

QUARTERLY ACTIVITIES REPORT
FOR THE PERIOD ENDING 30 JUNE 2019

HIGHLIGHTS

Nevada

- **Binding Term Sheet signed for Alpine Gold Assets in Nevada, USA, incorporating Tonopah North, Lambarson Canyon & Douglas Canyon Gold Projects**
- **Planned Geophysics & Drill Programs to start following completion of Due Diligence**

Peru

- **Term Sheet signed for Acquisition of the Hanai Gold Mine & Burpar Concessions, Southern Peru. Geological assessments soon to be underway**
- **Chimu Gold Plant: Licensing nearing completion with Plant Upgrade & Infrastructure Construction programs planned to start in September**

Corporate

- **Completion of merger approved 6 March 2019**
- **Changes to Board and management**
- **Relocation of management and administration to Perth, WA**

Summary

Oakdale Resources Limited (ASX: OAR) (“Oakdale” or “the Company”) provides the quarterly report for June 2019 following the merger between Ozinca Australia Pty. Ltd. and Oakdale Resources Ltd. This transaction was consummated at the Extraordinary General Meeting of Oakdale shareholders in Melbourne on 6 March 2019. The Company is pleased to confirm that all legal documentation has been completed, and all holding statements have now been issued to new shareholders. The management and administration offices have relocated to Ozinca Australia offices in Perth Western Australia.

Oakdale is pleased to provide an update on our operations in Peru, North America and Australia.

The Company has signed a Binding Option Term Sheet with Alpine Resources (USA) Pty Ltd for its’ Nevada based Alpine Project. The Alpine Projects are targeting epithermal and Carlin type gold deposits in the Nevada region, which is ranked “World Top 3” as a mining jurisdiction by the Fraser Institute. Three properties have been staked all with strong multi-ounce gold and silver sample results, and all with multiple drill targets identified. The Alpine exploration team has over 20 years “in-country” experience, including leadership of the team that discovered the 2.3 million ounce Long Canyon gold deposit, which is now in production. Subject to completion of Due Diligence, our objective is to move all properties to drilling in 2019.

The Company also intends to target similar highly prospective, yet under-explored, trends similar to the Long Canyon gold trend and other analogous settings in Nevada, as an exploration target based on established gold trends.

The licensing and permitting process continues in Peru, with the completion of the Environmental Impact Study (EIS), Tailings Dam design and approval, 40 ton per day Building Licence, the new Plant lease agreement, and we expect to sign an option agreement for the purchase the land on which the Plant sits, with additional acreage for a bigger plant footprint. In addition, we have completed a raft of smaller applications and approvals mainly in relation to water usage and quality, chemicals transport and usage, and evidence of the Non-existence of Archaeological Remains (CIRA).

The Company is also very close to finalising the Detailed Engineering Study for the Chimu Gold Plant which for the expanded 120 tons per day approval and licensing process. This will be a major milestone achievement.



Photo 1 & 2: “View of Chimu Gold Plant, Southern Peru, looking (1) East & (2) South East”

Following the recent signing of the Term Sheet to acquire the Hanai Gold Mine, and the Burpar concessions, we are preparing a sampling program in conjunction with our Peruvian Geologist and his Team, to carry out base line analysis of the recently acquired 1500 hectares. This will assist in the mapping of the project, and identifying suitable targets for shallow drilling as soon as permits become available.

OAKDALE OPERATIONS

Nevada – USA

On 27 June 2019 the Company signed a Binding Option Term Sheet with Alpine Resources (USA) Pty Ltd (“Alpine”) for the acquisition of its’ Alpine Project incorporating the Tonopah North, Douglas Canyon and Lambarson Canyon Projects in Nevada, USA (“the Projects”). The Projects are targeting Carlin and epithermal type million plus ounce deposits in northern and southern Nevada, USA.

The exploration program forming part of the due diligence to be funded by Oakdale, plans the first stage to consist of a geophysical program to enable the review of the Alpine Project tenements and determine drill targets. The geophysical review will assess the regional structure, intrusive complex and stratigraphy in the project area and will assist in identifying priority drill targets.

The second stage exploration program will involve a minimum of 800 meters of diamond drilling on the priority targets to be managed by Alpine in accordance with an agreed and approved program and budget at a maximum cost of USD\$456,000. This program is expected to be completed within the next 6 months.

Gold Deposits and Gold Trends

- Discovery of Long Canyon (LC) demonstrated that significant gold deposits occur outside of the established gold trends in Nevada.
- Long Canyon was discovered in an area once thought of as not highly prospective – however the discovery has defined a new gold trend.
- This has created a new paradigm for gold exploration in Nevada that opens up large parts of Eastern Nevada and western Utah as prospective for Carlin type gold deposits.
- At Tonopah North Gold mineralisation is “leaking” from both west and east faults and this is interpreted as evidence of a gold mineralising system at depth.
- The Camp Douglas area is a bonanza epithermal gold-silver mining district in the Walker Lane of southern Nevada. Several gold deposits have been established in the last decade and ground is currently tightly held.
- Recent follow-up by Alpine led to multiple old workings and very strong gold and silver rock chip values were obtained from old prospect pits and mine dumps which lead to a decision to stake the property.
- Lamberson Canyon, a potential high-grade Carlin Type system with similar Geological setting to the 4.0 M ounce Lone Tree deposit.

Background History & Major Nevada Gold Trends:

- **Carlin Trend:**
 - Meikle - 7 million ounces
 - Gold-strike - 40 million ounces
 - Genesis - 14 million ounces
 - Gold Quarry - 30 million ounces
- **Getchell Trend:**
 - Turquoise Ridge - 15 million ounces
 - Twin Creeks - 15 million ounces
- **Cortez Trend:**
 - Pipeline - 21 million ounces
 - Cortez Hills - 15 million ounces
 - Goldrush - 14 million ounces



Figure 1: “Tonopah North – Regional Geology showing Gold & Silver mine locations”

Chimu Gold Plant - Peru

The Chimu Plant Purchase is now complete, with title in all Plant and associated assets transferred to Ozinca Peru SAC (100% wholly owned subsidiary). The completion of vendor payments are an important milestone for the Company and provides security of tenure for the ongoing operations.

Negotiations with the Chaipi Community have progressed well, in order for us to purchase additional land surrounding the Chimu Plant, and we are expecting to sign this purchase option in the near future.

We will soon need to locate larger premises in Lima Peru to house the increased project management team. We have identified, and in some cases appointed, various key personnel, all of whom will commence employment, once we launch into the upgrade process.

We continue to identify and source competitive supply and installation prices for all aspects of the Plant construction and major equipment. Infrastructure drawings are complete and early construction is scheduled to start in August / September, once the 120 tpd building licence has been issued, and the final pre-permitting process has finished.

Through the design phase, we have identified significant cost and time savings with the use of light weight and dry materials, as opposed to adopting more conventional construction methods, with bricks and mortar. We have completed full engineering details and drawings for the Tailings Dam, the Weighbridge & Office, and the very substantial Ball Mill slabs and footings.

Generally, the firm price quotations for all Plant & Equipment continue to be within the parameters of the original budgets, and we expect that this pattern will not change. We continue to be well pleased and encouraged by the on-going level of support and assistance that has been shown by the local Mines Department, and other Provincial authorities.

The Gold Plant continues to be under “Care & Maintenance”, with adequate full-time security, and will remain so, until such time as we complete all the aforementioned permitting, and we can finally commence the building process. Whilst the last few months has indeed been frustrating with legislative and permitting issues, as well as undertaking the Corporate Ozinca / Oakdale merger, we are nonetheless pleased that the upgrade work is soon to start.

We maintain our endeavours with the opportunity to extend a nearby transmission line which will provide substantial power savings compared to the diesel generators that are currently designed.



Photo 3: “Mine Camp to South of Chimu – our access Road in valley floor below”

Hanai Gold Mine & the Burpar Gold Concessions

The Company is very excited to announce that we have recently signed a Term Sheet to acquire the Hanai Gold Mine & Burpar Gold Concessions. This project comprises 1500 hectares and is highly prospective for the high grade Gold vein deposits suitable for treatment at the Chimu Gold Plant. A surface sampling programme has commenced at Burpar and results will be published as they come to hand.

COMMUNITY & ENVIRONMENTAL ISSUES

We have now completed all aspects of the Environmental Impact Study and have received an approval from DREM – the Peruvian Mines Department. This process has greatly involved the local community in organized meetings and lengthy consultative workshops.

These meetings have been invaluable in terms of establishing and fostering further binding relationships between Oakdale (Ozinca) and the local mining fraternity.



Photo 4: “Existing agitation and leach tanks: Chimu Gold Plant”

We have engaged 2 employees and contractors who are very active in the community and they will shortly be looking to sign supply contracts with local miners and gold ore suppliers.

The local community, and particularly the Mayor of the nearby town of Relave, are in full support of our activities, as we will be a consumer of local goods and services, and potentially a valuable source of employment for many of the town’s inhabitants.



Photo 5 & 6: “Existing Infrastructure: Chimu Gold Plant”

We are now closer to satisfying the required Peruvian compliance and licensing procedures and we look forward to starting the plant upgrade programs.

Oakdale is also spending more time in identifying and assessing other mining opportunities to secure high grade & desirable source feed for our expanded processing facility.

GRAPHITE PROJECT - Eyre Peninsula, South Australia

The Company currently owns Exploration Leases covering over 750 km².

No progress in the Quarter.

CORPORATE

Following the merger with Ozinca Australia Pty Ltd, as approved by shareholders on 6 March 2019, the Board of the Company was restructured as follows:

- Chris Gale was appointed Executive Chairman,
- John Lynch resigned as Managing Director and remains as a Non-Executive Director,
- Andrew Harrington and Graham White resigned, and
- David Vilensky was appointed as a Non-Executive Director.

In addition, the Company relocated its' registered and principal place of business from Brisbane to 32 Harrogate Street, West Leederville, Western Australia.

Oakdale would like to thank you, and all our shareholders, past & present, for your patience and continuing support. We look forward to progressing the required pre-construction stages and implementing the refurbishment and development phases.

Refer to Annexure A for details of all mining tenements

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About Oakdale Resources Limited

Oakdale is actively pursuing Exploration, Mining & Processing opportunities in North & South America. The Company has recently signed an Option to secure 165 Mining Claims, over 3 highly prospective locations, in the mineral rich areas of Southern Nevada, USA. The Company intends to start a Geological assessment and drilling program in the fourth quarter of 2019.

In addition, the Company is the owner and soon to be operator, of a CIP Gold lixiviation plant in Southern Peru, and holds this asset and associated licences through its 100% owned Peruvian subsidiary, Ozinca Peru SAC.

The plant is strategically located in a highly mineralised area, with thousands of small miners in the immediate vicinity, all of whom are potential customers for our processing business.

The Company intends to secure supply contracts with many of these miners as source feed for its Chimu Gold Plant. In the longer term, ownership of a Gold Mine will provide secure and regular feed for increased capacity as a result of successive plant upgrades.



ANNEXURE A

MINING TENEMENTS INFORMATION FOR THE QUARTER ENDING ON 30 JUNE 2019

Project	Tenement. No.	Interest at start	Interest at end	Location	Acquired	Disposed
Central Eyre Peninsula Project						
Brimpton Lake	EL 5721	100%	100%	South Australia		
Kapinnie	EL 5454	100%	100%	South Australia		
Mt Hope	EL 5637	100%	100%	South Australia		
Sheringa	EL 5455	100%	100%	South Australia		