OAKDALE RESOURCES LIMITED

ACN 009 118 861

9 December 2019 **ASX Announcement**

IP SURVEY IDENTIFIES HIGH PRIORITY GOLD TARGET AT LAMBARSON CANYON, NEVADA UNITED STATES

HIGHLIGHTS:

- **IP survey at Lambarson Canyon identifies prospective target within highly productive multi-million-ounce gold district**
- **Target is central to highest rate gold production state in United States**
- **Results indicate a shallow chargeable and resistive anomaly 300m south of the outcropping gold mineralisation**
- **Decision made to prioritise drilling at Lambarson Canyon ahead of Douglas Canyon property.**
- **Planning will focus on a US Spring (March/April) drilling campaign to test all targets.**

Oakdale Resources Limited (**ASX: OAR**) (**"Oakdale"** or **"the Company"**) is pleased to provide an update on the results of the IP survey carried out at the Lambarson Canyon Project in East Pershing County, Nevada. The Lambarson Canyon Project is located central to a region that is one of the most prolific gold production regions in the world with over a dozen multi-million ounce gold mines within 200km radius. Nearby mines include; Trenton Canyon (4.5m oz), Marigold (5m oz), Coeur Rochester (3.2m oz), Florida Canyon (3.3m oz) and Lone Tree Mine (4.5m oz) all of which surround Lambarson Canyon and are within 100km distance.

Lambarson Canyon is in proximity to the 80m oz Battle Mountain mining district which is typically a disseminated mineralisation-style of gold deposit. Proximity to granitic intrusions and porphyries are key attributes to the targets identified by Oakdale's IP survey and many of the large gold deposits in this Nevada region. Lambarson Canyon is one of several targets within Oakdale's tenement package in Nevada which has been selected specifically for its high potential nature and historical success.

Oakdale's Nevada Technical Manager Geoff Balfe said: *"In terms of global gold mines, this is elephant country like no other region in the world. Subsequently we are very excited about the results of the 2D IP survey at Lambarson Canyon and how it has indicated a potential shallow disseminated sulphide-porphyry type system in proximity to the known gold mineralisation. The results have expanded the target concept for the property and we are prioritising the drill testing of this project for early spring 2020."*

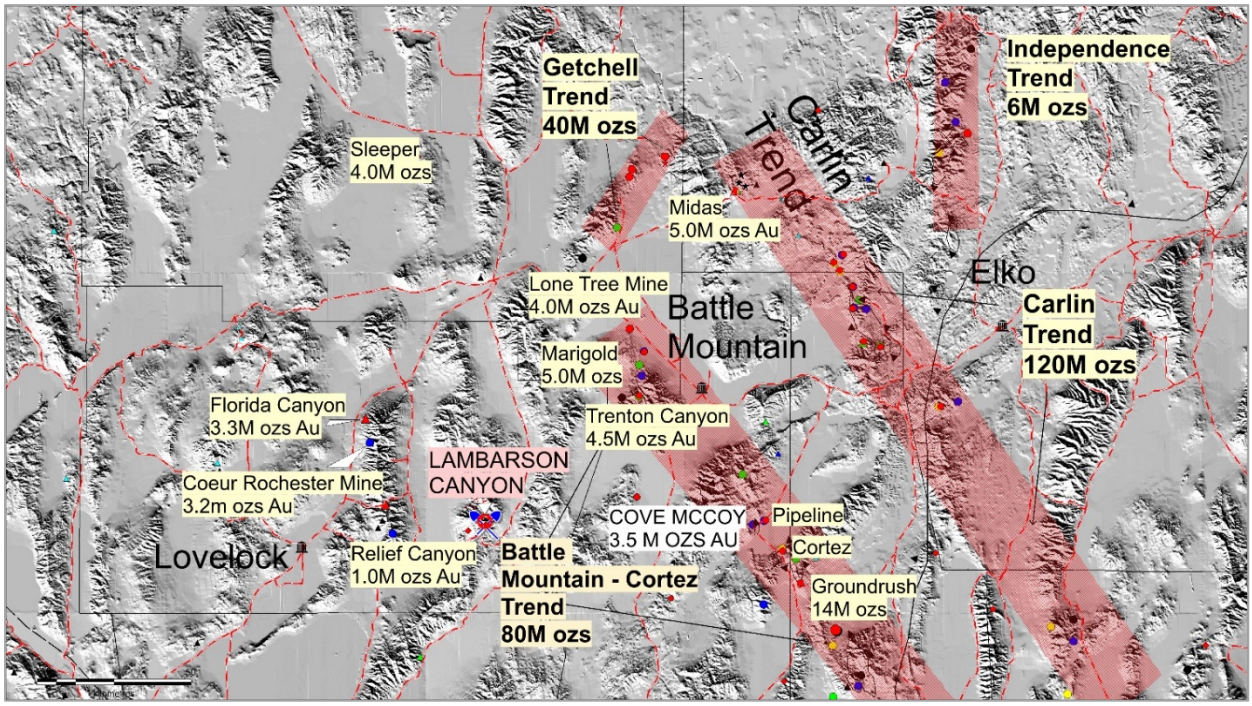

Figure 1. Location of the Lambarson Canyon Project and significant mines in Northern Nevada

Two separate Pole-dipole (2DIP, n=10) arrays were completed on the Lambarson Canyon prospect. The arrays were read South-North consisting of a single receiver in-line with the transmitter that followed 50m behind. Electrodes had a 50m separation and the lines were gridded using the NAD83 datum. The array lines are illustrated below in Figure 2:

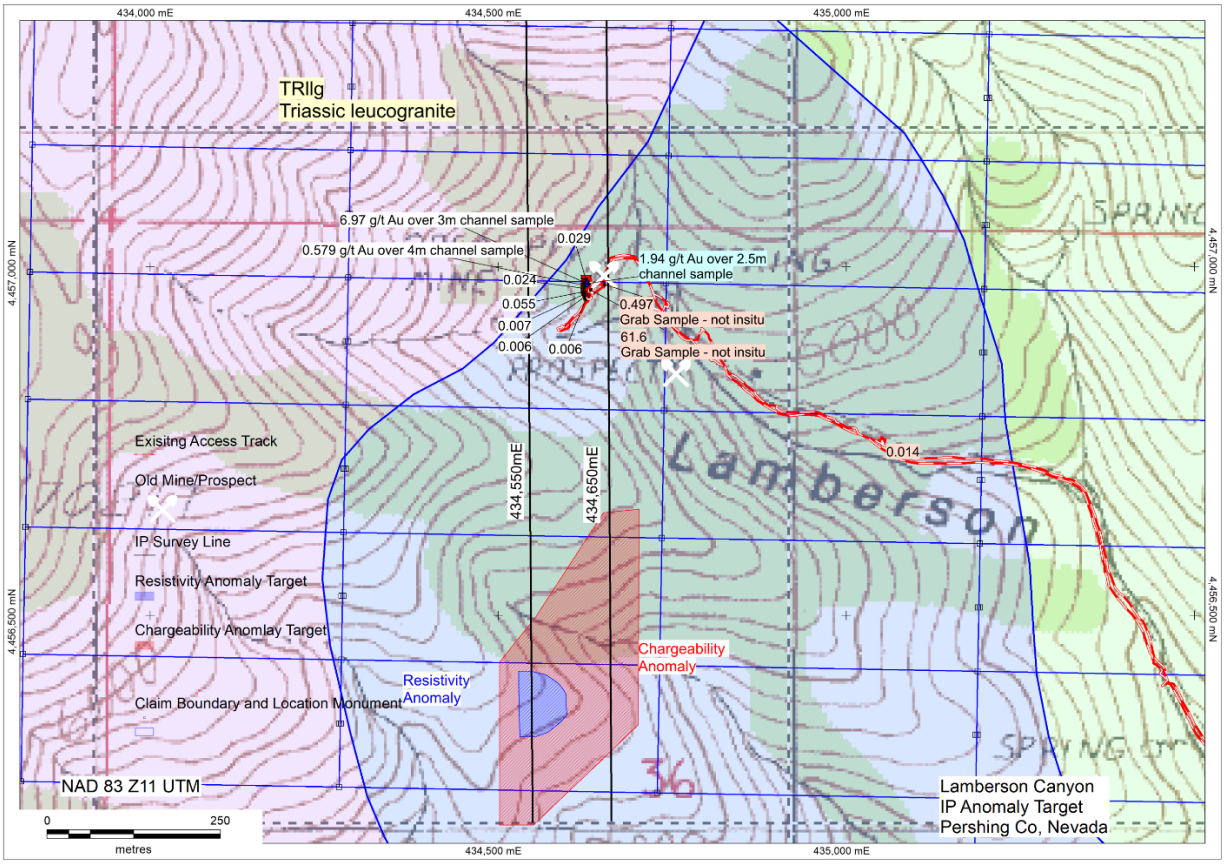

Figure 2. 2D IP Survey Lines 434,550mN and 434,650mN showing surface projection of the IP anomaly (note: gold sample results previously disclosed in ASX release of 26 July, 2019)

The results for IP section line 434,550mN are shown in figure 3, below, with the combined chargeability and resistivity anomaly projected to surface on figure 2, above.

Chargeability anomalies may be caused by disseminated sulphides within a generally resistive rock, such as a porphyry intrusion. In the Lambarson Canyon area there are a number of porphyry type intrusions including a Triassic age granite to the west and a Tertiary age rhyolite porphyry to the east. The prospect area is located between these two intrusions. It is therefore interpreted that the IP response may be due to disseminated sulphides in a porphyry intrusion at shallow depth.
The anomaly is open to the east and to the west. In addition to this combined chargeability-resistivity anomaly there are a number of potentially important structures that are indicated in proximity to the gold prospect. No specific IP anomaly was shown to exist where the gold mineralisation outcrops. In northern Nevada many of the large gold deposits in the Battle Mountain area, such as Trenton Canyon and Marigold (see figure 1.), are spatially related to porphyry intrusions (not shown), either as a gold-rich cap or as stockworks and veins in structurally prepared ground in proximity to the granite intrusions.

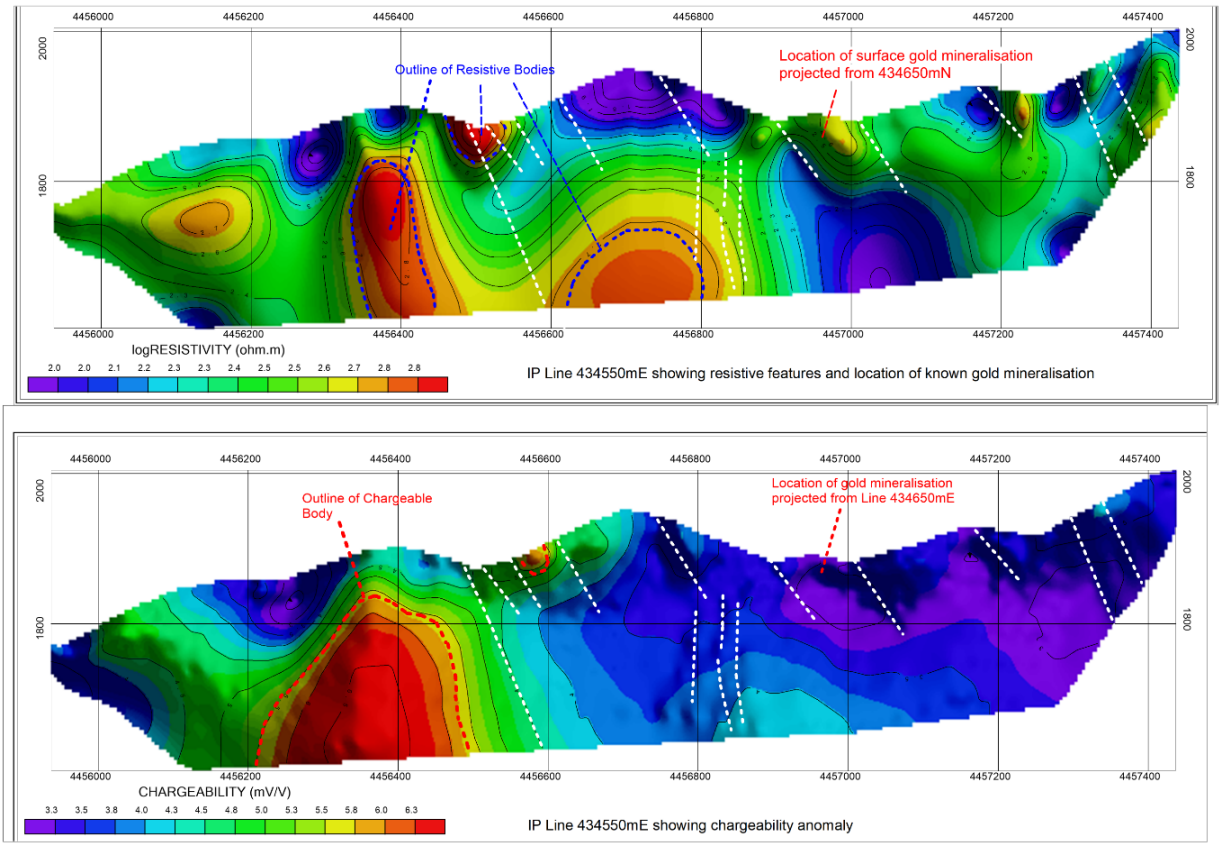

Figure 3. IP Chargeability and Resistivity Sections for Line 434550mE (sections looking west)

The area in which the IP anomaly and the gold prospect occur is dominated by volcanic rocks of the Permian Havallah Group. This is the same host rock that occurs at Trenton Canyon, Marigold and the Cove-McCoy gold deposits in northern Nevada.

Drilling Program.

In light of the recent IP survey results Oakdale has decided to prioritise drilling at Lambarson Canyon ahead of Douglas Canyon (in southern Nevada). As such the drill rig will demobilise from the Tonopah North property on completion of the program there but it can be engaged for the drilling at Lambarson Canyon. A Spring drilling program would likely commence in late March or early April, following the completion of permitting procedures.

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About Oakdale Resources Limited

Oakdale Resources *is an ASX listed junior explorer and aspiring gold producer. Oakdale has recently signed an option agreement to 100% acquire Alpine Resources controls three gold exploration projects in the highly prospective gold province of Nevada, United States, also ranked the third best mining jurisdiction in the world. The three projects are in an area that hosts several multi-million ounce deposits. Oakdale will fund Alpine's exploration strategy to discover 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 an Ozinca toll processing business.*

OAKDALE RESOURCES LIMITED

Competent Person's Statement

The information in this Announcement for Oakdale Resources Limited 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.

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Sampling has involved four separate methods: o Dump Sampling – a minimum of 1.0kg of rock chips is collected from mine dumps. In order for the sample to be representative at least 25 small rock fragments are composited. As the dumps typically contain a mix of unmineralized waste rock and mineralized quartz vein material the mineralized rock is sampled separately to waste rock. o Channel Sampling – where outcrop is suitable, particularly in old workings, a chip-channel sample is taken across the outcrop. A minimum weight of 1.0kg is maintained and the length of the channel sample and sample description is noted. o Grab Sampling – where outcrop is limited a 1.0kg rock sample is collected from the outcrop. This type of sampling may be highly selective. o Float Sampling – where there is only float of rock particles then a 1.0kg sample is taken by compositing as many small chips as possible. • There is no evidence of coarse gold sampling problems on any of the properties sampled. Repeat assaying by the laboratory gave results within acceptable limits of original assay results.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• No drilling has been carried out
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure*	• No drilling has been carried out

Criteria	JORC Code explanation	Commentary
	representative nature of the samples. • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All samples have been geologically logged • Sampling is either by channel sampling, grab sampling, float sampling, or dump sampling • Only channel sampling can be considered to be quantitative; the other methods are qualitative • Some sample intervals have been photographed
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Samples were crushed in a hammer mill to 70% passing -2mm followed by splitting off 250gm using a Boyd rotary splitter and pulverizing to better than 85% passing 75 microns • In consultation with the laboratory it was determined to carry out a sample preparation and analytical procedure that is most appropriate for gold and associated base metals. • An 0.5g sub-sample was then subjected to 2-acid digest and ICP-AES and ICP-MS analysis for a multi-element package of elements. • A 30gm sub-sample was subjected to Fire-assay Fusion and ICP analysis. • No duplicate sampling has been carried out. The laboratory regularly carries out repeat assays of high gold samples and agreement with original assays has been acceptable. • The selected sample mass is considered appropriate for the grain size of the material being sampled.
Quality of assay data and laboratory	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc,*	• Samples were submitted to an ISO certified laboratory for analysis of gold, silver and other metals by the ICP AES or MS technique. • The analytical method and procedure were as recommended by the

Criteria	JORC Code explanation	Commentary
tests	*the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	laboratory for exploration. • As this is early stage exploration with a wide variation in sample results the Company has not inserted control samples in the regular stream of rock samples. This is considered appropriate for early stage exploration. The laboratory inserts a range of standard samples in the sample stream the results of which are reported to the Company. • The laboratory uses a series of control samples to calibrate the ICP AES machine.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Selected sample results which were considered to be significant were subjected to resampling by the Company. Resampling of outcrops or dump samples by different people can result in variation of results by up to +/- 50%. • Primary data is recorded on site and entered into the appropriate database.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Samples were located using a Garmin GPS 64S unit and are considered accurate to +/- 3m. • The grid system used is UTM NAD 27 Zone 11. • The project area is mountainous with topographic control provided by the GPS and government topographic maps at 1:24,000 scale.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• As this is early stage exploration sample density is controlled by the frequency of outcrop and access to old workings. • The results as reported have not been averaged or composited except in the case of channel samples which may be composited over the length of the channel.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralized structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Sampling is preferentially across the strike or trend of mineralized outcrops

Criteria	JORC Code explanation	Commentary
Sample security	• *The measures taken to ensure sample security.*	• At all times samples were in the custody and control of the project geologist until delivery to the laboratory where samples were held in a secure enclosure pending processing.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• None undertaken at this stage

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• Mining Claims have been staked and duly recorded with Mineral County (Tonopah North and Douglas County) and Pershing County (Lambarson Canyon) and filed with the Bureau of Land Management (BLM). • The relevant claim numbers are either appended to this Table or contained elsewhere in this ASX release. • BLM receipts for the filing of the Claims are in the possession of the Company. The claims have been staked by Alpine Metals LLC, a wholly owned subsidiary of Alpine Resources (USA) Pty Ltd. • The Togo-A Claim located in the Tonopah North property is subject to an agreement between Alpine Metals LLC and a prospector which allows for acquisition of the claim by Alpine subject to completing certain expenditure within 5 years of the agreement date. • All Mining Claims are valid • In order to obtain permission to drill the Company must lodge Environmental Performance Bonds with the BLM. • The Company is not aware of any impediments to obtaining a licence to operate, subject to carrying out appropriate environmental and clearance surveys.
Exploration done by other	• *Acknowledgment and appraisal of exploration by other parties.*	• There is no record of gold exploration on any of the subject Mining

Criteria	JORC Code explanation	Commentary
parties		Claims. There are several prospecting pits and mine shafts on the property but no records of production. There is also evidence of placer mining in Lambarson Creek.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Tonopah North and Douglas Canyon are low-sulphidation epithermal gold-silver mineralized systems. They are structurally controlled vein style deposits. • Lambarson Canyon is considered to be an intrusion related style gold system due to its geochemical signature and the proximity of porphyry intrusive rocks.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• No drilling information
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No weighting or averaging techniques have been applied to the sample assay results.

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Channel samples have been collected they are at right angles to the strike or structural trend of the mineralization
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• The Company has released various maps, figures and sections showing the sample results and planned drill holes.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All analytical results for gold have been reported. The results for other metals have been reported where they are considered to be of potential economic interest e.g. silver.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• The Company has recently completed a 2D Induced Polarisation survey over selected parts of the Lambarson Canyon property. Two separate Pole-dipole (2DIP, n=10) arrays were completed on the Lambarson Canyon prospect. The arrays were read South-North consisting of a single receiver in-line with the transmitter that followed 50m behind. Electrodes had a 50m separation and the lines were gridded using the NAD83 datum.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Initial drill hole locations have been selected based on the preliminary sampling and geological mapping. It is intended to refine the drill hole locations with the benefit of geophysical surveys (resistivity) and the results of any further geochemical sampling. Additional geophysical surveys will be carried out as justified by results.

Section 3 Estimation and Reporting of Mineral Resources – None Undertaken