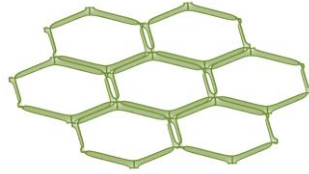


OAKDALE RESOURCES LIMITED

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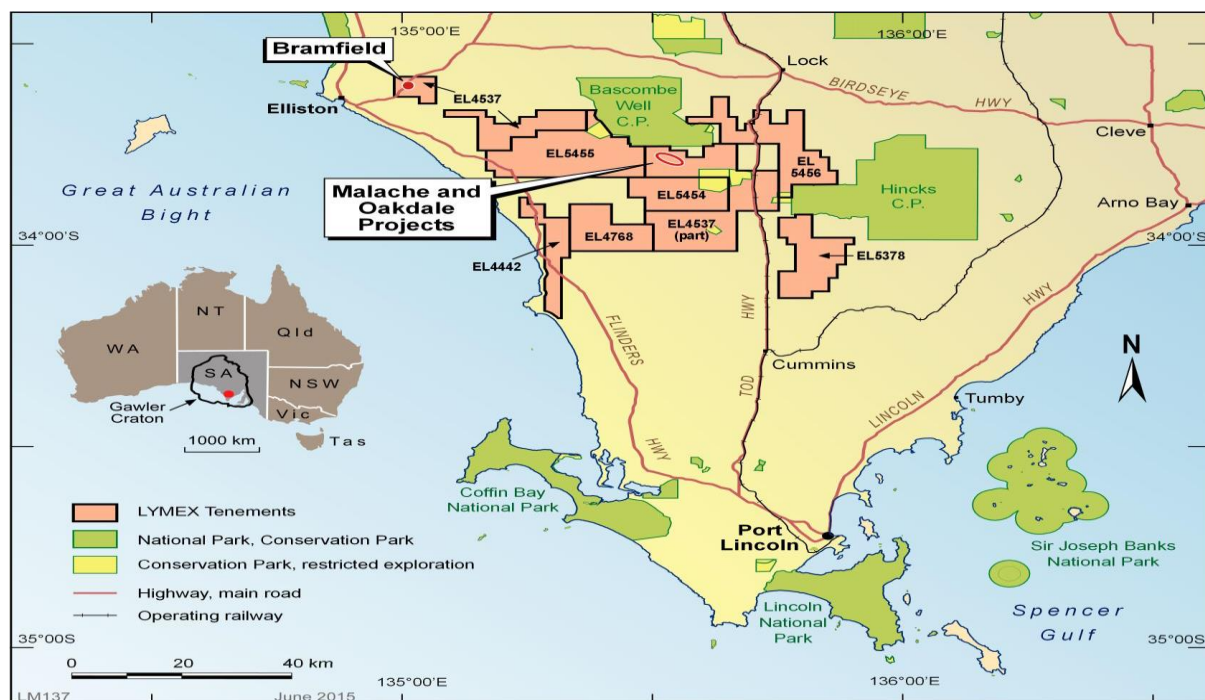
30 January, 2018

ASX ANNOUNCEMENT

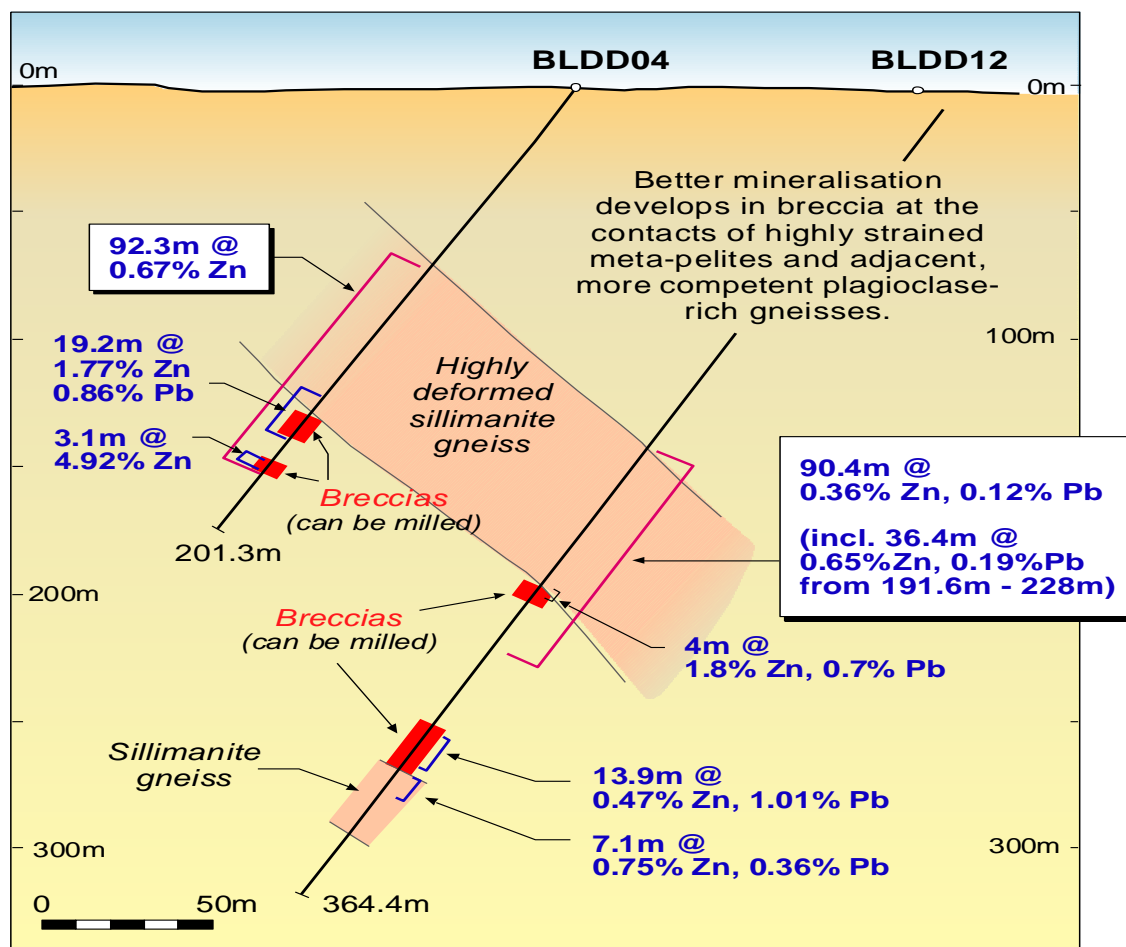
DECEMBER 2017 - QUARTERLY ACTIVITIES REPORT

The Company is continuing to pursue the commercialisation of its Oakdale Graphite Project located on the Eyre Peninsula in South Australia and is negotiating with an Indian graphite company to further test the graphite concentrate to confirm that the graphite concentrate can be upgraded. Selected graphite air core samples from the Company's drill programme have been collated and packed in anticipation of this testwork commencing in the next quarter. The Company has continued to explore off-take and other strategic agreements for its graphite and is seeking to identify and commence discussions with potential users for its graphite products.

As previously announced Mineral Resource calculations have been completed for the Oakdale Project and the Oakdale East prospect totalling 6.3 million tonnes at a grade of 6.3% TGC. The metallurgical test work carried out to date has indicated that a +90% graphite float concentrate could be achieved with 84% recovery of the contained graphite. The Company considers these results to be encouraging as a 99%+ concentrate has significant economic value and can be used in the manufacture of a range of products including lithium-ion batteries. A scoping study based on these parameters confirmed the positive economics of the Oakdale Graphite Project.



A review of the Malache base metal prospect is in progress. Previous drilling at Malache intersected structurally controlled, iron free zinc and lead mineralisation over a two kilometer zone. The zinc/lead mineralisation contains associated copper, lead, indium, gallium and germanium. The best intersection being 19.2 metres of 1.77% zinc and 0.86% lead within a wide anomalous zone of 92.3m @ 0.67% zinc.



Western Eyre Peninsula Malache Prospect; Cross Section BLDD04, BLDD12 Showing Mineralised Domains

Oakdale Resources Limited (Oakdale) announced in the previous quarter that it had reached a further agreement with African Mineral Sands Pte Ltd (AMS) where it has purchased an initial 1% interest in AMS as well as an option to acquire up to 51% in 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, garnet and magnetite which will be re processed by VMS

Oakdale is undertaking all necessary due diligence and other necessary enquiries 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 consideration to be issued is based on an independent valuation of the Vast Mineral Sands Project in North Africa by Mineral Management Pty Ltd (ABN 57 135 171 185).

Oakdale issued 7,500,000 fully paid ordinary shares at \$0.04 cents per share (AUD \$300,000) in consideration for the issue to Oakdale of a 1.0% shareholding in AMS and in consideration for AMS granting an option to Oakdale that will entitle Oakdale to acquire up to a 51% shareholding in AMS for a price and on terms to be agreed between the Parties after the completion by Oakdale of all necessary due diligence and other necessary inquiries.

Location of Alexander Bay Heavy Mineral Project, Namaqualand in South Africa



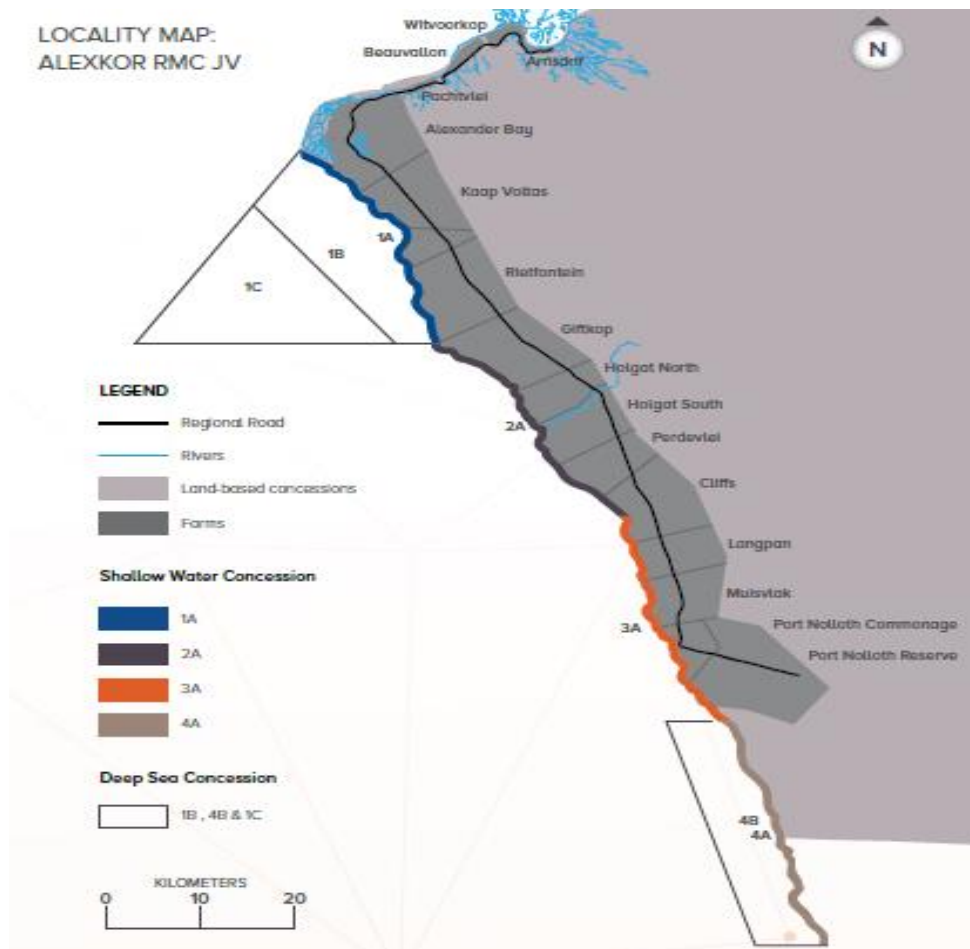
VMS has the rights to 100% of an extensive heavy mineral sand asset, with contained residual diamonds, located on the Alexkor mining lease area in North-West South Africa.

Oakdale believes its interest in AMS will provide additional scale to the Company and to be developed alongside its existing Oakdale Graphite Project and other base metal interests on the Eyre Peninsula in South Australia.

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

ACTIVITIES – VAST MINERAL SANDS

VMS, during the quarter have commenced trial mining on the Cliffs Diamond Concession granted by Alexcor. Preliminary sampling of this area indicated grades of in excess of 11 carats per 100 cubic metres with diamonds averaging 3.3mms. The diamond bearing gravel will be processed by Alexcor at a diamond recovery plant on site with an economic share ratio of 70% to VMS and 30% to Alexcor. Results of this trial mining will be available in the next quarter. A drill programme to establish a JORC resource for the extensive slime and coarse tailing dumps is being planned to commence in the next quarter.



The Company will provide regular market updates to shareholders as the VMS due diligence process is progressing.

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

A handwritten signature in black ink, appearing to read 'J E Lynch', with a stylized, cursive script.

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.