
OAKDALE RESOURCES LTD**ACN 009 118 861****NOTICE OF GENERAL MEETING**

Notice is given that the Meeting will be held at:

TIME: 10 am (Perth time)

DATE: Tuesday 10 September 2019

PLACE: 32 Harrogate Street,
West Leederville WA 6007

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at [*6] on [*7].

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – ISSUE OF PLACEMENT SHARES AND OPTIONS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to that number of Shares, when multiplied by the SPP Issue Price, will raise up to \$1,500,000, together with 1 free attaching Option for every 2 Shares subscribed for and issued, on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. RESOLUTION 2 – ISSUE OF SHARE PURCHASE PLAN OPTIONS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 29,809,555 Options on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

3. RESOLUTION 3 – ISSUE OF OPTIONS TO BROKER

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 30,000,000 Options on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions

on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. RESOLUTION 4 – ISSUE OF OPTIONS TO SUB-UNDERWRITER

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 5,000,000 Options on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. RESOLUTION 5 – ISSUE OF UNDERWRITTEN SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to that number of Shares, when multiplied by the SPP Issue Price, will raise up to \$500,000 on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. RESOLUTION 6 – APPROVAL TO ISSUE OPTIONS UNDER SPP TO CHRIS GALE

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to the Maximum Director SPP Options to Chris Gale (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Chris Gale or any of his associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. RESOLUTION 7 – APPROVAL TO ISSUE OPTIONS UNDER SPP TO DAVID VILENSKY

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to the Maximum Director SPP Options to David Vilensky (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of David Vilensky or any of his associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

8. RESOLUTION 8 – APPROVAL TO ISSUE OPTIONS UNDER SPP TO JOHN LYNCH

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to the Maximum Director SPP Options to John Lynch (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of John Lynch or any of his associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

9. RESOLUTION 9 – RATIFICATION OF PRIOR SHARES ISSUED FOR WORKING CAPITAL

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 7,500,000 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

10. RESOLUTION 10 – RATIFICATION OF PRIOR SHARES ISSUED ON CONVERSION OF CONVERTIBLE NOTES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 19,196,429 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

11. RESOLUTION 11 – RATIFICATION OF PRIOR SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 375,000 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

12. RESOLUTION 12 – APPROVAL FOR ISSUE OF SHARES

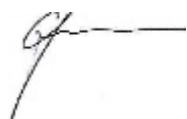
To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 150,000,000 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Dated: 7 August 2019

By order of the Board



**Christopher Gale
Chairman
Oakdale Resources Limited**

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company on +61 8 6117 4797.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. BACKGROUND TO MEETING

1.1 Capital Raising

As previously announced, the Company is undertaking a capital raising consisting of an offer of Shares and free-attaching Options to existing Shareholders pursuant to a partially underwritten share purchase plan (**SPP**) and a placement of Shares and free-attaching Options to professional and sophisticated investors (**Placement**). The Placement and SPP are together referred to as the Capital Raising.

Pursuant to the Capital Raising, the Company is looking to:

- (a) issue up to 59,619,109 Shares (with up to 29,809,555 free attaching Options) at the SPP Issue Price (defined below), under the SPP; and
- (b) issue up to that number of Shares which when multiplied by the SPP Issue Price (defined below) will raise up to \$1,500,000, under the Placement.

The issue price of Shares under the SPP and Placement is 85% of the volume weighted average price (**VWAP**) for Shares calculated over the last 5 days on which sales in the Shares were recorded before the day on which the issue was made (in compliance with the requirements of ASX Listing Rule 7.2 (Exception 15)) (the **SPP Issue Price**).

These Resolutions seek the requisite Shareholder approvals to enable the Company to undertake the Capital Raising and issue the Securities to any parties assisting with the Capital Raising such as PAC Partners (or its nominee), who is engaged as the underwriter and lead manager and any sub-underwriters engaged by PAC Partners (refer below for further detail).

It is noted that:

- (a) **Resolution 1** seeks Shareholder approval for the issue of Shares to unrelated professional and sophisticated investors and clients of PAC Partners who are participating in the Placement;
- (b) the Company will issue Shares to unrelated Shareholders participating in the SPP pursuant to ASX Listing Rule 7.2 (Exception 15) which sets out an exception to ASX Listing Rule 7.1 and provides that an issue of securities under a share purchase plan are (subject to certain exceptions) exempt from the requirement to obtain Shareholder approval;
- (c) all of the Directors intend to participate in the SPP and the Shares to be issued to the Directors participating in the SPP will be issued pursuant to ASX Listing Rule 10.12 (Exception 8) which provides that shares issued to related parties of the Company under a share purchase plan are (subject to certain exceptions) exempt from the requirement to obtain Shareholder approval;

- (d) **Resolution 2** seeks Shareholder approval for the issue of the free-attaching Options to unrelated Shareholders participating in the SPP (**SPP Options**). The Company will issue the SPP Options under the Options Prospectus (defined below), subject to obtaining Shareholder approval pursuant to Resolution 2;
- (e) **Resolutions 6 to 8** seek Shareholder approval for the issue of SPP Options to related Shareholders participating in the SPP (being, all of the Directors, who intend to participate in the SPP Offer). The Company notes that the SPP Options for which approval is being sought pursuant to Resolutions 2 and 6 to 8 are being issued pursuant to a prospectus that will be released by the Company on the ASX approximately 1 week prior to the date of the Meeting (**Options Prospectus**);
- (f) The Company engaged the services of PAC Partners Securities Pty Ltd (**PAC Partners**) and with whom it entered into a lead manager mandate and underwriting agreement in respect of the Capital Raising whereby PAC Partners will act as Lead Manager and Underwriter to the SPP and the Placement and will assist the Company through the provision of corporate advice and capital raising services. **Resolutions 3 to 5** seek Shareholder for issues of Securities to PAC Partners in relation to its services as Lead Manager and Underwriter to the Capital Raising.

1.2 Lead Manager and Underwriter to Capital Raising

Pursuant to the lead manager mandate and underwriting agreement the Company has agreed to pay PAC Partners (or its nominee):

- (a) an SPP underwriting fee of 6.0% (plus GST) on the Underwritten Amount;
- (b) a placement fee of 5% (plus GST) on the total gross amount raised under the Placement, excluding funds raised from existing Shareholders or new investors introduced by the Directors;
- (c) a management fee of 1% (plus GST) on the total gross proceeds raised under the Placement;
- (d) a maximum of 30 million Options calculated as 10 million Options on completion of the SPP and 1.35 million Options for every \$100,000 raised under the Capital Raising;
- (e) for provision to the sub-underwriters, 10 Options for every \$1 sub-underwritten; and
- (f) a monthly cash retainer of \$7,500 for 6 months from the date of the mandate letter.

Further information on the underwriting agreement and lead manager mandate are contained in the SPP offer booklet released to the ASX on 7 August 2018 and the Options Prospectus to be dispatched prior to the date of the General Meeting.

1.3 Indicative Timetable*

Record Date for SPP	5.00pm (WST) on 5 August 2019
Announce SPP, Placement and Unmarketable Parcel	6 August 2019

Buyback	
Dispatch SPP booklet to Shareholders and release on the ASX	7 August 2019
Opening Date for SPP	7 August 2019
Dispatch Notice of Meeting to Shareholders and release on the ASX	9 August 2019
Closing Date for SPP	5.00pm (WST) on 26 August 2019
Announcement of SPP results	27 August 2019
Settlement of Shortfall under SPP (if any)	27 August 2019
Lodge Options Prospectus with the ASIC and the ASX	28 August 2019
Lodge Appendix 3B and Issue of new Shares under the SPP	28 August 2019
Quotation on ASX of new Shares under the SPP	29 August 2019
General Meeting of Shareholders held	10 September 2019
Opening Date of Placement	10 September 2019
Closing Date of Offers under Options Prospectus	5.00pm (WST) on 11 September 2019
Closing Date of Placement	5.00pm (WST) on 11 September 2019
Lodge Appendix 3B, Cleansing Notice and Issue of Shortfall Shares under the SPP (if any), SPP Options under the SPP and issue of Shares and Options under the Placement	12 September 2019
Quotation on ASX of Shortfall Shares (if any) and SPP Options under the SPP and Shares and Options under the Placement	13 September 2019

These dates are indicative only. The Company may vary the dates and times of the SPP and Placement without notice.

2. RESOLUTIONS 1 TO 5 – APPROVAL FOR ISSUES OF SHARES AND OPTIONS

2.1 General

Resolutions 1 to 5 seek Shareholder approval for the following issues:

- (a) **Resolution 1:** up to that number of Shares, which when multiplied by the SPP Issue Price, will raise up to \$1,500,000 under the Placement, together with 1 free attaching Option for every 2 Shares subscribed for and issued under the Placement (being 50% of the total number of Shares issued);
- (b) **Resolution 2:** up to 29,809,555 Options, being the free attaching Options to be issued to unrelated Shareholders participating in the SPP;
- (c) **Resolution 3:** up to 30,000,000 Options to PAC Partners (or its nominee) in consideration for services provided to the Company by PAC Partners (or its nominee) as lead manager and underwriter to the Capital Raising;

- (d) **Resolution 4:** up to 5,000,000 Options to PAC Partners (or its nominee) in consideration for services provided as sub-underwriters to the SPP, based on the Underwritten Amount; and
- (e) **Resolution 5:** up to that number of Shares, which when multiplied by the SPP Issue Price, is equal to \$500,000, being the total amount to be underwritten by PAC Partners (or its nominee) pursuant to the SPP.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of these Resolutions will be to allow the Company to issue the above Securities during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

2.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Capital Raising and these Resolutions:

- (a) the maximum number of Securities to be issued pursuant to each Resolution is set out in Section 2.1 above;
- (b) the Securities will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that all the Securities issued pursuant to each respective Resolution will occur on the same date;
- (c) the issue price per Security will be as follows:
 - (i) **Resolution 1:** the Shares will be issued at the SPP Issue Price (being, 85% of the volume weighted average price (**VWAP**) for Shares calculated over the last 5 days on which sales in the Shares were recorded before the day on which the issue was made) and the Options will be issued for nil cash consideration as they will be free attaching on the basis of 1 Option for every 2 Shares subscribed for pursuant to the Placement;
 - (ii) **Resolution 2:** the Options will be issued for nil cash consideration as they will be free attaching on the basis of 1 Option for every 2 Shares subscribed for pursuant to the SPP;
 - (iii) **Resolution 3:** the Options will be issued for nil cash consideration as they will be issued in satisfaction of services provided by PAC Partners (or its nominee) pursuant to the Capital Raising (described above);
 - (iv) **Resolution 4:** the Options will be issued for nil cash consideration as they will be issued in satisfaction of sub-underwriting services provided by PAC Partners (or its nominee) as the sub-underwriters pursuant to the SPP; and
 - (v) **Resolution 5:** these Shares will be issued at the SPP Issue Price (being, 85% of the volume weighted average price (**VWAP**) for Shares calculated over the last 5 days on which sales in the

Shares were recorded before the day on which the issue was made).

- (d) the Securities will be issued to the following parties, none of which are related parties:
 - (i) **Resolution 1:** professional and sophisticated investors and clients of PAC Partners participating in the Placement;
 - (ii) **Resolution 2:** eligible Shareholders who subscribed for and were issued Shares pursuant to the SPP;
 - (iii) **Resolution 3:** PAC Partners (or its nominee) as lead manager to the Capital Raising; and
 - (iv) **Resolution 4:** PAC Partners (or its nominee) as sub-underwriters to the SPP; and
 - (v) **Resolution 5:** PAC Partners (or its nominees) as the underwriter to the SPP.
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) all of the Options are exercisable at \$0.04 each, on or before 5.00pm (WST) on 31 December 2021 and will be issued on the terms and conditions set out in Schedule 1; and
- (g) the Company intends to use the funds raised from the Capital Raising to carry out a geological and drilling campaign as part of its due diligence on the Nevada gold projects pursuant to the recently announced Binding Option Term Sheet with Alpine Resources (USA) Pty Ltd; meet the regulatory spend on the Company's graphite project on the Eyre Peninsula in South Australia, to complete the initial planned upgrade to the Company's Chimu gold processing plant in Peru, and maintain liquidity and for general working capital purposes.

3. RESOLUTIONS 6 TO 8 – APPROVAL TO ISSUE OPTIONS UNDER SPP

3.1 General

As set out above, the Directors intend on participating in the SPP and the Company has agreed, subject to obtaining Shareholder approval, to issue up to the:

- (a) Maximum Director SPP Options to Chris Gale;
- (b) Maximum Director SPP Options David Vilensky; and
- (c) Maximum Director SPP Options John Lynch,

(or their respective nominees) on the terms and conditions set out below (**Related Party Options**).

The Company notes that the Directors are entitled to apply for up to \$15,000 worth of Shares under the SPP, being, that number of Shares which when multiplied by the SPP Issue Price equals \$15,000. Accordingly, the maximum

number of Related Party Options which may be issued to the Directors is that number of Options which equals 50% of the number of Shares, which when multiplied by the SPP Issue Price equals \$15,000 (the **Maximum Director SPP Options**), as the Options are free attaching to Shares under the SPP on a one (1) for two (2) basis.

Resolutions 6 to 8 seek Shareholder approval for the grant of the Related Party Options to Messrs Gale, Vilensky and Lynch (or their nominees) pursuant to their participation in the SPP.

3.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of Related Party Options constitutes giving a financial benefit. Messrs Gale, Vilensky and Lynch are related parties of the Company by virtue of being directors of the Company.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Related Party Options because the Related Party Options are being issued on an arm's length basis on the same terms as those issued to non-related participants in the SPP.

3.3 ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the grant of the Related Party Options involves the issue of securities to related parties of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

3.4 Technical information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to Resolutions 6 to 8:

- (a) the Related Party Options will be granted to Messrs Gale, Vilensky and Lynch (or their respective nominees);
- (b) the maximum number of Related Party Options to be issued to Chris Gale (or his nominee) is the Maximum Director SPP Options being 50% of the Shares subscribed for by Chris Gale under the SPP;

- (c) the maximum number of Related Party Options to be issued to David Vilensky (or his nominee) is Maximum Director SPP Options being 50% of the Shares subscribed for by David Vilensky under the SPP;
- (d) the maximum number of Related Party Options to be issued to John Lynch (or his nominee) is Maximum Director SPP Options being 50% of the Shares subscribed for by John Lynch under the SPP;
- (e) the Related Party Options will be granted no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Related Party Options will occur on the same day;
- (f) the Related Party Options will be issued for nil cash consideration as free-attaching to the SPP Shares, accordingly no funds will be raised; and
- (g) the Related Party Options are exercisable at \$0.04 each, on or before 5.00pm (WST) on 31 December 2021 and will be issued on the terms and conditions set out in Schedule 1 (being, the same terms and conditions as all other Options to be issued subject to Shareholder approval at the General Meeting).

Approval pursuant to ASX Listing Rule 7.1 is not required for the grant of the Related Party Options as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the grant of Related Party Options to Messrs Gale, Vilensky and Lynch (or their respective nominees) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

4. RESOLUTIONS 9 TO 11 – RATIFICATION OF PRIOR SHARE ISSUES

4.1 General

In addition to the matters set out above, the Company is seeking ratification of the following issues:

- (a) **Resolution 9:** 7,500,000 Shares issued on 29 March 2019 to sophisticated investors;
- (b) **Resolution 10:** 19,196,429 Shares that were issued on 29 March 2019 following the conversion of convertible notes;
- (c) **Resolution 11:** 375,000 Shares that were issued on 11 July 2019 as an incentive to unsecured convertible noteholders.

Resolutions 9 to 11 seek Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the above Securities (**Ratification**).

A summary of ASX Listing Rule 7.1 is contained in Section **Error! Reference source not found..**

ASX Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period for which the approval is valid a number of quoted equity securities which represents 10% of the number of fully paid ordinary

securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in ASX Listing Rule 7.1.

Where an eligible entity obtains shareholder approval to increase its placement capacity under ASX Listing Rule 7.1A then any ordinary securities issued under that additional placement capacity:

- (a) will not be counted in variable "A" in the formula in ASX Listing Rule 7.1A; and
- (b) are counted in variable "E",

until their issue has been ratified under ASX Listing Rule 7.4 (and provided that the previous issue did not breach ASX Listing Rule 7.1A) or 12 months has passed since their issue.

By ratifying the issues the subject of these Resolutions, the base figure (ie variable "A") in which the Company's 15% and 10% annual placement capacities are calculated will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval.

4.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to those Resolutions:

- (a) The following issues were made:
 - (i) **Resolution 9:** 7,500,000 Shares;
 - (ii) **Resolution 10:** 19,196,429 Shares;
 - (iii) **Resolution 11:** 375,000 Shares;
- (b) the issue price per Share was:
 - (i) **Resolution 9:** an implied issue price of \$0.0112 per Share;
 - (ii) **Resolution 10:** an implied issue price of \$0.0112 per Share;
 - (iii) **Resolution 11:** an implied issue price of \$0.02 per Share
- (c) the Shares issued pursuant to **Resolutions 9 to 11** were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Securities were issued to the following parties, none of whom are related parties of the Company:
 - (i) **Resolution 9:** to sophisticated investors pursuant to a placement;
 - (ii) **Resolution 10:** to sophisticated investors on conversion of convertible notes issued to them; and
 - (iii) **Resolution 11:** to sophisticated investors who applied to invest in the unsecured convertible notes issued on 11 July 2019;
- (e) the funds raised from the issues were used as follows:

- (i) **Resolution 9:** the funds raised were used for working capital purposes, specifically for general administration and corporate costs;
- (ii) **Resolution 10:** the Shares were issued on conversion of convertible notes and as such no funds were raised; and
- (iii) **Resolution 11:** no funds were raised as the Shares were issued as an incentive to unsecured convertible noteholders.

5. RESOLUTION 12 – APPROVAL FOR ISSUE OF SHARES

5.1 General

This Resolution seeks shareholder approval under ASX Listing Rule 7.1 for the Company to issue up to 150,000,000 shares (**Capital Raising Shares**).

A summary of ASX Listing Rule 7.1 is set out in Section 2.

The effect of this Resolution will be to allow the Company to issue the Capital Raising Shares during the period of 3 months after the Meeting (or a longer period if allowed by the ASX) without using the Company's 15% annual placement capacity.

5.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3 the following information is provided in relation to this Resolution:

- (a) the maximum number of Capital Raising Shares to be issued is 150,000,000;
- (b) the Capital Raising Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification) and it is intended that the issue of the Capital Raising Shares will occur progressively;
- (c) the issue price will be the lesser of \$0.01 per share or 80% of the volume weighted average market price (VWAP) for Shares calculated over the 5 days on which sales in the Shares are recorded before the day on which the issue is made or, if there is a disclosure document, over the last 5 days on which sales in the shares were recorded before the date of the disclosure document is signed;
- (d) the Directors will determine to whom the Capital Raising Shares will be issued but these persons will be sophisticated and professional investors none of whom will be related parties to the Company or an associate of a related party of the Company;
- (e) the Capital Raising Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares and will rank equally in all respects with the Company's existing Shares; and
- (f) the Company intends to use the funds raised from the issue of the Capital Raising Shares to commence the planned upgrade of the Chimu gold processing plant in Peru; to carry out a geological and drilling campaign as part of its due diligence on the Nevada gold

projects pursuant to the recently announced Binding Option Term Sheet with Alpine Resources (USA) Pty Ltd; to complete a geological assessment of the Burpar gold concessions in Southern Peru; to meet the regulatory spend on the Company's graphite project on the Eyre Peninsula in South Australia; to satisfy any conversion requests pursuant to the convertible notes; and to maintain liquidity and for general working capital purposes.

5.3 Effect on Share Capital

Assuming no options are exercised or other Shares issued and the maximum number of Capital Raising Shares as set out above are issued, the number of Shares on issue will increase from 208,730,304 (being the number of shares on issue as at the date of this Notice) to 308,730,364 and the shareholding of existing Shareholders would be diluted by 32.39%.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Collective Security Share means an unpaid and unquoted share in the Company issued to BBV Legal Pty Ltd as escrow agent for the relevant noteholders.

Company means Oakdale Resources Ltd (ACN 009 118 861).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

Maximum Director SPP Options means that number of Options which equals 50% of the number of Shares that, when multiplied by the SPP Issue Price, equals \$15,000.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share with the terms and conditions set out in Schedule 1.

Optionholder means a holder of an Option.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

Security means a Share, Collective Security Share and/or an Option as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share or a Collective Security Share as the context requires.

SPP means as defined in Section **Error! Reference source not found..**

SPP Issue Price means a 15% discount to the VWAP calculated over the last 5 days on which sales in the Shares were recorded before the day on which the issue was made.

Underwritten Amount means the amount of \$500,000 which the Partners has agreed to underwrite under the SPP.

VWAP means the volume weighted average price.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.04 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 31 December 2021 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company

must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

(m) **Quotation**

The Company will apply for quotation of the Options on the official list of the ASX.

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OAKDALE RESOURCES LIMITED

ACN: 009 118 861

REGISTERED OFFICE:

UNIT 3
32 HARROGATE STREET
WEST LEEDERVILLE WA 6007

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SHARE REGISTRY:

Security Transfer Australia Pty Ltd

All Correspondence to:

PO BOX 52
Collins Street West VIC 8007
Suite 913, Exchange Tower
530 Little Collins Street
Melbourne VIC 3000
T: 1300 992 916 F: +61 8 9315 2233
E: registrar@securitytransfer.com.au
W: www.securitytransfer.com.au

«EFT_REFERENCE_NUMBER»

«Holder_name»

«Address_line_1»

«Address_line_2»

«Address_line_3»

«Address_line_4»

«Address_line_5»

«Company_code» «Sequence_number»

Code:

OAR

Holder Number:

«HOLDER_NUM

PROXY FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

VOTE
ONLINE

Lodge your proxy vote securely at www.securitytransfer.com.au
1. Log into the Investor Centre using your holding details.
2. Click on "Proxy Voting" and provide your Online Proxy ID to access the voting area.

«ONLINE»

SECTION A: Appointment of Proxy

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

☐ The meeting chairperson

OR

or failing the person named, or if no person is named, the Chairperson of the meeting, as my/our Proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the Proxy sees fit) at the General Meeting of the Company to be held at 10:00am WST on Tuesday 10 September 2019 at 32 Harrogate Street, West Leederville WA 6007 and at any adjournment of that meeting.

SECTION B: Voting Directions

Please mark "X" in the box to indicate your voting directions to your Proxy. The Chairperson of the Meeting intends to vote undirected proxies in FAVOUR of all the resolutions. In exceptional circumstances, the Chairperson of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

RESOLUTION	For	Against	Abstain*		For	Against	Abstain*
1. ISSUE OF PLACEMENT SHARES AND OPTIONS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7. APPROVAL TO ISSUE OPTIONS UNDER SPP TO DAVID VILENSKY	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. ISSUE OF SHARE PURCHASE PLAN OPTIONS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8. APPROVAL TO ISSUE OPTIONS UNDER SPP TO JOHN LYNCH	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. ISSUE OF OPTIONS TO BROKER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9. RATIFICATION OF PRIOR SHARES ISSUED FOR WORKING CAPITAL	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. ISSUE OF OPTIONS TO SUB-UNDERWRITER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10. RATIFICATION OF PRIOR SHARES ISSUED ON CONVERSION OF CONVERTIBLE NOTES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. ISSUE OF UNDERWRITTEN SHARES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11. RATIFICATION OF PRIOR SHARES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. APPROVAL TO ISSUE OPTIONS UNDER SPP TO CHRIS GALE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12. APPROVAL FOR ISSUE OF SHARES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no directions are given my proxy may vote as the proxy thinks fit or may abstain. * If you mark the Abstain box for a particular item, you are directing your Proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SECTION C: Signature of Security Holder(s)

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder

Security Holder 2

Security Holder 3

Sole Director & Sole Company Secretary

Director

Director/Company Secretary

Proxies must be received by Security Transfer Australia Pty Ltd no later than 10:00am WST on Sunday 8 September 2019.

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Name:

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This is the name and address on the Share Register of the Company. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a shareholder of the Company.

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

You are entitled to appoint up to two (2) persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second Proxy, an additional Proxy form may be obtained by contacting the Company's share registry or you may photocopy this form.

- a) On each of the Proxy forms, state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each Proxy may exercise, each Proxy may exercise half of your votes; and
- b) Return both forms in the same envelope.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Australia Pty Ltd no later than the date and time stated on the form overleaf. Any Proxy form received after that time will not be valid for the scheduled meeting.

Email registrar@securitytransfer.com.au

Personal information is collected on this form by Security Transfer Australia Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Australia Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.