

1 October, 2019

ASX Announcement

DRILLING TO COMMENCE ON OAKDALE'S GOLD PROJECTS IN NEVADA USA

HIGHLIGHTS:

- **Drill permit approved for Tonopah North in southern Nevada, the first project to be drill tested.**
- **Nevada is the 6th largest gold producing region in the world and makes up 74% of US gold production. Ranked 3rd in world for gold mining jurisdiction**
- **The Company is permitting a total of nine drill holes at Tonopah North to enable an initial resource to be scoped out if justified by initial drill results**
- **Additional funds raised to facilitate expanded drill program**
- **Permitting of other projects at Douglas Canyon and Lambarson Canyon is proceeding with the objective of drilling Douglas Canyon after Tonopah North**
- **Drill contractor has confirmed availability for a start in October and has inspected the drill sites**
- **Peru gold processing plant continues to advance with licensing and permitting completed along with Environmental Impact Study**

Oakdale Resources Limited (ASX: OAR) ("Oakdale" or "the Company") is pleased to report on the progress of exploration activities on the Company's exploration tenements in the established and proven gold region of southern Nevada, United States. The Company advises that it has received the drill permit to commence drilling on the Tonopah North project. The company has also received additional financial capacity to expand the scope of its drill program, as determined by initial program results, so that it could commence to scope out a resource using the currently available drill rig, rather than stop the program in order to raise additional funds for drilling.

The Stage Two exploration program as defined in the Option Agreement with Alpine Resources (USA) Pty Ltd (Alpine) will involve a minimum of 800 meters of diamond drilling on priority targets to be managed by Alpine in accordance with an agreed and approved program and budget. This program entails three diamond core holes on the Tonopah North

(one hole) and Douglas Canyon (two holes) properties. The additional funds of \$600,000 will enable this program to be expanded in order to more comprehensively test a range of targets on both properties.

Nevada Goldfields

Nevada accounts for 74% of US gold production and is a proven gold endowed region that hosts a number of multi-million ounce gold mines in the Carlin and Battle Mountain areas. In 2018 Nevada produced 5.6 million ounces of gold. Carlin and Battle Mountain are operated by a joint venture between Newmont Mining and Barrick Gold.

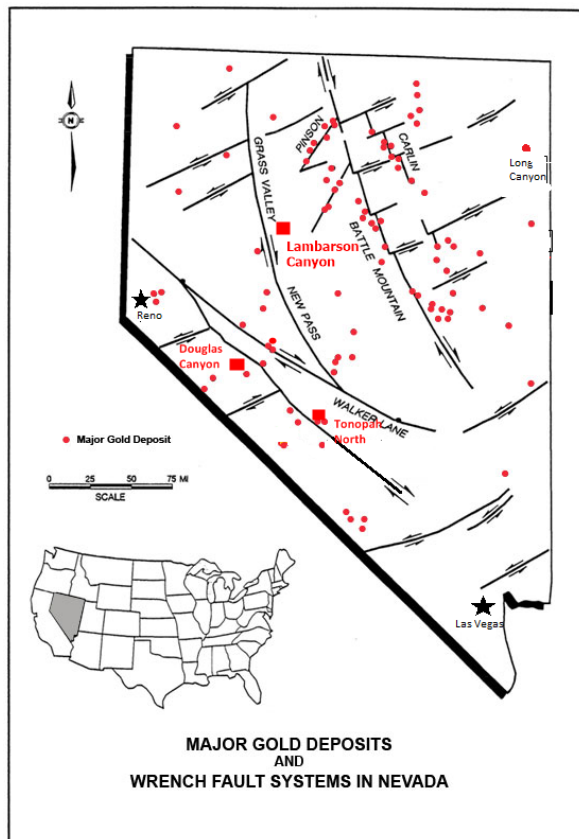


Figure 1. Alpine Gold Projects and Gold Deposits

with older basement rocks (see fig. 3). In the Tonopah district this structural and stratigraphic setting has been found to be highly favourable for gold mineralisation.

Two target areas are defined: The northern zone which is the target for TND-01 and the southern zone which is the target for TNRC-01 and TNRC-02. The southern zone is seen as a shallow stockwork target with potential for a bulk tonnage style of gold mineralisation. Whereas TND-01 is designed to test a combined structural-stratigraphic target. The two target areas are interpreted to be the same structural corridor and only separated by an area of poor outcrop.

Tonopah North

The drill program will commence at Tonopah North project which is located three miles north of the historic silver and gold mining town of Tonopah. The Company has received approval from the Bureau of Land Management for the drill holes shown in figure 2 (below). This figure shows the major structures that have been mapped on the property and the gold sample results that are derived from sampling the mine dumps that occur along the structures. An increase in gold values is associated with a flattening of the dip in one of the structures and this is the target for drill hole TND-01. This core hole is also designed to intersect a key structural target at approximately 200m vertical depth where the mineralised structures intersect favourable changes in stratigraphy including a thick sequence of felsic volcanic ash (Tonopah Formation) that overlies an unconformity

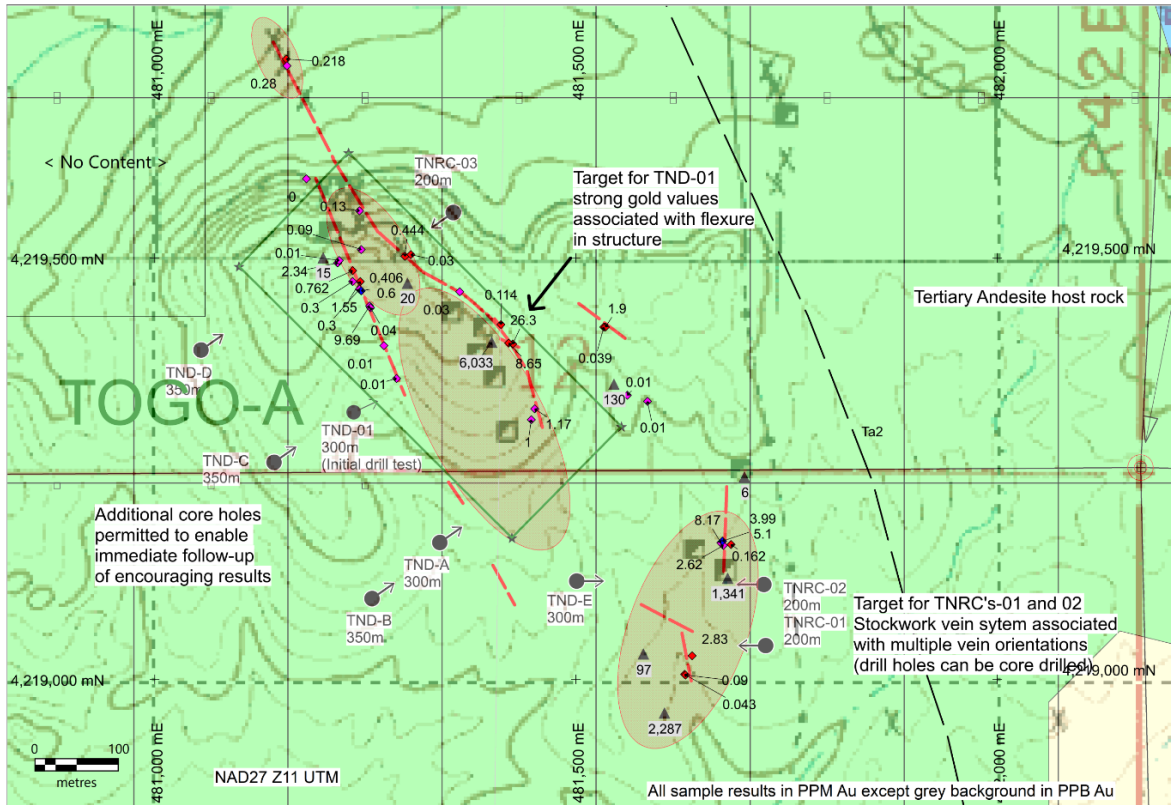


Figure 2. Tonopah North Drill Targets and Gold Sample Results (refer to ASX release 27 June 2019 for full table of results and JORC Table 1.)

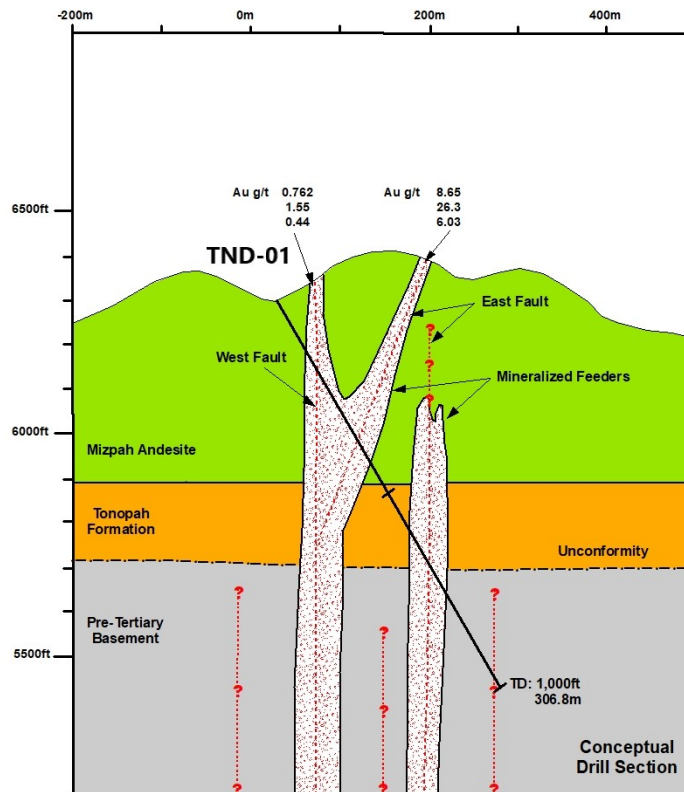


Figure 3. Drill Cross Section and Target for TND-01

Douglas Canyon

Permitting of this project is under way; drilling will follow Tonopah North with up to three diamond core holes planned in the initial drill test.

Lambarson Canyon

Geophysical (Induced Polarisation) surveys are planned. Drilling is being scheduled for Spring 2020. The drill contractor for Tonopah North and Douglas Canyon has expressed interest in undertaking this project.

Peru Processing plant

The licensing and permitting process has been completed including Environmental Impact Study (EIS), the Technical Study for the construction of the new Tailings Dam, and the company has now executed a new lease for the land on which houses the plant. The upgrade work has commenced on the plant to commence gold processing operations. The initial work will be focused on the Tailings Dam, the Weighbridge and the very substantial Ball Mill slabs and footings.

Through the design phase, the company has identified significant cost and time savings with price quotations for all Plant & Equipment continue to be within the parameters of the original budgets, and we expect that this pattern will continue. Oakdale Resources is very satisfied with and encouraged by the on-going level of support and assistance that has been shown by the Local Mines Department, and other Provincial authorities.

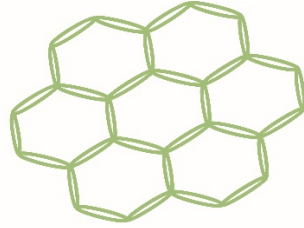
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About Oakdale Resources Limited

Oakdale Resources is an ASX listed junior explorer and near producer of Gold, it has recently signed an option agreement to acquire Alpine Resources in which Alpine controls 3 Gold exploration projects in the highly prospective gold province of Nevada, also ranked the third best mining jurisdiction in the world. The 3 projects are in an area that host multimillion deposits. Oakdale will fund Alpines exploration strategy to find and define a Gold resource. The Company, through its 100% owned Peruvian subsidiary Ozinca Peru SAC, is also the owner of a CIP Gold lixiviation plant in Southern Peru. The plant is strategically located in a highly mineralised area, with thousands of small gold miners in the immediate vicinity, all of whom are potential customers for Ozinca toll processing business.



OAKDALE RESOURCES LIMITED

Competent Person's Statement

The information in this Announcement for Oakdale Resources Limited ,with respect to the Nevada projects, was compiled by Mr. Geoff Balfe, a Competent Person, who is a member of the Australasian Institute of Mining and Metallurgy. Geoff Balfe is a director and a shareholder of Alpine Resources (USA) Pty Ltd. Geoff Balfe 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.' Geoff Balfe consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.