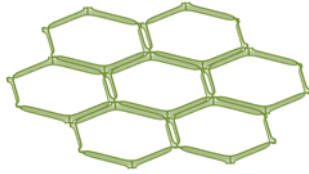# OAKDALE RESOURCES LIMITED

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ASX ANNOUNCEMENT
For Immediate Release

METALLURGICAL RESULTS IMPROVE PROJECT ECONOMICS

Highlights

- **A preliminary report has now been received by the Company, from Consultant Metallurgist, Nick Moony, on metallurgical test work conducted at Bureau Veritas which states that:**

- *"Metallurgically the Oakdale Resources graphite is very simple".*

- *"Preliminary work indicates that at least 65% of the ore feed to the treatment plant can be rejected with less than a 10% loss of graphite".*

- *"Rejection of 65% of the ore feed to the treatment plant will significantly increase the grade of the residual material".*

- *"The graphite mineralisation does not require crushing or primary grinding".*

- *"Flotation yields are very high with graphite recoveries of over 90%".*

- *"The graphite flakes are very thin which may be a benefit in battery storage".*

Details

Oakdale Resources Limited **(ASX: OAR)** is delighted to announce that the preliminary results received by the Company, from Consultant Metallurgist, Nick Moony, on metallurgical test work conducted at Bureau Veritas are very encouraging for the capital cost and economical treatment of Oakdale Resources graphite.

If further testing confirms that at least 65% of the ore feed to the treatment plant can be rejected prior to the flotation circuit this will reduce capital and production costs considerably.

Oakdale Resources intends to target a throughput of one million tonnes per year, if this is achieved then, based on the preliminary metallurgical results conducted, 650,000 tonnes will be rejected after the trommel circuit using classification and InLine jigs and prior to the higher cost flotation circuits.

The rejection of the coarse feed material, mainly quartz and pyrite would potentially double the grade delivered to the flotation circuit as 90% of the graphite in the initial feed would still be in the remaining 350,000 tonnes.

The rejection of the coarse barren feed material could also enable Oakdale Resources to double the throughput if achieved for very little additional cost.

The high flotation yields of greater than 90% are extremely positive and the thinness of the graphite flakes may improve the electrical chargeability and conductivity of the graphite making it suitable for use in the production of batteries.

The initial metallurgical testwork has shown that some of the clay is located between the graphite flakes which, if not removed could affect the concentrate grade. Acid washing is a common method of cleaning graphite concentrates and can be used to remove the clays in the Oakdale Resources concentrate if necessary. Bureau Veritas is undertaking further test work currently to determine if there is a more efficient and cost effective method of removing the clay.

It should be noted that these are preliminary results and further testing may indicate some variability throughout the graphite mineralisation.

For further information please contact Mr. 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 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 Report of the matters set out in the Report based on the information in the form and context in which it appears.