

10 September 2020

ASX Announcement

DRILLING COMMENCED AT LAMBARSON CANYON GOLD PROJECT, NEVADA AND PLACEMENT HEAVILY OVERSUBSCRIBED

HIGHLIGHTS:

- **Diamond drill on site and drilling operations under way, targeting high-grade outcropping gold mineralisation**
- **Additional holes to target a separate geophysical anomaly, south of the outcropping mineralisation, to follow**
- **Approval for up to 5 five holes has been granted by the Bureau of Land Management**
- **At completion of drilling program at Lambarson Canyon, drilling operations will shift south to commence drilling at the Douglas Canyon Project**
- **The Company have raised \$2,200,000 with issue price of \$0.021 which represents 31% premium to the Company's 10-day VWAP.**



Figure 1: Drillrite LLC Atlas Copco Diamond Drill rig on site in Nevada

Oakdale Resources Limited (ASX: OAR) (“Oakdale” or “the Company”) is pleased to advise that diamond drilling operations have commenced at its wholly owned Lambarson Canyon Project in Nevada USA, with the arrival of the drilling rig on site. Drilling is anticipated to run through until the end of September. Once Drilling is completed at Lambarson Canyon, drilling operations will move south to Douglas Canyon to test multiple high-grade outcropping epithermal quartz vein systems.

The Lambarson Canyon Project is located in northern Nevada where the Company is targeting intrusion related and distal disseminated gold mineralisation, similar to million plus ounce gold deposits in the Battle Mountain - Cortez and Getchell Trends (*Figure 2*).

The planned drilling campaign may comprise up to five diamond drill-holes at the Lambarson Canyon Project that will focus on testing gold targets, where initial field work has identified high-grade outcropping gold mineralisation which returned a channel sample of **3m @ 6.97g/t Au¹**, and an individual rock-chip/float sample which returned **61.6 g/t Au¹** (*Figure 3*), along with a strong coincident IP resistivity and conductivity anomaly to the south of the outcropping mineralisation (*Figure 4*).



Figure 2: Nevada Projects Locations, with regional mines and reported historic and current resources & reserves²

¹ Refer to ASX announcement dated 27 June 2019 for full rock chip & Channel sampling results and JORC Tables

² Refer to ASX announcement dated 3 September 2019 for full details.

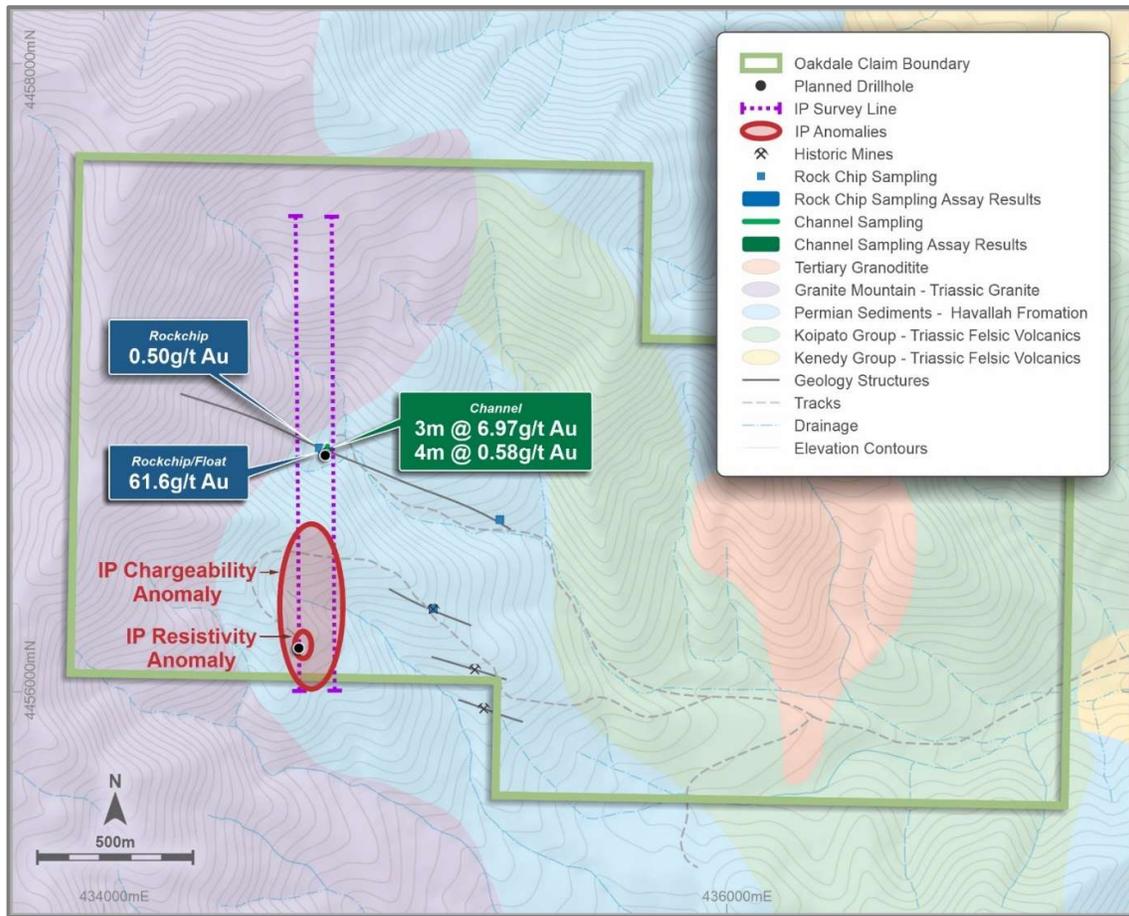


Figure 3: Lambarson Canyon simplified geology showing rock chip sampling results³ diamond drill collar and IP survey⁴ line locations

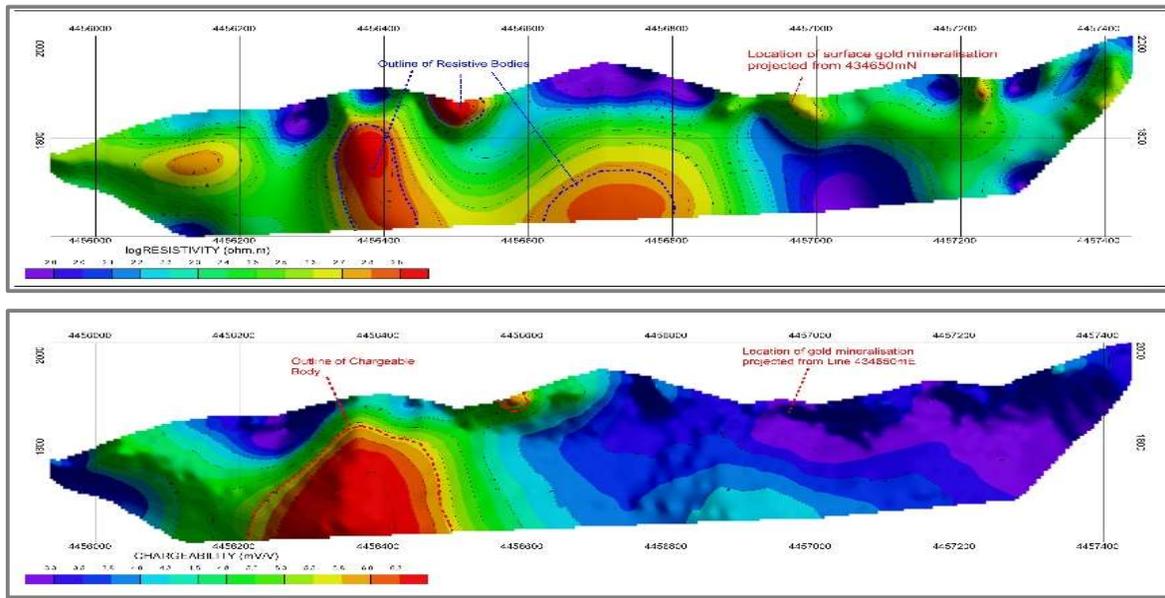


Figure 4: IP Survey Line 434,550mE: resistivity and changeability results

³ Refer to ASX announcement dated 27 June 2019 for full rock chip & Channel sampling results and JORC Tables

⁴ Refer to ASX announcement dated 27 August 2020 for full IP survey details and JORC Tables

CAPITAL RAISING

The Company has agreed terms for a placement of 104,761,905 shares at an issue price of \$0.021 to raise \$2,200,000 (**Placement**). Shares comprising the Placement will be issued to institutional funds, professional and sophisticated investors. The company has welcomed new domestic and international institutional funds to the register.

The Placement is confirmed and was oversubscribed by \$785,000. The issue price has been carried out at a 31% premium to the Company's 10-day VWAP.

Placement terms

The Placement will be completed as follows:

- Placement to raise \$2,200,000 ("Placement"). The offer price is \$0.021 per share and 104,761,905 shares will be issued in the Placement.
- Placement shares come with 1 for 1 free-attaching option exercisable at \$0.03 with an expiry date of 30 November 2021. The Company may apply for the options to be traded on ASX, subject to meeting ASX listing requirements and the requirements of the Corporations Act.

The placement shares and options will be issued utilising the Company's placement capacity under ASX Listing Rule 7.1 and 7.1A.

Purpose of Capital Raising

The funds raised from the Placement will be used to complete drilling at Lambarson Canyon, Douglas Canyon, Nevada and general exploration work for the Crown Project in the Julimar District.

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About Oakdale Resources Limited

Oakdale Resources is an ASX listed precious metals explorer and aspiring producer. Oakdale recently signed an option agreement to acquire Alpine Resources, which controls three gold exploration projects in Nevada, USA. The projects are in a region that hosts several multi-million-ounce gold deposits. Oakdale's Peruvian subsidiary Ozinca Peru SAC, owns a CIP Gold lixiviation plant, strategically located proximal to thousands of small gold miners in Southern Peru. Oakdale has also acquired Australian Precious Minerals Pty Ltd, holder of the Crown PGE-Nickel exploration asset in Western Australia. Crown adjoins the Julimar polymetallic discovery.

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 shareholder of Oakdale Resources Limited. Geoff Balfe has sufficient experience, which is relevant to the style 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.

No new information that is considered material is included in this document. All information relating to exploration results has been previously released to the market and is appropriately referenced in this document. JORC tables are not considered necessary to accompany this document.