

3 September 2020

ASX Announcement

## DIAMOND DRILLING TO COMMENCE AT LAMBARSON CANYON GOLD PROJECT, NEVADA

### HIGHLIGHTS:

- Site preparation work for planned fully funded diamond drilling has commenced at Lambarson Canyon
- Drilling and support contracts have been signed with experienced local contractors
- Diamond Drilling rig is scheduled to mobilise for commencement of drilling the week beginning 7 September 2020 and expected to complete in three weeks
- At completion of drilling program at Lambarson Canyon, drill rig will mobilise to commence planned drilling program at Douglas Canyon Project
- All drill samples will be sent for assay to ALS Chemex in Reno, as soon as they are collected and first results would be expected later in the quarter.

Oakdale Resources Limited (ASX: OAR) (“Oakdale” or “the Company”) is pleased to advise that earthworks have commenced at its now wholly owned Lambarson Canyon Project in Nevada USA, in preparation for the commencement of diamond drill testing of high-grade gold targets. The Projects are targeting Carlin and epithermal style million plus ounce gold deposits in northern and southern Nevada, USA (*Figure 1 and Figure 2*).

Drillrite LLC have been contracted to undertake the planned diamond drilling, and with contracts now signed, the drilling rig is scheduled to mobilise to site to be ready to commence drilling of the first hole (*LCD01, Figure 3 and Figure 4*), in the week beginning 7 September 2020.

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, along with a strong coincident IP resistivity and conductivity anomaly to the south of the outcropping mineralisation.

Once drilling at the Lambarson Canyon Project is completed, the same drill team will mobilise south to the Douglas Canyon Project to commence drill testing additional high-grade gold targets.

**About Nevada, USA**

***Nevada is the sixth largest Gold producing 'Nation' in the world and is responsible for 74% of US gold production<sup>1</sup>***

- Nevada is “elephant” country for world class gold deposits
- Low political risk, high quality infrastructure and skilled workforce
- Nevada ranked “World Top 3” mining jurisdiction by Fraser Institute
- Important discoveries continue to be made both in the established “Trends” of Carlin and Cortez-Battle Mountain e.g. Groundrush (14M oz) in the Cortez Trend, and Long Canyon (2.3M oz) which has drawn much attention to the hitherto poorly explored eastern parts of Nevada and Western Utah.

**Gold Deposits and Gold Trends**

- Discovery of Long Canyon (LC) demonstrated that significant gold deposits occur outside of the established gold trends in Nevada
- LC discovered in an area once thought of as not highly prospective – but the discovery has defined a new gold trend.
- This has created a new paradigm for gold exploration in Nevada that opens up large parts of Eastern Nevada and western Utah as prospective for Carlin type gold deposits

**Oakdale’s Executive Chairman Chris Gale commented;** *“The imminent drilling of Oakdale’s Lambarson Canyon is a very exciting milestone event for the company. To finally have the drill bit turning in the ground of some of the most prospective gold country in the world presents an excellent opportunity to secure a potential significant gold project for the company. The significant potential we have here for positive drill results could be transformational and add significant value to Oakdale and reward for our loyal shareholders.”*

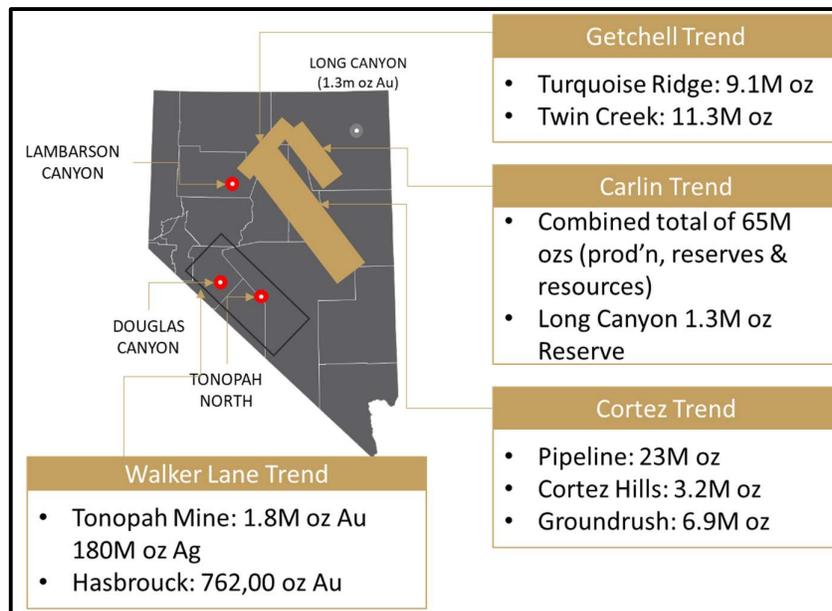


Figure 1: Nevada Projects Locations, with regional mines and reported historic and current resources & reserves<sup>1</sup>

<sup>1</sup> Refer to ASX announcement “Update of Gold Projects”, dated 3 September 2019 for full details.

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**About Lambarson Canyon**

Lambarson Canyon, is a potential high-grade gold system with a similar geological setting to the 4.0 M ounce Lone Tree deposit

The property is located 100km south of Winnemucca in the East Range, Pershing County (*Figure 2*); with similarities with Lone Tree mine and the distal disseminated gold system at Trenton Canyon, both of which are hosted by Permian Havallah Group rocks.

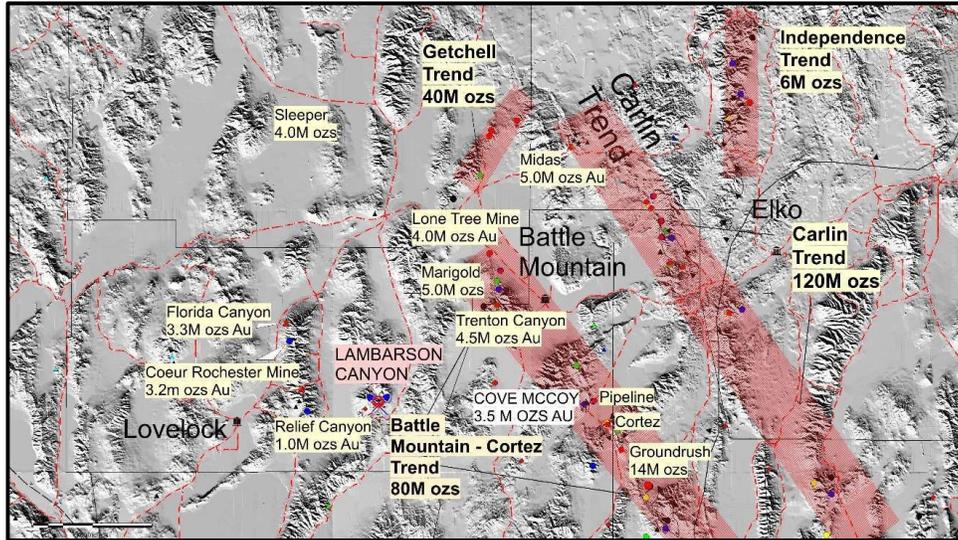


Figure 2: Lambarson Canyon Project Regional Location<sup>2</sup>

Initial field reconnaissance mapping, rock chip sampling completed by Alpine in 2019, identified an area of high-grade outcropping gold mineralisation; with an individual float sampling returning 61.6g/t gold<sup>3</sup>, and an outcrop channel returning 3m @ 6.97 g/t gold<sup>3</sup> within a broader 10m zone of anomalous gold samples (*Figure 2 & Figure 3*).

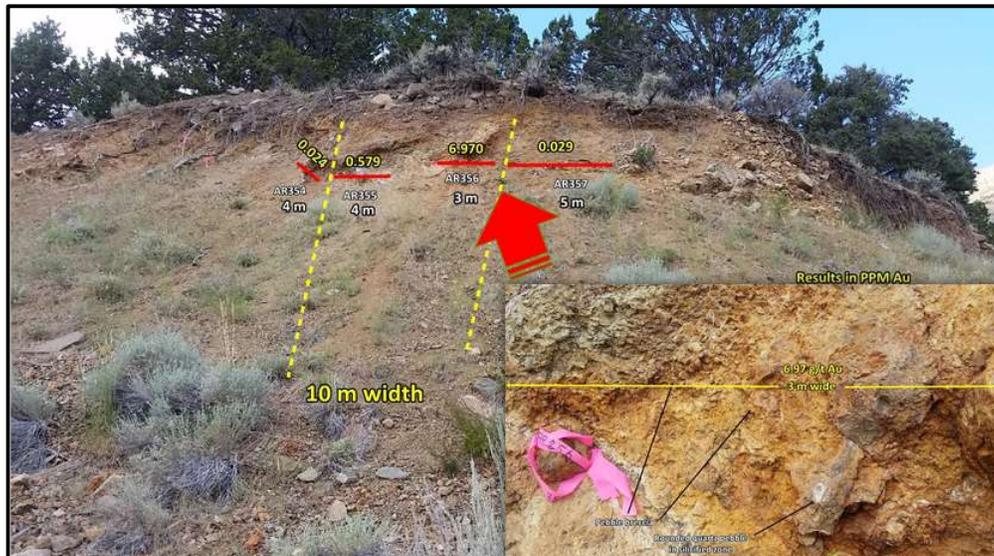


Figure 3: Channel Sample Results Shown in PPM Au with width of channel<sup>3</sup>

<sup>2</sup> Refer to ASX Release dated 3 September 2019 for full details

<sup>3</sup> Refer to ASX Release dated 27 June 2019 for full table of results and associated JORC Table 1.

A subsequent IP geophysical survey<sup>4</sup> over this area comprising two north-south oriented survey lines, has identified a strong coincident IP resistivity and conductivity anomaly approximately 300m to the south of the outcropping mineralisation (*Figure 4 & Figure 5*).

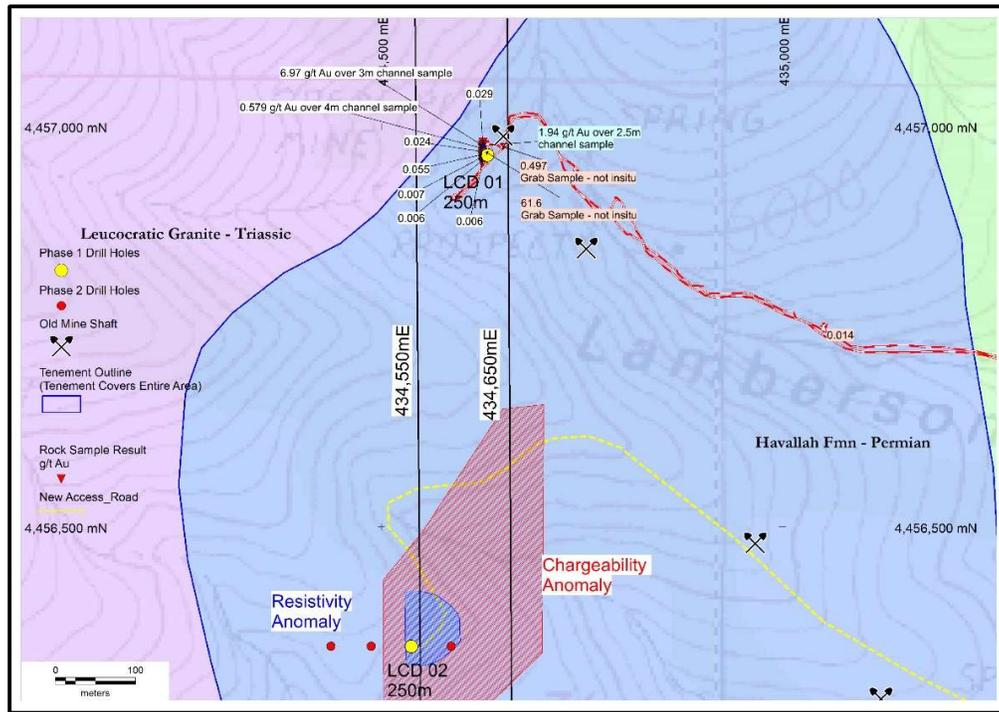


Figure 4: Lambarson Canyon drill target locations, IP survey lines and proposed drill-hole locations

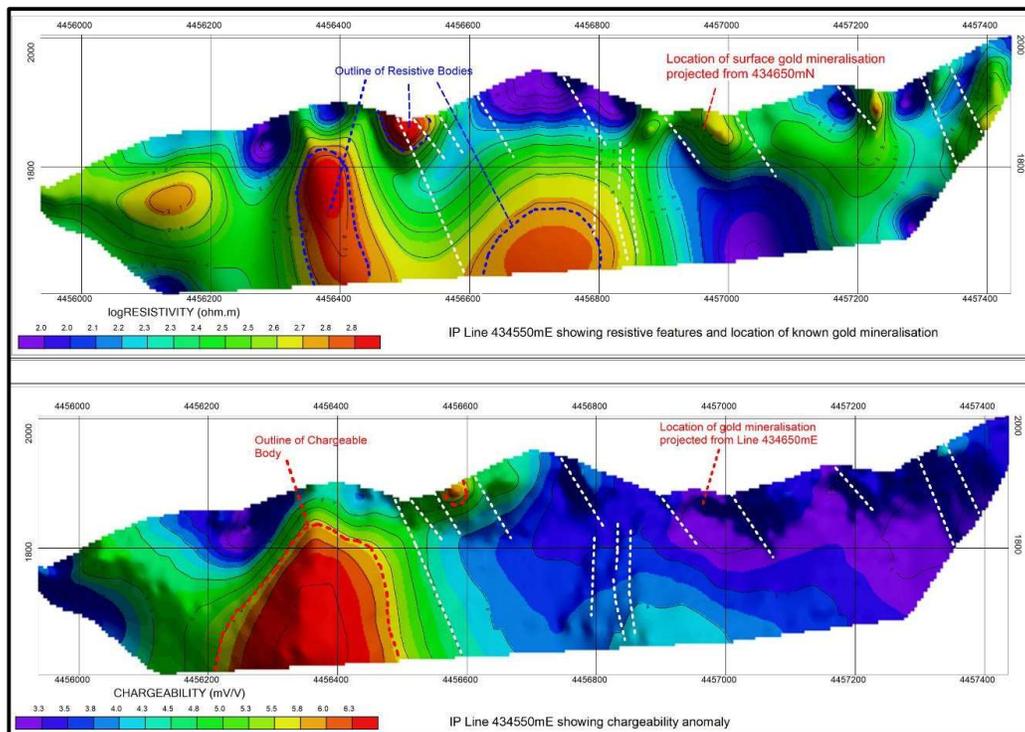


Figure 5: IP Survey Line 434,550mE: resistivity and chargeability results<sup>4</sup>

<sup>4</sup> Refer to ASX release dated 27 August 2020, for full survey details.

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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 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.*

*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.*