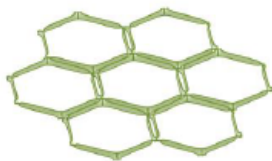


OAKDALE RESOURCES LIMITED

ACN 009 118 861

8 Maud Street, Newstead
Qld 4006
PO Box 3199 Newstead
Qld 4006



Phone: (07) 3624 8188
Fax: (07) 3624 8133
Email: info@oakdaleresources.com.au
Web: oakdaleresources.com.au

3 May 2019

Mr Alex Sutton
Compliance Advisor
Geology Listings Compliance (Sydney)
ASX
20 Bridge Street
SYDNEY NSW 2000

By Email: ListingsComplianceSydney@ASX.com.au

Dear Mr Sutton

Appendix 5B Query

I refer to your letter to Mr Hemant Amin, the Company Secretary of Oakdale Resources Limited (**OAR**).

OAR responds to each of your questions and requests for information as follows:

Question 1

Does OAR expect that it will continue to have negative operating cash flows for the time being and, if not, why not?

Answer 1

As announced to ASX, OAR has recently acquired 100% of the shares in Ozinca Australia Pty Ltd (**"Ozinca"**) which has required the accounts of the two entities to be consolidated.

OAR expects it will continue to have negative operating cash flows for the next two quarters (including the quarter ending 30 June 2019) as expected and allowed in its business plan.

The shortfall in required operating cash flows will be funded from the capital raising referred to below.

It was always the intention of OAR, and remains the intention of OAR, to raise capital post the acquisition to ensure adequate funding for working capital purposes and to fund the upgrade of its newly acquired gold processing plant in Peru. The Acquisition Agreement dated 11 January 2019 pursuant to which OAR acquired the shares in Ozinca made specific reference of a further capital raising by OAR of at least \$2m. Of this latter sum \$500,000 is expected to be raised in the current quarter with the balance to follow shortly thereafter.

Question 2

Has OAR taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe they will be successful?

Answer 2

Please see the response to question 1 above.

OAR expects to be undertaking a placement to raise the additional capital necessary.

OAR believes that the placement will be successful given that the Company already has issued a number of Convertible Notes to sophisticated investors who have indicated their willingness to assist and participate in the proposed placement. As pointed out, the placement will be done in 2 tranches, firstly to raise \$500,000 within the next 30 days and the balance most likely within the next 60 days thereafter.

Question 3

Does OAR expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer 3

Yes, OAR does expect to be able to continue its operation and meet its business objectives on the basis referred to in the answers to paragraphs 1 and 2 above. The Company has low operating costs at present and this is likely to continue for at least the next 6 months.

Question 4

Please confirm that OAR is complying with Listing Rule 3.1 and that there is no information about its financial conditions should be given to ASX in accordance with that rule that has not already been released to the market.

Answer 4

OAR confirms that it is in compliance with its continuous disclosure obligations pursuant to Listing Rule 3.1. More to the point, there is no information about its financial condition that should be given to ASX in accordance with Listing Rule 3.1 that has not already been released to the market.

Question 5

Please confirm that OAR's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of OAR with delegated authority from the board to respond to ASX on disclosure matters.

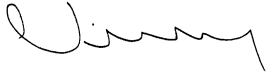
Answer 5

We confirm that the responses to the questions above have been authorised and approved by its Board of Directors. The writer is a director of OAR.

Should you require any additional information please contact the writer or our Company Secretary,
Hemant Amin on hemant@raamin.com

Yours sincerely

OAKDALE RESOURCES LIMITED

A handwritten signature in black ink, appearing to read 'David Vilensky', with a stylized, cursive script.

David Vilensky
Director



1 May 2019

Mr Hermant Amin
Company Secretary
Oakdale Resources Limited
8 Maud Street
Newstead, QLD 4006

By email:

Dear Mr Amin

Oakdale Resources Limited ('OAR'): Appendix 5B Query

ASX refers to OAR's Appendix 5B quarterly report for the period ended 31 March 2019 lodged with ASX Market Announcements Platform on 30 April 2019 (the 'Appendix 5B').

ASX notes that OAR has reported:

- negative net operating cash flows for the quarter of \$62,986;
- cash at the end of the quarter of \$79,892; and
- estimated cash outflows for the next quarter of \$80,500.

It is possible to conclude, based on the information in the Appendix 5B that if OAR were to continue to expend cash at the rate indicated by the Appendix 5B, OAR may not have sufficient cash to continue funding its operations.

In view of that, ASX asks OAR to respond separately to each of the following questions and requests for information:

1. Does OAR expect that it will continue to have negative operating cash flows for the time being and, if not, why not?
2. Has OAR taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
3. Does OAR expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
4. Please confirm that OAR is complying with Listing Rule 3.1 and that there is no information about its financial condition that should be given to ASX in accordance with that rule that has not already been released to the market.
5. Please confirm that OAR's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of OAR with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **9:00 AM AEST Monday, 6 May 2019**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in OAR's securities under Listing Rule 17.3. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, OAR's obligation is to disclose

the information “immediately”. This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at ListingsComplianceSydney@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rule 3.1 and Listing Rule 3.1A

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity’s securities. Exceptions to this requirement are set out in Listing Rule 3.1A. In responding to this letter, you should have regard to OAR’s obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that OAR’s obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in OAR’s securities under Listing Rule 17.1. If you wish to request a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Enquiries

If you have any queries or concerns about any of the above, please contact me immediately.

Kind regards



Alex Sutton
Compliance Adviser, Geology, Listings Compliance (Sydney)