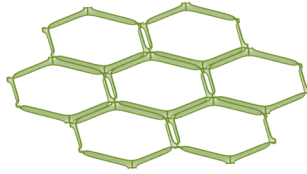


OAKDALE RESOURCES LIMITED

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31 January 2017

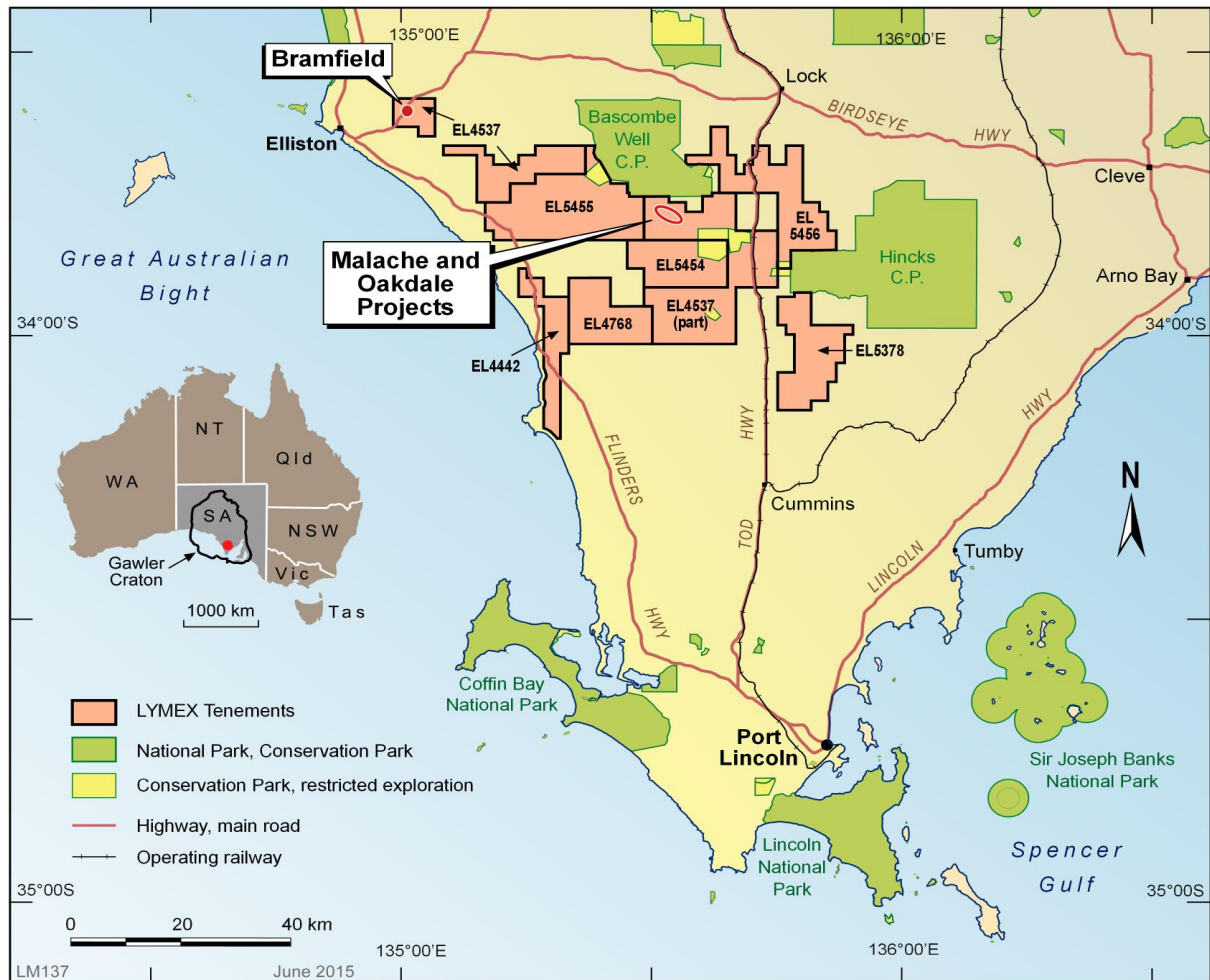
ASX ANNOUNCEMENT

DECEMBER 2016 QUARTERLY ACTIVITIES REPORT

Highlights

- Oakdale Resources continued to explore various commercial development options during the quarter based on the Scoping Study completed during 2016 and the identified graphite mineralisation at its Oakdale Graphite Project.
- The review of the Company's commercial options followed the announcement that an ore resource, metallurgical pathway and a positive Scoping Study had been completed which highlighted the positive economics of the Oakdale Graphite Project.
- The Company is still awaiting a response to its application lodged with the Department of Natural Resources and Mines for a lithium cobalt prospect located in Queensland.
- The Company is also still awaiting a response to its application lodged with the Department of Industry, Innovation and Science to recover the research and development funds expended in the 2016 financial year on the Oakdale Graphite Project.

Oakdale Resources Limited is pleased to report on the results achieved in its ongoing evaluation of the Oakdale Graphite Project below:



Mineral Resources

- Mineral Resource Calculations were completed for the Oakdale Project and the partially drilled Oakdale East prospect.

Metallurgy

As previously announced the test work indicated that a +90% graphite float concentrate could be achieved with 84% recovery of the contained graphite. These results are encouraging as a 99%+ concentrate has a high economic value and is used in the manufacture of lithium-ion batteries.

The Company is also continuing to explore a range of other commercial opportunities for its products

Summary of the results of the Scoping Study are:

- The scoping study confirmed the positive economics of the Oakdale Graphite Project.
- The Scoping Study was based on an initial three years of operation.
- Graphite has been intersected in wide spaced drill holes.
- Ongoing operating costs for the graphite plant to be constructed are expected to be relatively low based on metallurgical test work conducted.

- The mining cost are also expected to be relatively low as no drilling or blasting should be required

Planned Programme

In the coming quarter the Company will focus on raising the required development capital, and seeking strategic partners to develop what it expects to be financially viable Oakdale Graphite Project.

The Company is also continuing to explore a range of strategic acquisition opportunities that have emerged in the region and will advise shareholders if and when those discussions and negotiations reach a sufficiently advanced stage.

For further information please contact John Lynch on (07) 3624 8188

Yours faithfully

John E Lynch
B. Sc (Sydney) M.Sc. (James Cook) FAICD and FAIMM
Managing Director

Competent Person's Statement

The information in this Quarterly Report for Oakdale Resources Limited was compiled by Mr John Lynch who is a member of the Australian Institute of Geoscientists and Fellow of the Australasian Institute of Mining and Metallurgy.

John Lynch 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.' John Lynch consents to the inclusion in this Quarterly Report of the matters set out in the Quarterly Report based on the information in the form and context in which it appears.