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ASX ANNOUNCEMENT

May 2015 Market Update

WIDE THICK CONTINUOUS GRAPHITE INTERSECTIONS AT THE OAKDALE GRAPHITE PROJECT

HIGHLIGHTS

- **Drilling has defined in excess of 2 kilometres of graphite mineralisation**
- **The graphite mineralisation is contained in readily treatable soft saprolitic clays**
- **Mineralisation is predominantly within 50 metres of the surface with shallow 20 metre overburden**
- **The soft clays are expected to require little, if any, crushing to release the graphite**

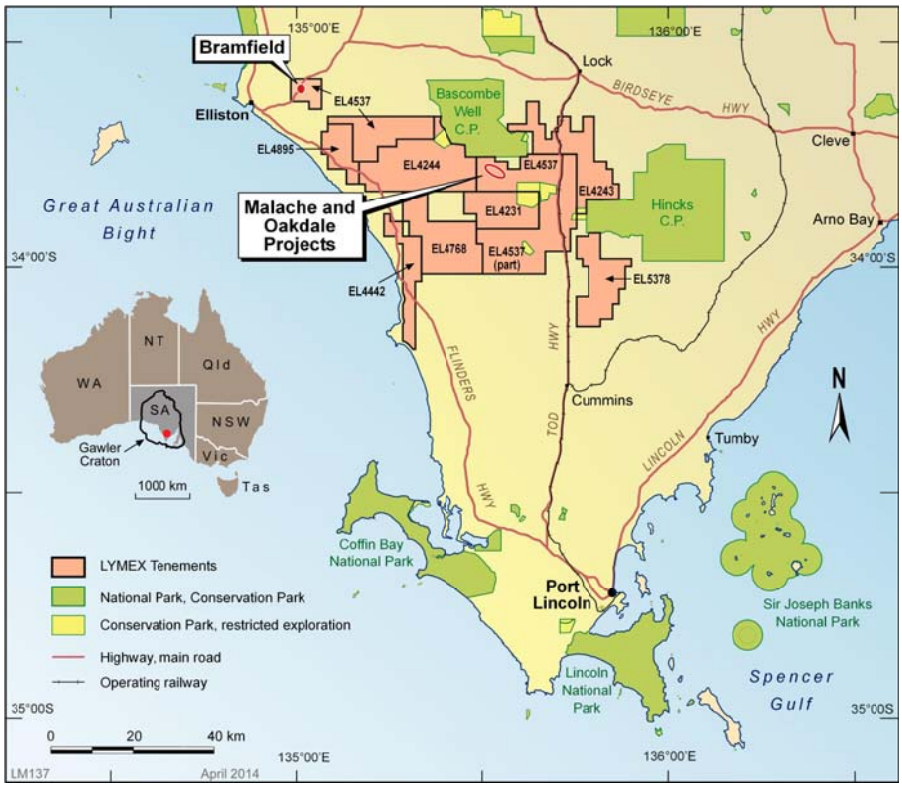

Figure 1

Oakdale Resources Limited (ASX:OAR) is delighted to report on the results achieved in its ongoing evaluation of the Oakdale Graphite Project

Air core drilling at the Oakdale Graphite Project has intersected in excess of 2000 metres of continuous graphite mineralisation in four lenses joined in part by folding (figure 2). These graphite lenses are up to 275 metres wide and average approximately 100 metres wide over the 2000 metre length. The thickness of the soft saprolitic, graphite bearing clays in the oxidised zone averages 18.9 metres (down hole length) in the 113 drill holes assayed to date.

The combination of continuity, width and thickness of these soft, graphite bearing clays suggests that the graphite can be readily and economically mined by simple cut and fill methods without any drilling or blasting required.

Given the composition of the soft, graphite bearing saprolitic clays (graphite, clay and minor goethite with trace quartz) and based on the previously completed metallurgical test work carried out by ALS/AMMTEC laboratories, the graphite should be able to be readily washed clean with little or no crushing. This will significantly reduce the capital and power costs of recovering the graphite while protecting the flake graphite. As earlier advised to the market previous metallurgical test work has demonstrated that in excess of 60% of the recoverable graphite is high value flake graphite.

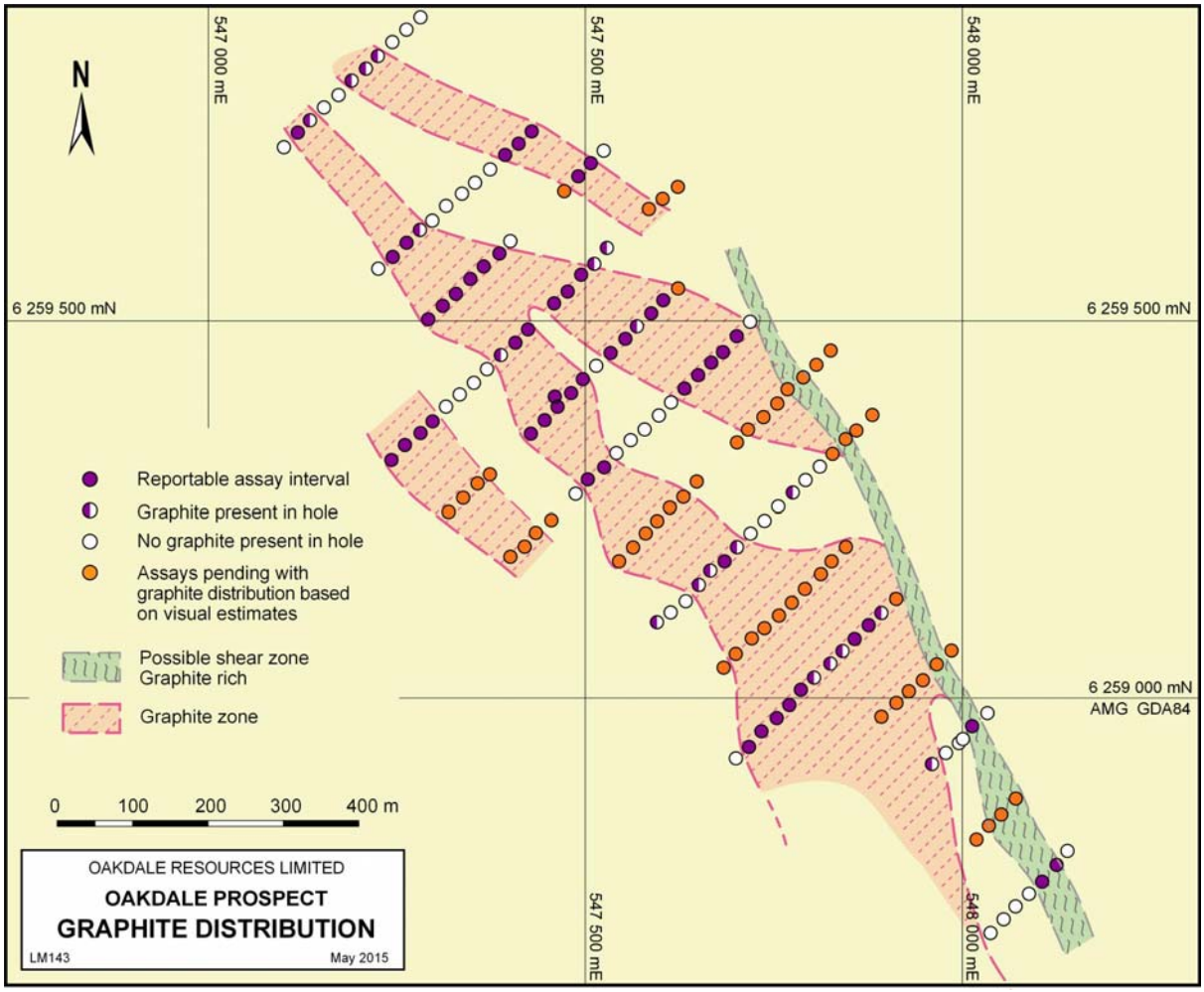

Figure 2

As at 19 May 2015, 153 holes have been drilled for a total of 8,612 metres. Assays have been received for 113 drill holes. (Refer Intercepts set out in Table 1 below)

INTERCEPTS SUMMARY - TABLE 1

Hole No	From	To	Interval	TGC_%
OAC073	29	58(EOH)	29	4.56
OAC081	29	51	22	3.77
incl	*31*	*37*	*6*	*8.88*
OAC083	64	77(EOH)	13	4.28
incl	*66*	*72*	*6*	*6.22*
OAC084	40	55.5(EOH)	15.5	4.53
OAC085	55	59.5(EOH)	4.5	4.46
OAC086	28	46	18	2.84
OAC087	47	58(EOH)	11	5.45
OAC089	26	40	14	3.79
OAC090	31	51(EOH)	20	9.97
incl	*41*	*50*	*9*	*18.11*
OAC091	23	43(EOH)	20	6.87
incl	*31*	*37*	*6*	*15.88*
OAC095	27	61(EOH)	34	6.97
incl	*35*	*45*	*10*	*10.62*
incl	*58*	*61(EOH)*	*3*	*13.23*
OAC096	30	35	5	6.08
	45	55	10	7.28
	69	84(EOH)	15	3.12
OAC097	35	77	42	3.77
incl	*61*	*69*	*8*	*6.40*
OAC099	38	66	28	3.36
incl	*40*	*50*	*10*	*5.92*
OAC100	50	79(EOH)	29	4.92
incl	*69*	*79(EOH)*	*10*	*6.52*
OAC101	44	75(EOH)	31	4.38
OAC102	61	74(EOH)	13	3.45

OAC105	24	38	14	4.05
OAC106	25	48	23	3.48
OAC108	28	47.5(EOH)	19.5	6.13
OAC109	30	45	15	5.98
OAC110	43	51(EOH)	8	6.14
OAC112	30	52	22	2.80
OAC113	45	59	14	3.95

The project observations to date and the metallurgy completed to date are highly encouraging for the development of a low cost graphite mine at Oakdale utilising low cost mining methods and low cost extraction/recovery costs with a significant proportion of the valuable large flake graphite material retained intact and not destroyed by the extraction process.

Given the continuity of the mineralisation, the drilling, when completed and all the assays received, will be able to be utilised to derive an inferred resource of the current known mineralisation.

Future Work Planned

The following future work is planned to take place over the next month

- Close spaced drilling on the wider, thicker intersections to prove up part of the mineralised resource into indicated and possible measured resource.

- Diamond drilling is scheduled to commence on 9 June 2015 on four wide spaced holes to obtain metallurgical samples for testing to optimise the metallurgical recoveries of the graphite from the saprolitic soft clays based on the metallurgical characteristics determined from the test results received previously provided by ALS/AMMTEC laboratories.

- Quotes are being sought from Bureau Veritas in Adelaide to undertake further metallurgical studies to optimise the metallurgical characteristics of the graphite bearing clays, to obtain graphite samples for marketing purposes and for further testing to ascertain if the Oakdale graphite material can be refined to graphene.

- Further air core drilling is scheduled to commence early in June at the Oakdale East prospect (approximately 3 kilometres east), where intercepts up to 15m of 10.2% total carbon in BLRC007 have been achieved in earlier shallow drilling.

For further information please contact John Lynch on (07) 36248188

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 ASX Announcement 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.

JORC Code, 2012 Edition – Table 1 report template

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.*	• Air core spoil sampled at 1 metre intervals and combined into 2 metre assay samples. Samples thoroughly mixed before taking approximately 750 gm from each sample and combining them into 2 metre assay composites. • Duplicate samples taken approximately every 15 samples. • Assays are analysed for graphite only • Air core drilling (85 mm diameter) was used to obtain 1m samples of which the 2m composite (1.5kg) samples were dried in an oven at 105^0C, totally pulverised using a robotics prep cell by Bureau Veritas at Whyalla and a 100 - 250g split for analysis is forwarded to Adelaide in small packets, which are packed in coffin boxes. When the samples arrive in Adelaide a portion of the sample is dissolved in weak acid to liberate any carbonate carbon. The residue is then dried at 420^0C driving of any organic carbon and then analysed by a Sulphur/Carbon analyser (Leco) to give the total graphitic carbon (method code GRAV4D).
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).*	• Air core drilling (85mm diameter hole).
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.*	• Air core spoil cleared from cyclone after every 1m interval and hole flushed out with excess air to minimize chances of contamination

Criteria	JORC Code explanation	Commentary
	• *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.*	• Sample recovery is good with no obvious bias due to any sample losses.
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.*	• The air core spoils are geologically logged at one metre intervals by an experienced geologist • Logged data is both qualitative and quantitative logged . • All drill holes are logged
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.*	• N/R • Each metre is thoroughly mixed before taking a 750 gram sample and combining to a 2 metre assay sample. The samples are mainly dry. • All samples were submitted for assay. • Sample preparation at Bureau Veritas involves (see Sampling Techniques) • Duplicate samples have been completed and identified no issues with sampling representatively • A 0.1 gram sample is leached with dilute hydrochloric acid to remove inorganic carbon. Air filtering, washing and drying, the remaining sample residue is roasted at 420^0C to remove organic carbon. The roasted residue is analysed for Carbon (graphitic – Cg%) in a high temperature LECO furnace.
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, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their*	• Laboratory standards and blanks are inserted at approximately a rate of 1 in 14. In addition field duplicates are collectively inserted at a rate of approximately 1 in 15.

Criteria	JORC Code explanation	Commentary
tests	*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.*	• QAQC data analysis has been completed to industry standards. Field duplicate results are within acceptable limits
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.*	• No drill hole twins exist in this pass of drilling. Four duplicate diamond drill holes are planned in May. • Primary data are captured on paper in the field and then re-entered onto a spreadsheet format by the supervising geologist, to be loaded into the Company's data base • No adjustments are made to any assay data
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.*	• Hole Collars are initially surveyed with a hand held GPS with an accuracy of ±5m. Final hole locations are surveyed by a qualified Surveyor hired from Port Lincoln. Holes 1 to 58 have been surveyed to date for location and topographic control by kinematic DGPS • The grid system used is AGD84
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.*	• Air core holes are drilled approximately 25m apart on lines 100 and 200 metres apart. • Programme is not complete. • As explained, 1 metre drilled air core samples are composited to make a 2 metre assay sample
Orientation of	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering*	• All lines have been orientated towards an azimuth interpreted to be perpendicular to the strike of the graphite horizons so as to intercept

Criteria	JORC Code explanation	Commentary
data in relation to geological structure	*the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	them in a perpendicular manner. .
Sample security	• *The measures taken to ensure sample security.*	• All samples were under Company supervision from the drill rig until delivered to Bear Express for delivery to Bureau Veritas' laboratory at Whyalla • All residual samples are stored securely in sealed bags.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• None taken

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.*	• Tenement status confirmed on SARIG • Results reported are from EL 4537 • All tenements are in good standing with no known impediments
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The tenements have had historic exploration conducted by CRAE, Werrie Gold, Lynch Mining, BHP, Anglo American and Lymex. • The tenements have been historically for coal, diamonds, base metals, gold and iron ore.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The graphite occurs within the Archean rocks consisting at Oakdale of interbedded basic volcanics and graphite bearing, feldspar-sillimanite- quartz- pyrrhotite gneisses and marbles, Komatiites flank the graphitic horizons. The rocks are in high grade granulate facies which has produced the coarse flake graphite.

Criteria	JORC Code explanation	Commentary
		• The purpose of the drilling is to evaluate the grade and continuity of the Oakdale graphite project. • Flake graphite intersected in drilling is believed to be a result of the high grade metamorphic event. Metallurgical testwork by ALS/AMMTEC on diamond drill core has confirmed the presence of coarse flake graphite.
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.*	Refer Attachment 1
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 high grade cuts were necessary • Aggregation was made for intercepts that reported over 1% TGC (total graphitic carbon). The reason for this is to report intervals that may be significant in future economic calculations of tonnes and grade • No metal equivalents were used
Relationship between mineralisation widths and	• *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*	• All assay results at this stage are down hole lengths as true width is not known, however all holes are drilled perpendicular to the interpreted strike and dip to intersect the graphite mineralization perpendicularly

Criteria	JORC Code explanation	Commentary
intercept lengths	*should be a clear statement to this effect (eg 'down hole length, true width not known').*	
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.*	• See main body of report
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.*	• The reporting is considered to be balanced. All of the drill hole recovered intercepts have ben assayed in 2m composite samples
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.*	• Geological observations of the grade of the drill samples were higher than that reported in the assay results • Diamond drill holes are planned to check if the air core drilling methodology is leading to lower grade results.
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.*	The current evaluation programme at Oakdale is ongoing. Diamond drilling is planned to obtain undisturbed metallurgical sample for testing at Buraeu Veritas in Adelaide South Austratlia.

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• Drill hole co-ordinates have been and will continue to be surveyed by a quality Surveyor • Data reviewed against geology and sampling databases
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• A competent Person was on site for all of the drilling
Geological	• *Confidence in (or conversely, the uncertainty of) the geological*	

Criteria	JORC Code explanation	Commentary
interpretation	*interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	Not Applicable
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	Not Applicable
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	Not Applicable
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	•
Cut-off	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	•

Criteria	JORC Code explanation	Commentary
parameters		
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	•
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	•
Environmen-tal factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	•
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the*	•

Criteria	JORC Code explanation	Commentary
	evaluation process of the different materials.	
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	•
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	•
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	•

Section 4 Estimation and Reporting of Ore Reserves

(Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral Resource estimate for conversion to	• *Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.* • *Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.*	• Insert your commentary here…

Criteria	JORC Code explanation	Commentary
Ore Reserves		
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	•
Study status	• *The type and level of study undertaken to enable Mineral Resources to be converted to Ore* • *Reserves.* • *The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.*	•
Cut-off parameters	• *The basis of the cut-off grade(s) or quality parameters applied.*	•
Mining factors or assumptions	• *The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).* • *The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.* • *The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling.* • *The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).* • *The mining dilution factors used.* • *The mining recovery factors used.* • *Any minimum mining widths used.* • *The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.* • *The infrastructure requirements of the selected mining methods.*	•
Metallurgical factors or assumptions	• *The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.* • *Whether the metallurgical process is well-tested technology or novel in nature.*	•

Criteria	JORC Code explanation	Commentary
	• *The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.* • *Any assumptions or allowances made for deleterious elements.* • *The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.* • *For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?*	
Environmental	• *The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.*	•
Infrastructure	• *The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.*	•
Costs	• *The derivation of, or assumptions made, regarding projected capital costs in the study.* • *The methodology used to estimate operating costs.* • *Allowances made for the content of deleterious elements.* • *The derivation of assumptions made of metal or commodity price(s), for the principal minerals and co- products.* • *The source of exchange rates used in the study.* • *Derivation of transportation charges.* • *The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.* • *The allowances made for royalties payable, both Government and private.*	•
Revenue factors	• *The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.* • *The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.*	•

Criteria	JORC Code explanation	Commentary
Market assessment	• *The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.* • *A customer and competitor analysis along with the identification of likely market windows for the product.* • *Price and volume forecasts and the basis for these forecasts.* • *For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.*	•
Economic	• *The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.* • *NPV ranges and sensitivity to variations in the significant assumptions and inputs.*	•
Social	• *The status of agreements with key stakeholders and matters leading to social licence to operate.*	•
Other	• *To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:* • *Any identified material naturally occurring risks.* • *The status of material legal agreements and marketing arrangements.* • *The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.*	•
Classification	• *The basis for the classification of the Ore Reserves into varying confidence categories.* • *Whether the result appropriately reflects the Competent Person's view of the deposit.* • *The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).*	•
Audits or reviews	• *The results of any audits or reviews of Ore Reserve estimates.*	•

Criteria	JORC Code explanation	Commentary
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.* • *It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	•

Section 5 Estimation and Reporting of Diamonds and Other Gemstones

(Criteria listed in other relevant sections also apply to this section. Additional guidelines are available in the 'Guidelines for the Reporting of Diamond Exploration Results' issued by the Diamond Exploration Best Practices Committee established by the Canadian Institute of Mining, Metallurgy and Petroleum.)

Criteria	JORC Code explanation	Commentary
Indicator minerals	• *Reports of indicator minerals, such as chemically/physically distinctive garnet, ilmenite, chrome spinel and chrome diopside, should be prepared by a suitably qualified laboratory.*	• Insert your commentary here…
Source of diamonds	• *Details of the form, shape, size and colour of the diamonds and the nature of the source of diamonds (primary or secondary) including the rock type and geological environment.*	•
Sample collection	• *Type of sample, whether outcrop, boulders, drill core, reverse circulation drill cuttings, gravel, stream sediment or soil, and purpose (eg large diameter drilling to establish stones per unit of volume or*	•

Criteria	JORC Code explanation	Commentary
	bulk samples to establish stone size distribution). • *Sample size, distribution and representivity.*	
Sample treatment	• *Type of facility, treatment rate, and accreditation.* • *Sample size reduction. Bottom screen size, top screen size and re-crush.* • *Processes (dense media separation, grease, X-ray, hand-sorting, etc).* • *Process efficiency, tailings auditing and granulometry.* • *Laboratory used, type of process for micro diamonds and accreditation.*	•
Carat	• *One fifth (0.2) of a gram (often defined as a metric carat or MC).*	•
Sample grade	• *Sample grade in this section of Table 1 is used in the context of carats per units of mass, area or volume.* • *The sample grade above the specified lower cut-off sieve size should be reported as carats per dry metric tonne and/or carats per 100 dry metric tonnes. For alluvial deposits, sample grades quoted in carats per square metre or carats per cubic metre are acceptable if accompanied by a volume to weight basis for calculation.* • *In addition to general requirements to assess volume and density there is a need to relate stone frequency (stones per cubic metre or tonne) to stone size (carats per stone) to derive sample grade (carats per tonne).*	•
Reporting of Exploration Results	• *Complete set of sieve data using a standard progression of sieve sizes per facies. Bulk sampling results, global sample grade per facies. Spatial structure analysis and grade distribution. Stone size and number distribution. Sample head feed and tailings particle granulometry.* • *Sample density determination.* • *Per cent concentrate and undersize per sample.* • *Sample grade with change in bottom cut-off screen size.* • *Adjustments made to size distribution for sample plant performance and performance on a commercial scale.* • *If appropriate or employed, geostatistical techniques applied to model stone size, distribution or frequency from size distribution of exploration diamond samples.* • *The weight of diamonds may only be omitted from the report when*	•

Criteria	JORC Code explanation	Commentary
	the diamonds are considered too small to be of commercial significance. This lower cut-off size should be stated.	
Grade estimation for reporting Mineral Resources and Ore Reserves	• *Description of the sample type and the spatial arrangement of drilling or sampling designed for grade estimation.* • *The sample crush size and its relationship to that achievable in a commercial treatment plant.* • *Total number of diamonds greater than the specified and reported lower cut-off sieve size.* • *Total weight of diamonds greater than the specified and reported lower cut-off sieve size.* • *The sample grade above the specified lower cut-off sieve size.*	•
Value estimation	• *Valuations should not be reported for samples of diamonds processed using total liberation method, which is commonly used for processing exploration samples.* • *To the extent that such information is not deemed commercially sensitive, Public Reports should include:* o *diamonds quantities by appropriate screen size per facies or depth.* o *details of parcel valued.* o *number of stones, carats, lower size cut-off per facies or depth.* • *The average $/carat and $/tonne value at the selected bottom cut-off should be reported in US Dollars. The value per carat is of critical importance in demonstrating project value.* • *The basis for the price (eg dealer buying price, dealer selling price, etc).* • *An assessment of diamond breakage.*	•
Security and integrity	• *Accredited process audit.* • *Whether samples were sealed after excavation.* • *Valuer location, escort, delivery, cleaning losses, reconciliation with recorded sample carats and number of stones.* • *Core samples washed prior to treatment for micro diamonds.* • *Audit samples treated at alternative facility.* • *Results of tailings checks.* • *Recovery of tracer monitors used in sampling and treatment.* • *Geophysical (logged) density and particle density.* • *Cross validation of sample weights, wet and dry, with hole volume and density, moisture factor.*	•

Criteria	JORC Code explanation	Commentary
Classification	• *In addition to general requirements to assess volume and density there is a need to relate stone frequency (stones per cubic metre or tonne) to stone size (carats per stone) to derive grade (carats per tonne). The elements of uncertainty in these estimates should be considered, and classification developed accordingly.*	•

Surveys

Hole	GPSEast AGD84	GPSNorth AGD84	TD(m)	Line No.	EASTING AGD84	NORTHING AGD84	ELEVATION AHD(m)	Azimuth (AMG)	Dip
OAC001	547666	6259167	44.0	1	547664.91	6259165.18	39.23	45	-60
OAC002	547650	6259148	47.0	1	547646.90	6259147.75	39.59	45	-60
OAC003	547632	6259128	36.0	1	547630.35	6259130.14	39.69	0	-90
OAC004	547685	6259181	46.0	1	547682.15	6259181.98	38.42	45	-60
OAC005	547702	6259198	40.0	1	547700.40	6259199.48	37.68	45	-60
OAC006	547719	6259218	37.5	1	547718.76	6259216.99	36.96	45	-60
OAC007	547738	6259235	36.0	1	547736.20	6259234.22	36.51	45	-60
OAC008	547756	6259253	36.0	1	547754.32	6259251.76	36.40	45	-60
OAC009	547775	6259270	36.0	1	547771.99	6259268.80	36.23	45	-60
OAC010	547791	6259288	31.0	1	547790.07	6259286.48	36.26	45	-60
OAC011	547810	6259305	42.5	1	547808.28	6259304.30	36.45	45	-60
OAC012	547893	6259111	42.0	2	547892.33	6259111.32	38.47	45	-60
OAC013	547876	6259096	51.0	2	547875.05	6259094.25	39.79	45	-60
OAC014	547857	6259078	57.5	2	547857.32	6259076.83	41.10	45	-60
OAC015	547841	6259060	45.0	2	547839.66	6259058.89	43.23	45	-60
OAC016	547824	6259043	54.0	2	547821.60	6259041.27	43.10	45	-60
OAC017	547803	6259025	51.0	2	547803.88	6259023.50	42.42	45	-60
OAC018	547785	6259010	54.0	2	547786.34	6259006.03	41.29	45	-60
OAC019	547770	6258990	69.0	2	547768.16	6258988.04	40.26	45	-60
OAC020	547754	6258972	63.0	2	547751.88	6258971.97	39.61	45	-60
OAC021	548033	6258979	34.0	3	548030.99	6258978.00	40.14	45	-60
OAC022	548013	6258961	66.0	3	548012.88	6258960.46	41.58	45	-60
OAC023	547996	6258940	32.0	3	547994.92	6258942.48	42.08	45	-60
OAC024	547979	6258925	48.0	3	547977.14	6258925.20	41.99	45	-60
OAC025	547960	6258909	57.0	3	547959.48	6258907.90	41.57	45	-60
OAC026	548001	6258944	63.0	3	547998.53	6258945.87	42.08	45	-60
OAC027	547371	6259702	51.5	4	547369.10	6259702.73	38.02	46	-60
OAC028	547352	6259684	58.0	4	547350.59	6259685.73	38.75	46	-60
OAC029	547334	6259670	54.0	4	547332.32	6259668.90	38.50	46	-60
OAC030	547313	6259653	54.0	4	547313.68	6259652.14	38.46	46	-60
OAC031	547295	6259634	51.0	4	547295.04	6259635.03	37.97	46	-60
OAC032	547278	6259619	55.0	4	547276.84	6259618.55	37.00	46	-60
OAC033	547261	6259604	55.0	4	547258.36	6259601.80	36.64	46	-60
OAC034	547242	6259585	61.0	4	547239.93	6259585.04	36.33	46	-60
OAC035	547222	6259569	51.0	4	547221.20	6259568.40	35.90	46	-60
OAC036	547426	6259752	63.5	4	547424.75	6259752.82	35.80	46	-60
OAC037	547408	6259736	60.5	4	547406.04	6259736.08	36.09	46	-60
OAC038	547390	6259721	69.0	4	547388.22	6259719.59	37.11	46	-60
OAC039	547221	6259850	58.5	5	547221.02	6259851.39	36.18	45	-60
OAC040	547205	6259833	52.0	5	547203.68	6259834.27	36.05	45	-60
OAC041	547186	6259817	52.0	5	547185.62	6259816.69	37.52	45	-60
OAC042	547168	6259799	74.0	5	547167.27	6259799.14	39.98	45	-60
OAC043	547150	6259781	67.0	5	547149.63	6259781.97	41.28	45	-60
OAC044	547131	6259764	71.0	5	547131.61	6259764.60	40.49	45	-60
OAC045	547115	6259749	78.5	5	547113.51	6259747.15	38.72	45	-60
OAC046	547097	6259729	66.0	5	547095.63	6259730.06	36.93	45	-60
OAC047	547276	6259904	79.0	5	547274.85	6259903.60	37.37	45	-60
OAC048	547259	6259886	71.0	5	547257.26	6259886.17	38.06	45	-60
OAC049	547240	6259870	68.5	5	547239.22	6259868.60	37.18	45	-60

OAC050	547475	6259540	64.0	7	547474.00	6259541.32	36.84	45	-60
OAC051	547457	6259524	51.5	7	547456.27	6259523.83	36.69	45	-60
OAC052	547437	6259505	39.0	7	547438.50	6259506.23	36.53	45	-60
OAC053	547422	6259489	39.5	7	547420.50	6259488.99	36.28	45	-60
OAC054	547405	6259471	51.0	7	547402.36	6259471.35	36.28	45	-60
OAC055	547612	6259392	50.0	8	547611.94	6259391.93	38.75	45	-60
OAC056	547597	6259375	57.0	8	547594.33	6259374.22	38.28	45	-60
OAC057	547578	6259356	48.0	8	547576.23	6259356.17	37.82	45	-60
OAC058	547559	6259341	51.0	8	547558.35	6259338.97	37.46	45	-60
OAC059	547541	6259324	51.5	8	547540.77	6259321.53	37.69	45	-60
OAC060	547525	6259305	49.5	8	547522.84	6259304.03	38.80	45	-60
OAC061	548140	6258795	46.0	9	548141.22	6258791.50	47.61	45	-60
OAC062	548125	6258777	84.0	9	548123.38	6258773.77	49.12	45	-60
OAC063	548107	6258754	96.0	9	548105.83	6258756.24	49.23	45	-60
OAC064	548089	6258739	84.0	9	548087.84	6258738.87	48.04	45	-60
OAC065	548070	6258722	77.0	9	548069.85	6258721.19	46.63	45	-60
OAC066	548054	6258705	70.0	9	548052.12	6258703.53	45.17	45	-60
OAC067	548036	6258687	61.5	9	548034.16	6258686.32	44.52	45	-60
OAC068	547734	6258955	60.0	2	547733.52	6258954.05	39.13	45	-60
OAC069	547717	6258935	55.0	2	547715.40	6258935.96	38.90	45	-60
OAC070	547700	6258919	61.5	2	547697.96	6258918.73	38.95	45	-60
OAC071	547612	6259113	45.0	1	547610.73	6259112.59	39.91	45	-60
OAC072	547594	6259099	49.5	1	547593.23	6259095.49	40.30	45	-60
OAC073	547503	6259289	58.0	1	547501.59	6259287.40	40.75	45	-60
OAC074	547487	6259270	63.0	1	547484.77	6259271.64	42.26	45	-60
OAC075	547386	6259454	67.0	7	547384.66	6259453.93	36.11	45	-60
OAC076	547368	6259436	45.5	7	547366.77	6259437.12	36.30	45	-60
OAC077	547351	6259418	48.0	7	547348.73	6259419.32	36.43	45	-60
OAC078	547332	6259403	59.0	7	547331.07	6259402.13	36.28	45	-60
OAC079	547314	6259386	51.0	7	547313.03	6259384.78	36.22	45	-60
OAC080	547296	6259366	60.0	7	547295.22	6259367.36	36.50	45	-60
OAC081	547280	6259350	67.0	7	547277.37	6259349.84	36.95	45	-60
OAC082	547259	6259334	70.0	7	547259.27	6259332.10	37.25	45	-60
OAC083	547241	6259314	77.0	7	547241.49	6259315.03	37.27	45	-60
OAC084	547444	6259368	55.5	10	547441.43	6259367.71	37.32	45	-60
OAC085	547426	6259350	59.5	10	547424.15	6259350.11	37.33	45	-60
OAC086	547552	6259477	64.0	10	547548.20	6259473.55	37.15	45	-60
OAC087	547533	6259458	58.0	10	547530.37	6259455.83	37.46	45	-60
OAC088	547514	6259441	41.0	10	547512.88	6259438.35	37.66	45	-60
OAC089	547496	6259423	54.0	10	547495.33	6259420.76	37.35	45	-60
OAC090	547480	6259405	51.0	10	547477.33	6259403.01	37.22	45	-60
OAC091	547462	6259386	43.0	10	547459.80	6259385.55	37.13	45	-60
OAC092	547527	6259597	66.0	7	547527.83	6259593.48	36.24	45	-60
OAC093	547511	6259575	72.0	7	547509.85	6259575.91	36.72	45	-60
OAC094	547493	6259562	78.0	7	547492.34	6259558.64	36.99	45	-60
OAC095	547458	6259400	61.0	10A	547458.10	6259398.29	37.00	45	-60
OAC096	547667	6259445	84.0	8	547665.27	6259444.13	39.89	45	-60
OAC097	547649	6259429	78.0	8	547647.58	6259426.89	39.68	45	-60
OAC098	547630	6259411	54.0	8	547629.62	6259409.05	39.29	45	-60
OAC099	547701	6259480	68.5	8	547700.74	6259479.71	40.49	45	-60
OAC100	547683	6259460	79.0	8	547682.89	6259461.75	40.20	45	-60
OAC101	547602	6259529	75.0	10	547601.07	6259526.30	37.03	45	-60
OAC102	547586	6259511	74.0	10	547583.63	6259508.97	36.89	45	-60

OAC103	547567	6259492	70.0	10	547565.87	6259491.31	36.89	45	-60
OAC104	547398	6259607	51.0	11	547397.66	6259605.04	35.70	45	-60
OAC105	547383	6259590	57.0	11	547379.66	6259587.67	35.86	45	-60
OAC106	547363	6259572	50.0	11	547361.73	6259570.03	35.95	45	-60
OAC107	547345	6259556	51.0	11	547343.93	6259552.77	36.20	45	-60
OAC108	547327	6259536	47.5	11	547325.84	6259535.08	36.48	45	-60
OAC109	547309	6259520	48.0	11	547308.34	6259517.75	35.96	45	-60
OAC110	547290	6259502	51.0	11	547290.59	6259500.26	36.08	45	-60
OAC111	547523	6259728	64.0	11	547522.35	6259727.10	35.62	45	-60
OAC112	547506	6259710	57.0	11	547504.95	6259709.96	35.51	45	-60
OAC113	547489	6259693	61.0	11	547486.75	6259692.12	35.57	45	-60
OAC114	547470	6259674	88.0	11				45	-60
OAC115	547719	6259500	54.0	8				45	-60
OAC116	547824	6259462	64.0	13				45	-60
OAC117	547806	6259443	51.0	13				45	-60
OAC118	547788	6259426	51.0	13				45	-60
OAC119	547768	6259410	63.0	13				45	-60
OAC120	547754	6259391	44.5	13				45	-60
OAC121	547736	6259373	60.5	13				45	-60
OAC122	547718	6259357	64.0	13				45	-60
OAC123	547702	6259339	45.0	13				45	-60
OAC124	547629	6259266	53.0	13				45	-60
OAC125	547612	6259251	45.5	13				45	-60
OAC126	547594	6259234	48.0	13				45	-60
OAC127	547579	6259218	54.0	13				45	-60
OAC128	547647	6259286	40.0	13				45	-60
OAC129	547810	6259163	47.0	14				45	-60
OAC130	547792	6259144	42.0	14				45	-60
OAC131	547774	6259127	36.0	14				45	-60
OAC132	547755	6259110	54.0	14				45	-60
OAC133	547738	6259091	54.0	14				45	-60
OAC134	547721	6259079	57.0	14				45	-60
OAC135	547700	6259058	60.0	14				45	-60
OAC136	547880	6259375	57.0	1				45	-60
OAC137	547860	6259355	42.0	1				45	-60
OAC138	547845	6259341	63.0	1				45	-60
OAC139	547827	6259323	51.0	1				45	-60
OAC140	547827	6259181	48.0	14				45	-60
OAC141	547913	6259130	45.0	2				45	-60
OAC142	547845	6259199	39.5	14				45	-60
OAC143	547985	6259063	40.0	15				45	-60
OAC144	547966	6259044	49.5	15				45	-60
OAC145	547948	6259023	49.0	15				45	-60
OAC146	547932	6259008	35.0	15				45	-60
OAC147	547912	6258992	64.0	15				45	-60
OAC148	547893	6258974	63.0	15				45	-60
OAC149	548070	6258864	52.0	16				45	-60
OAC150	548051	6258844	66.0	16				45	-60
OAC151	548034	6258830	80.0	16				45	-60
OAC152	548017	6258811	74.0	16				45	-60
OAC153	547683	6259040	49.0	14				45	-60