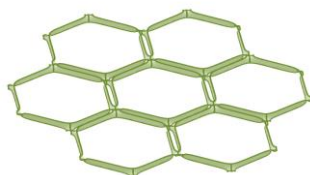


# OAKDALE RESOURCES LIMITED

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28<sup>th</sup> November 2018

## **ADDRESS TO SHAREHOLDERS**

Welcome to the Annual General Meeting of Oakdale Resources Limited.

Today I want to take the opportunity to bring the Company's shareholders up to date on our progress over the past year and what the Company's plans are for the year ahead.

Oakdale's exploration activities are ongoing in a low key fashion. Oakdale believes that it has a commercial deposit of graphite on its tenements on the central Eyre Peninsula and is continuing to explore its options to pursue a prospective Joint Venture partner and/or Offtake agreement, or both. The evaluation work undertaken confirms a JORC resource of 6.3mt at 4.7%TGC, a metallurgical recovery rate that confirms a +90% graphite float concentrate with 80% recovery of the contained graphite and a positive Scoping Study, all of which have been announced to the shareholders.

In May 2018, the Company obtained a revision of the terms of the Amalgamated Expenditure Agreement for its projects in the Central Eyre Peninsula Projects with the Department for Energy and Mining to extend the Company's interest in its graphite, iron ore, zinc, gold and nickel prospects (refer Oakdale Resources Limited Prospectus) at a reduced minimum exploration expenditure for the period ending 31 December 2019. The extension will allow the Company to source new funding for the projects, including off-take or other strategic agreements for the graphite asset.

The Company has sought and reviewed in excess of 100 potential opportunities to add value to its portfolio and to seek ongoing funds to continue to pursue opportunities for its graphite projects and also to further explore its zinc, iron ore, nickel and gold prospects discovered by the Company on its Eyre Peninsula tenements.

To that end this time last year, the Company announced an opportunity that it considered highly potential and an option was acquired to earn up to a 51% interest in African Mineral Sands Pte Ltd (AMS) who in turn owns a 74% interest in Vast Mineral Sand Pty Ltd which has the rights to an extensive heavy mineral sand asset with contained residual diamonds in North West Africa. The Company advised that it would take all necessary due diligence and other requirements over the next 180 days to determine whether it should proceed with the proposed transaction. Unfortunately

communication with AMS was inconsistent and the decision was made to not pursue this opportunity and to that end the 7,500,000 shares issued for the option are proposed to be cancelled at this AGM.

Despite this setback, the Company has continued to pursue appropriate opportunities to recapitalise Oakdale and to this end it proposes to acquire (subject to shareholder approval) the acquisition of 100% of the issued shares of a private Australian company, Ozinca Australia Pty Ltd (Ozinca).

Ozinca through its wholly owned subsidiary, Ozinca Peru SAC (**Ozinca Peru**), holds contractual rights under a signed Contract of Assets Transfer (**Contract**) with a Peruvian entity called Minera Aurifera Chimu SAC (**Chimu**) to acquire from Chimu an existing gold processing plant in southern Peru (**Project**). The gold processing plant is strategically located to purchase high grade gold ore from a significant number of existing small miners in the Ayacucho and Chala regions of Peru. These mines are currently using environmentally damaging mercury recovery methods. The Contract is subject to certain conditions precedent that must be fulfilled by Chimu unless waived by Ozinca Peru.

The consideration payable by OAR for the acquisition of 100% of the shares in Ozinca (Acquisition) is 100,000,000 fully paid ordinary shares in the capital of OAR (Acquisition Shares).

Oakdale will complete the due diligence for acquisition of Ozinca and will be seeking shareholder approval for the acquisition of Ozinca and the issue of Shares under the terms of acquisition.

Oakdale's Managing Director John Lynch stated "We have reviewed a number of projects in both Australia and globally and believe the Ozinca opportunity represents an exciting opportunity for all shareholders to participate in the gold market, in particular gold operations in Peru.

Oakdale will provide further information to shareholders on **Ozinca** and **Chimu** on completion of due diligence and obtaining an independent expert's report on the acquisition of Ozinca.

Yours faithfully,  
OAKDALE RESOURCES LIMITED

A handwritten signature in black ink, appearing to read 'J. Lynch', written over a horizontal line.

John Lynch  
Director