.