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OAKDALE RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
ACN 009 118 861

ANNUAL REPORT

30 JUNE 2020

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FOR THE YEAR ENDED 30 JUNE 2020

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CORPORATE DIRECTORY

Board of Directors

Mr Christopher Gale

Mr David Vilensky

Mr Joseph Van Den Elsen

Company Secretary

Mr Yugi Gouw

Registered & Principal Office

Unit 3, 32 Harrogate Street

West Leederville, WA 6007

Telephone: (08) 6117 4797

Stock Exchange Listing

Oakdale Resources Limited is listed on the Australian Securities Exchange
(ASX Code: OAR, OARO)

Auditors

Hall Chadwick Audit (WA) Pty Ltd

283 Rokeby Road

SUBIACO WA 6008

Share Registry

Automic Registry Services

Level 5, 126 Philip Street

Sydney NSW 2000

Telephone: 1300 288 664

EXECUTIVE CHAIRMAN'S REVIEW

Dear Shareholders,

It gives me great pleasure to present to you the 2020 Annual Report for Oakdale Resources Limited ("Oakdale" or "Company") and update you on our progress over the past year.

In March 2019, the Company acquired the Chimu gold processing plant in Peru, South America. This acquisition was made predominately to develop cash flow to enable Oakdale to grow and develop into a revenue generating business.

In addition to the Chimu acquisition, the Company announced on 27 June 2019 that it had signed a Binding Option Term Sheet with Alpine Resources (USA) Pty Ltd for the acquisition (through 100% ownership of its US subsidiary Alpine Metals LLC) of its gold projects incorporating the Tonopah North, Douglas Canyon and Lamberson Canyon projects in Nevada, USA. In August of 2020 the company completed the acquisition of Alpine Resources. The Nevada projects are targeting Carlin and epithermal type million plus ounce deposits in northern and southern Nevada, USA. The Nevada state is "elephant" country for world class gold deposits and is well known for its low political risk, high quality infrastructure and skilled workforce. In 2018 Nevada was ranked as the "World Top 3" mining jurisdiction by the Fraser Institute. The Company intends to target similar highly prospective, yet under-explored, trends similar to the Long Canyon gold trend and other analogous settings in Nevada, as an exploration play based on established gold trends. The exploration program and drilling has commenced. The program will involve diamond drilling on the priority targets to be managed by Oakdale in accordance with an approved program and budget.

Oakdale Resources announced on the 28th April, 2020 that a Binding Acquisition Agreement had been executed to acquire 100% of Australian Precious Minerals Pty Ltd (APM), holder of the **Crown PGE-Nickel-Copper Project** held within the exploration asset E70/5406, located within the Yilgarn Craton and approximately only 70km north east of Perth, Western Australia. The **Crown PGE-Nickel-Copper Project** covers a series of prominent magnetic structures similar to and extending from the Chalice Gold Mine's Julimar Complex, which have not been drill tested. Considering the presence of analogous magnetic structures on trend from Julimar, the open nature of the Julimar Discovery, the close proximity to new high grade assays, and the absence of previous drilling, Oakdale believes that Crown has potential to host an extension or repeat of a similar polymetallic orebody. This is an exceptionally exciting project that could potentially bring great value to Oakdale once a successful exploration project is completed.

The initial infrastructure works had commenced on the Peru Chimu site for the construction of buildings and a new tailings dam however due to Covid restrictions in Peru all work has been suspended. The Company is finalising the detailed Engineering Study for the Chimu gold plant for an expanded 120 tons per day capacity. The processing plant and associated equipment will follow with installations on site expected to commence once the Covid-19 restrictions are lifted.

These are exciting times for Oakdale with 2020/21 hoping to be a landmark year for the Company with a number of potential company making projects now in its portfolio with work well underway.

I would like to thank the Board of Directors, our staff, contractors, shareholders and stakeholders for their valuable contributions and tremendous support of Oakdale's efforts over the past year. I look forward to progressing the development of the Nevada gold projects, The Crown project in WA, the Gibraltar Halloysite/Kaolin project in South Australia and the Chimu gold processing plant in Peru. I also look forward to bringing further good news with positive milestones reached for our loyal shareholders.

Yours faithfully



Christopher Gale
Executive Chairman

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REVIEW OF OPERATIONS

COMPANY OVERVIEW

YILGARN, WA

Crown PGE-Nickel-Copper-Gold Project

In the June quarter, Oakdale announced it had executed a Binding Acquisition Agreement to acquire 100% of Australian Precious Minerals Pty Ltd (APM), holder of the Crown PGE-Nickel-Copper Project (Crown, the Project) held within the exploration asset E70/5406, located within the Yilgarn Craton and approximately 70km north east of Perth, Western Australia.

The following acquisition terms were offered to vendors;

- 35,000,000 fully paid ordinary shares in Oakdale on receiving Oakdale's shareholder approval.
- 27,000,000 fully paid ordinary shares in Oakdale on the granting of the tenement application.
- 27,000,000 fully paid ordinary shares in Oakdale on the granting of the drilling program approval by the WA Mines Department.

The Crown PGE-Nickel-Copper Project covers a series of prominent magnetic structures similar to the Chalice Gold Mine's Julimar Complex, and which have not been drill tested. The map below (*Figure 1*) displays APM's tenement (left) and the Julimar tenement to the right with location of discovery hole marked.

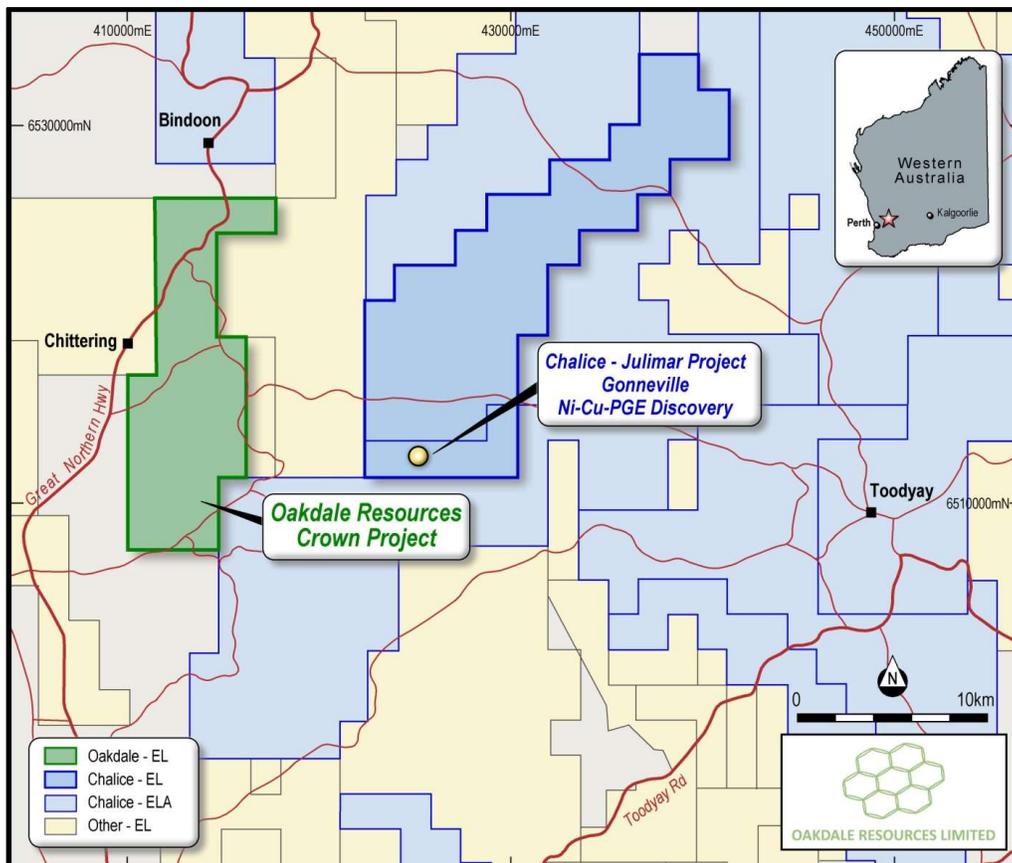


Figure 1: Location of Australian Precious Minerals tenement in relation to Chalice Gold Mine tenements.

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REVIEW OF OPERATIONS

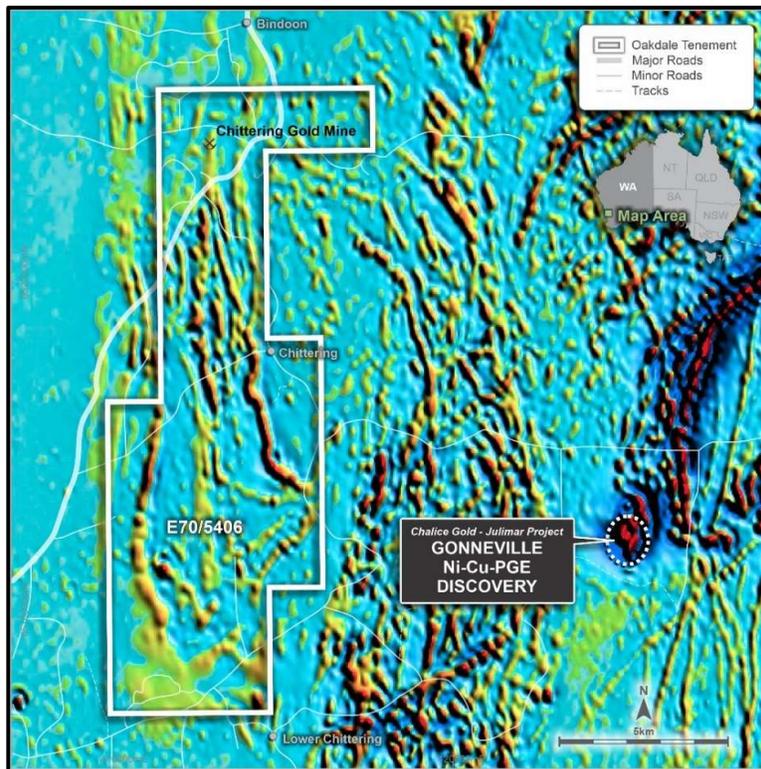


Figure 2: Magnetics over aerial with tenure.

The Crown Project is situated less than 8km from the Julimar Discovery and adjoins Chalice tenure that is the site of Chalice's recent high grade, broad intervals of PGE-Nickel-Copper mineralisation.

Chalice's broad PGE and nickel-copper intervals, which remain open in all directions, point to a regional scale discovery that may extend far beyond its initial lateral delineation, whilst geological analogues such as the Jinchuan Nickel Mine in China demonstrate what may be found beneath disseminated sulphide zones.

Considering the presence of analogous magnetic structures to Julimar, the open nature of the Julimar Discovery, the close proximity to new high-grade assays, and the absence of previous drilling, APM believes that Crown has potential to host a repeat of a similar polymetallic orebody.

Oakdale completed a site visit to the project in May. Since executing its agreement with APM, Oakdale has begun work enhancing existing government geophysical data in the local area which exhibits a strongly magnetic response as seen in (Figure 2). The weaker responses are also of significant interest given the likelihood of reduced magnetism in contrast with increasing alteration possible with closer proximity to the Darling Scarp.

Oakdale's initial site visit aimed to investigate land access and use in the area, with focus on the eastern most magnetic high based on the lower density of rural lots. Metamorphic rocks were observed in outcrop along Blue Plains Road and could be seen to continue into the adjacent property to the south coincident with the respective magnetic high.

Oakdale is contacting local landholders for discussions around property access for mapping and rock chip sampling, followed by geochemical soil sampling and perhaps drilling in the future.

The Company aims to identify geochemical soil anomalies that provide evidence of ultramafic sequences within and around the greenstones observed at roadside. These results will then guide the design of drilling to target potential host lithology and possible polymetallic massive sulphides, similar to the layered ultramafic intrusive discovered at Julimar to the east.

REVIEW OF OPERATIONS

NEVADA – USA

Lambarson Canyon

Lambarson Canyon is located in eastern Pershing County, Nevada (Figure 6), approximately 70 miles south of Winnemucca by road.

On the 9th December 2019, Oakdale announced the results of an Induced Polarisation (IP) survey carried out at the Lambarson Canyon Project in East Pershing County, Nevada. A potentially significant IP anomaly was generated which is spatially separate to the area of gold mineralised outcrop already targeted for drilling in 2020.

The IP results indicated a shallow chargeable and resistive anomaly 300m south of the outcropping gold mineralisation (Figure 3).

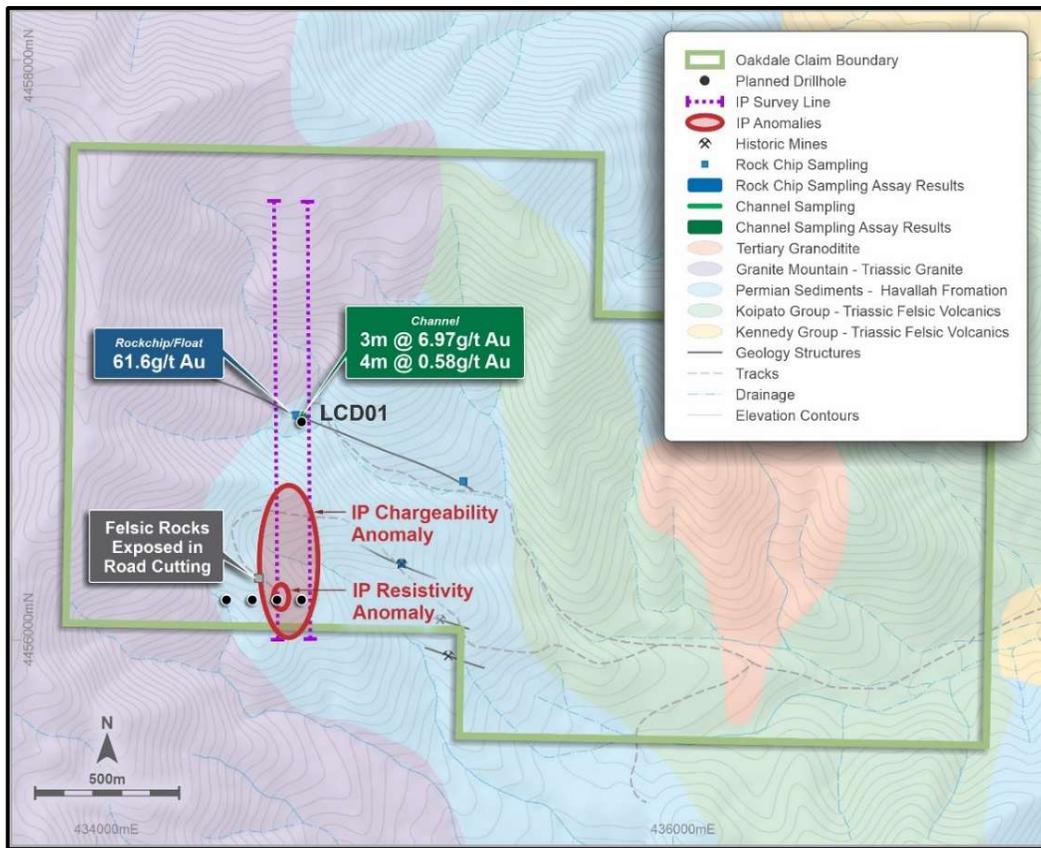


Figure 3: Lambarson Canyon Simplified Geology and surface sampling results¹, showing the surface projection of the Ip anomalies and proposed drill holes.

Exploration permits for up to five drill holes has been received from the Nevada Bureau of Land Management (BLM). The Initial focus for drilling will be the outcropping high-grade gold mineralisation, and the strong coincident Ip geophysical anomaly to the south (Figure 3). Positions of the three additional drill holes permitted under the current BLM approval will be finalised base on the initial drill core observations.

Drilling of LCD-10 commenced in September 2020 (Figure 4), with a planned hole depth of approximately 250m. Samples will be sent to the Laboratory in Reno Nevada for gold analysis.

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

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Figure 4: Diamond Drill rig on site at Lambarson Canyon (LCD-01) in Nevada

Initial observations from drill core from this first hole (LCD-01), indicates that the geology is consistent with the structural target zone which hosts the gold mineralisation at surface. Previous outcrop channel sampling across this structure has returned high-grade results, including 3m @ 6.97g/t gold², and a nearby float sample returned 61.6 g/t gold².

Rock types identified so far in LCD-01 include metasediments, porphyry, and breccia units with rounded and milled fragments.

The identification of a milled breccia unit in the core is highly encouraging, and Oakdale geologists believe it can be correlated with the surface outcrop. These rock types are variably fractured, altered and oxidised in the upper part of the hole, which has resulted in difficult drilling conditions. Drilling is proceeding through this highly broken ground at a steady pace to maintain maximum core recovery.

Reconnaissance geological mapping has been carried out in the vicinity of the southern geophysical (IP) target (Figure 3), to take advantage of new bedrock exposures along the new road-cutting to this drill site. Altered felsic intrusive rocks with quartz veins and euhedral oxides (after sulphides), have been mapped along the road cutting (Figure 3 & Figure 5). Additional detailed mapping and outcrop sampling work across the project area is in progress and will be ongoing to provide a better understanding of the localised structures and alteration associated with this mineralised system.

² Refer to ASX announcement dated 27 June 2019 for full rock chip & Channel sampling results and JORC Tables

REVIEW OF OPERATIONS



Figure 5: Outcropping altered felsic intrusive rocks with quartz stringers and oxides after sulphides, exposed during road construction

Drilling at Lambarson Canyon is anticipated to be ongoing throughout October 2020, with the drilling rig scheduled to mobile south to commence drilling at the Douglas Canyon Project (*Figure 6*) once all drilling at Lambarson Canyon is completed.

Tonopah North

On the 1st October 2019, Oakdale announced that it had received the drill permit to commence drilling on the Tonopah North project and drilling began on 30 October 2019, with up to four initial drill holes planned for a total of 900m, targeting structurally controlled epithermal gold mineralization in Tertiary andesite rocks.

In February 2020, Oakdale provided an update on a diamond core drilling program at its Tonopah North project in Nye County, Nevada (*Figure 6*), and plans for drilling at the Lambarson Canyon property in Pershing County, Nevada.

Final assays for Tonopah North hole TND-02 (up to 1.19 g/t Au received for interval 260m to 261.5m) indicated gold mineralisation associated with gold-in-quartz and proved the structural target, however results were not deemed indicative of sufficient grade or scope for an economic rationale for further immediate follow-up exploration.

Following this, the Company determined to move to planned drill targets at the prospective Lambarson Canyon tenements, where induced polarisation (IP) survey results in conjunction with highly anomalous surface gold sample results, indicated potential for a gold mineralised system.



Figure 6: Location of Oakdale Resources Nevada Gold projects

SOUTH AMERICA

Chimu Gold Plant – Peru

On the 1st October 2019, Oakdale advised that the licensing and permitting process at Chimu including Environmental Impact Study (EIS) and the Technical Study for the construction of the new Tailings Dam had been completed. The Company also executed a new lease for the land which houses the plant and initiated the plant upgrade work required to commence gold processing operations

The Peruvian Presidential Decree which shut all the Peruvian borders (due to COVID-19) came into effect on the 16th of March. The nationwide state of emergency has been extended until the 30th September therefore the Oakdale Peru office continues to remain closed, however staff continue to work from their home environment. The company is still awaiting approval from DREM (Mining Authority) for the 120 tpd upgrade license and the Building approval so Oakdale can commence construction of its plant. The Project schedule has obviously lost time due to the COVID-19 situation and hopefully once restrictions are lifted in Peru the permits will be approved and work can commence.

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REVIEW OF OPERATIONS

Hanai Gold Mine & the Burpar Gold Concessions

Following detailed work, field trips and on-site sampling, Due Diligence on the Hanai Gold Mine and the Burpar concessions revealed that they did not fit our acquisition strategy and exploration criteria, and it was therefore decided to relinquish the properties. The owners have been notified and no fees are payable as a result of this action.

COMMUNITY & ENVIRONMENTAL ISSUES

In the March quarter, the Company completed all aspects of the Environmental Impact Study and have received an approval from DREM – the Peruvian Mines Department. Intrinsic to the whole approvals and permitting process, is the core acceptance by local communities and compliance with legislative bodies. The Company continues to organise and attend various Community meetings and lengthy consultative workshops.

CORPORATE

Board and Management appointments

In March, Oakdale announced the appointment of Joseph van den Elsen as a Non-Executive Director of the Company, with immediate effect.

Mr. van den Elsen has had extensive experience in South America. He is currently the Managing Director of CMN Mining, a privately held exploration and development company advancing a coal project in Colombia. Prior to joining CMN Mining, he held executive positions with MHM Metals and Hampshire Mining.

Previously, Mr. van den Elsen was an Associate Director with UBS and held a comparable position with Goldman Sachs JB Were. He holds a Bachelor of Laws, a Bachelor of Arts (Spanish) and a Graduate Diploma in Environment, Energy and Resources Law and is currently studying towards a Graduate Diploma in Mineral Exploration Geoscience and a Master of Science (Mineral Economics).

His appointment followed the resignation of John Lynch as Non-Executive Director to concentrate on his other business interests.

Oakdale also appointed Yugi Gouw as Company Secretary in March, taking over the role from Hemant Amin, who retired effective 31 March 2020. Mr. Gouw has a Bachelor of Commerce from Curtin University, is a Certified Practising Accountant, and has a Graduate Diploma of Applied Corporate Governance from the Governance Institute of Australia.

Extension of Convertible Notes

In February 2020, Oakdale advised that all existing convertible note holders in the Company had agreed to extend the expiry date of the convertible notes from 31 January 2020 to 31 July 2020. During the current financial period \$835,500 worth of convertible notes were converted to shares.

Share Purchase Plan and Placement (August and September 2019)

The Company announced a partially underwritten Share Purchase Plan to raise the maximum amount permitted by the ASX Listing Rules via an offer of a maximum of 59,619,109 fully paid ordinary shares at an issue price per Share equal to a 15% discount to the volume weighted average price for Shares calculated over the last 5 days on which trading in Shares were recorded before the day the announcement was made.

The Company also undertook a capital raising by a placement of shares to professional and sophisticated investors (Placement) and issue up to 150,000,000 Shares together with 1 free attaching Option for every 2 Shares subscribed for, to raise up to \$1,500,000 under the Placement

REVIEW OF OPERATIONS

Share Placement (April 2020)

In April 2020, together with the execution of a Binding Acquisition Agreement to acquire the Crown Project, the Company conducted a share placement to professional and sophisticated investors to raise capital for exploration, project development, working and other capital requirements.

The Placement raised \$140,329 (before costs) through placing 70,164,686 shares at an issue price of \$0.002 per share, with 1 free attaching listed options (OARO) for every 2 shares subscribed, with an expiry date 31 December 2021 and \$0.04 exercise price.

Entitlement Offer (May 2020)

Following from the share placement, in May 2020, the Company announced a non-renounceable pro rata offer (Entitlement Offer) to raise up to approximately \$1.40 million (before costs).

Eligible Shareholders could apply for 1 new share for every share held on the Record Date, at an issue price of \$0.002 per new share, together with 1 free attaching listed options (OARO) for every 2 shares subscribed, with an expiry date 31 December 2021 and \$0.04 exercise price.

Due to postage delivery delays, the closing date for the offer was extended from 25 May 2020 to 2 June 2020. Total consideration received from the Applications was \$896,918, equating to 64% take up by Eligible Shareholders. The Company placed the remaining Shortfall of \$505,382 due to strong investor demand, which was closed well oversubscribed. Total shares issued under the offer was 701,150,220.

Oakdale's Board and Management was very pleased with the response to its capital raising and Entitlement Offer and thanked shareholders for their support, especially given the current economic climate. Oakdale is now progressing activities at key projects such as the Lambarson Canyon Gold drilling program in Nevada, the Peru Chimu Gold project, as well as assessment and design of initial exploration planning at the newly acquired Crown PGE-Cu-Ni-Au project in south Western Australia, 70km east of Perth.

Cash

As at 30 June 2020, the Company had \$1.34 million in cash.

Competent person statements

Information in this ASX release that relates to Exploration Results and Exploration Targets is based on information completed by Mr Anthony Greenaway, who is a member of the Australasian Institute of Mining and Metallurgy. Mr Greenaway is an employee of Oakdale Resources Ltd and has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australian Code for Reporting of Mineral Resources and Ore Reserves". Mr Greenaway consents to the inclusion in this report of the matters based on 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.

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OAKDALE RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
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DIRECTORS' REPORT

Your directors present the following report for the financial year ended 30 June 2020.

Directors

The names and details of the Company's directors at any time during or since the end of the year are as follows:

CHRISTOPHER GALE (Executive Chairman)

Christopher (Chris) Gale is the Executive Chairman of Oakdale Resources. Mr Gale has extensive experience in senior management roles in both the public and private sectors, especially in commercial and financial roles.

He has also held various board and executive roles at a number of technology and mining companies during his career. He was the founder and is currently Executive Director of Latin Resources and has been operating in South America for over 10 years.

Chris is the past Chairman of the Council on Australian Latin American Relations (COALAR) established by the Australian Government Department of Foreign Affairs and Trade (DFAT).

He is a founding director of Allegra Capital, a boutique corporate advisory firm based in Perth and is a member of the Australian Institute of Company Directors (AICD).

Mr Gale is an Executive Director of ASX listed resources company, Latin Resources Limited (ASX:LRS) and is also a non-executive director of Vancouver based Westminster Resources Limited (TSXV: WMR).

DAVID VILENSKY (Non-Executive Director)

Mr. Vilensky is a practising corporate lawyer and an experienced listed Company Director. He is the Managing Director of Perth law firm Bowen Buchbinder Vilensky and has more than 35 years' experience in the areas of corporate and business law and in commercial and corporate management.

Mr Vilensky practises in the areas of corporate and commercial law, corporate advisory, merges and acquisitions, mining and resources and complex dispute resolution. Mr Vilensky acts for a number of listed and public companies and advises on directors' duties, due diligence, capital raisings, compliance with ASX Listing rules, corporate governance and corporate transactions generally.

Mr Vilensky is also the Chairman of ASX listed resources company Latin Resources Limited (ASX: LRS) and is a Non-Executive Director of ASX listed telecommunications and technology company Vonex Ltd (ASX: VN8).

JOSEPH VAN DEN ELSSEN (Non-Executive Director)

Appointed 6 March 2020

Mr. van den Elsen has had extensive experience in South America.

He is currently the Managing Director of CMN Mining, a privately held exploration and development company advancing a coal project in Colombia. Prior to joining CMN Mining, he held executive positions with MHM Metals and Hampshire Mining.

Previously Joe van den Elsen was an Associate Director with UBS and held a comparable position with Goldman Sachs JB Were. He holds a Bachelor of Laws, a Bachelor of Arts (Spanish) and a Graduate Diploma in Environment, Energy and Resources Law and is currently studying towards a Graduate Diploma in Mineral Exploration Geoscience and a Master of Science (Mineral Economics).

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DIRECTORS' REPORT (CONT'D)

JOHN LYNCH (Non-Executive Director)

Appointed on 27 November 2014

Resigned on 6 March 2020

He has significant exploration and development experience including the discovery and development of the Mt Leyshon, Camel Creek and Big Rush gold mines in North Queensland and the discovery and evaluation of the Weda Bay nickel cobalt deposit in Indonesia.

He has successfully delivered a number of mining projects into production. John Lynch has previously held the following positions: Founding Director, President and CEO of Weda Bay Minerals Inc; Founder and Managing Director of Werrie Gold Limited; General Manager, Director and Co-founder of Pan Australian Mining Limited; Exploration Manager of Marathon Petroleum Australia Ltd; Exploration Manager and Chief Geologist of Metals Exploration Limited; and Assistant Exploration Manager of North Broken Hill Limited.

Company Secretary

Yugi Gouw

Appointed 3 March 2020

Mr. Gouw has a Bachelor of Commerce from Curtin University, is a Certified Practising Accountant, and has a Graduate Diploma of Applied Corporate Governance from the Governance Institute of Australia. Over the last 10 years, he has worked with various ASX companies as both Company Secretary and Chief Financial Officer.

Directors' interests

The relevant interest of each director in the share capital of the Company as notified by the directors to the Australian Securities Exchange in accordance with S205G (1) of the *Corporations Act 2001*, at the date of this report is as follows:

Directors	No of Ordinary Shares	No. of Options (ASX: OARO) over Ordinary Shares
Mr Christopher Gale	17,607,432	2,000,000
Mr David Vilensky	7,053,772	1,763,443
Mr Joseph van den Elsen	Nil	Nil
Mr John E Lynch (on resignation date)	32,552,228	Nil

Directors meetings

The number of directors' meetings held during the financial year and the number of meetings attended by each director are as follows:

Director	Directors' Meetings	
	Eligible to attend	Attended
Mr Christopher Gale	6	6
Mr David Vilensky	6	6
Mr Joseph van den Elsen ¹	3	3
Mr John E Lynch ²	3	3

¹ Mr Joseph van den Elsen was appointed 6 March 2020

² Mr John E Lynch resigned 6 March 2020

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DIRECTORS' REPORT (CONT'D)

Unissued shares under option

There were 546,367,293 unissued ordinary shares of the Company under option (ASX:OARO) at the date of this report.

Shares issued on exercise of options

No shares have been issued on the exercise of options during the financial year.

Dividends paid or recommended

There were no dividends paid or declared by the Company during the financial year.

Principal Activities

The principal activities of the Group during the financial year were mineral exploration on its existing projects in South Australia and the Alpine Project in Nevada, USA under an option agreement and gold processing plant development in Peru.

There were no significant changes in the nature of the principal activities during the financial year.

Review and Results of Operations

During the period, the Group is actively pursuing exploration to target highly prospective yet under explorer trends in Carlin and epithermal style million plus ounce gold deposits in northern and southern Nevada, USA under the Alpine Project Option Agreement, the construction of the Chimu gold processing plant in Peru, and reviewing historical information on its existing projects in South Australia.

The Group has also signed a binding acquisition agreement to acquire 100% of the Australian Precious Minerals Pty Ltd (APM), holder of the Crown PGE-Nickel-Copper Project located close to Chalice Gold Mines (ASX:CHN) Julimar Complex. The acquisition received shareholder approval at the General Meeting held on 30 July 2020.

Results of Operations

The financial result for the year ended 30 June 2020 was a loss of \$1,560,230 (2019: loss of \$1,446,157).

Significant Changes in State of Affairs

There was no significant change in the state of affairs of the Group that occurred during the financial year under review that is not mentioned elsewhere in this report or listed below.

After Balance Sheet Date Events

Refer note 21 for listing of after balance date events.

Apart from matters contained within the Note, Directors are not aware of any matters or circumstances not otherwise dealt with in this report that has significantly, or may significantly affect, the operations or the state of affairs of the Consolidated entity in future financial periods.

Impact of COVID-19

As previously disclosed, the Group is developing the Chimu gold processing plant in Peru. The Peruvian Presidential Decree, which shut all the Peruvian borders due to COVID-19 was issued on 16 March 2020, and a full lockdown has now been extended to 30 September 2020. The Group's Peru office is now closed, and staff are working from home. The receipt of the necessary approval from the Mining Authority in Peru for the upgrade to the Chimu plant is expected to be delayed as a result of COVID-19. Despite this, the Group assessment has determined that there has been no significant impact on the performance nor financial position of the Group as at 30 June 2020.

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DIRECTORS' REPORT (CONT'D)

Environmental Issues

The Consolidated entity aims to ensure that the highest standard of environmental care is achieved. The Board maintains the responsibility to ensure that the Consolidated entity's environment policies are adhered to and to ensure that the Consolidated entity is aware of, and is in compliance with, all relevant environmental legislation. There have been no environmental breaches during the 2020 financial year.

Indemnification and insurance of officers and auditors

During the financial year, the Consolidated entity maintained an insurance policy which indemnifies the directors and officers of the Consolidated entity in respect of any liability incurred in connection with the performance of their duties as directors or officers of the Consolidated entity to the extent permitted by the *Corporations Act 2001*. The Consolidated entity's insurers have prohibited disclosure of the amount of the premium payable and the level of indemnification under the insurance contract.

The Consolidated entity has not paid any insurance premiums in respect of any past or present directors or auditors, other than as required by law.

Proceedings on behalf of the Consolidated entity

No proceedings have been entered into on behalf of the Consolidated entity during the reporting period.

Subsequent to the end of the reporting period, on 25 August 2020, John Lynch, a former director of the Company brought a claim in the Queensland Magistrate Court against the Company. Mr Lynch has claimed payment of \$66,821 (plus interest and legal cost) for current financial year consultancy fees and administration services provided in prior year. The Company and the Directors have denied the claim and have taken steps to defend that claim with the assistance of legal representation. While the claim is currently ongoing, the Company has accrued most of the claim amount and is of the opinion any additional exposure is minimal.

Likely developments and expected results

The Company will continue to pursue its operating strategy to create shareholder value through the acquisition, exploration and development of mineral resources which include the Crown Project in the Julimar District and the three gold exploration projects in Nevada, USA as part of the recently acquired Alpine Gold Projects and the continuation of the development of the Chimu gold processing plant in southern Peru.

Non-audit services

The Consolidated entity's auditors provided non-audit services in relation to tax and consultancy services to certain entities within the Group for which \$275 (2019: \$29,124) was paid or payable by the Consolidated entity. The directors are satisfied that the provision of the non-audit services was compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The nature and scope of the non-audit services provided was not such that auditor independence was compromised.

Auditor's independence declaration

The Auditors Independence Declaration for the year ended 30 June 2020 has been received and can be found on page 53 of the financial report.

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**OAKDALE RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
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DIRECTORS' REPORT (CONT'D)

REMUNERATION REPORT (AUDITED)

This remuneration report for the year ended 30 June 2020 outlines the remuneration arrangements of the Group in accordance with the requirements of the *Corporations Act 2001* (the Act) and its regulations. This information has been audited as required by section 308(3C) of the Act.

The remuneration report details the remuneration arrangements for key management personnel (KMP) who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly and indirectly, including any director (whether executive or otherwise) of the parent company.

For the purposes of this report, the term executive includes executive directors and other senior management of the Group.

DIRECTOR AND SENIOR MANAGEMENT

Non-executive directors

David Vilensky	Non-Executive Director
Joseph Van Den Elsen	Non-Executive Director (<i>Appointed 6 March 2020</i>)
John E Lynch	Non-Executive Director (<i>Resigned 6 March 2020</i>)

Executive director

Chris Gale	Executive Chairman
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Other Executives

Yugi Gouw	Chief Financial Officer (<i>Appointed 20 January 2020</i>) Company Secretary (<i>Appointed 3 March 2020</i>)
Hemant Amin	Company Secretary (<i>Resigned 31 March 2020</i>)
Jon Grygorcewicz	Chief Financial Officer (<i>Terminated 31 December 2019</i>)
Andrew Knowles	General Manager Ozinca Australia (<i>Terminated 20 March 2020</i>)

REMUNERATION GOVERNANCE

Remuneration Committee

The Board carries out the duties that would ordinarily be carried out by the Remuneration Committee under the Remuneration Committee Charter including the following processes to set the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive.

The Board approves the remuneration arrangements of the Executive Chairman and other executives and all awards made under incentive plans following recommendations from the Remuneration Committee.

The Board also sets the remuneration of Non-executive directors, subject to the fee pool approved by shareholders.

The Board approves, having regard to the recommendations of the Executive Chairman, the level of incentives to other personnel and contractors.

The Board seeks external remuneration advice as and when required to ensure it is fully informed when making remuneration decisions. Remuneration advisors are engaged by and report directly to the Board. No consultants were used or paid by the Group during the year.

NON-EXECUTIVE DIRECTOR REMUNERATION ARRANGEMENTS

The Board seeks to set aggregate remuneration at a level that provides the Group with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

The Constitution and the ASX listing rules specify that the aggregate remuneration of Non-executive directors shall be determined from time to time by a general meeting of shareholders.

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Non-executive directors are remunerated by way of fees based on remuneration of executive directors of comparable companies and scope and extent of the Company's activities. Non-executive directors are also entitled to participate in the Non-Executive Director Deferred Rights Plan which was approved by shareholders on 30 July 2020. Non-Executive Directors do not receive retirement benefits nor do they participate in any other incentive programs.

No share rights were issued to directors during the year.

No options were awarded to non-executive directors as remuneration during the year.

Non-Executive Director Deferred Rights Plan

The Non-Executive Director Deferred Rights Plan was approved by shareholders on 30 July 2020 for the purpose of retaining Non-executive directors, controlling the cash cost of directors fees and aligning the interests of Non-executive directors with shareholders and providing them with the opportunity to participate in the future growth of the Group.

Under the plan the Group may offer share rights to Non-executive directors of the Company. Share rights issued under the Deferred rights plan comprise of retention rights being rights that vest and may be exercised into Restricted Shares, based on completion of a period of service.

The Board in their absolute discretion determine the number of share rights to be offered and the criteria that may apply. Offers made under the Deferred rights plan must set out the number of share rights, the vesting conditions and the measurement period.

The retention rights are issued for no consideration, however, the vesting of the benefits are conditional on achieving certain measurable performance measures. The performance measure for retention rights is the completion of service for the year. Vesting of the share rights is measured over a three-year interval after the commencement of the respective measurement period. At the end of the measurement period and subject to the performance measures, each share right will convert into one ordinary share in the Company. The Group is aware that the vesting of share rights is treated as income to executives and attracts tax in a similar manner to cash payments irrespective of the executive selling or retaining the resulting shares.

The maximum percentage of base remuneration that a Non-executive director may receive in share rights is 100% which is pre-determined based on the advice of the remuneration consultant.

Where a non-executive director or employee ceases employment prior to their incentives vesting due to resignation or termination for cause, incentives will be forfeited. Where a non-executive director or employee ceases employment for any other reason, they may at the Board's discretion, retain a number of unvested share rights on a pro-rata basis to reflect their period of service during the measurement period. These unvested share rights only vest subject to meeting the relevant performance measures.

The Board will not seek any increase in the aggregate remuneration for the Non-executive director pool at the AGM.

EXECUTIVE REMUNERATION ARRANGEMENTS

The Group aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Group that is competitive by market standards and aligns their interests with those of shareholders.

Executive remuneration consists of fixed remuneration and variable remuneration comprising short term incentives and long-term incentives.

Fixed remuneration

The level of fixed remuneration is set so as to provide a base level of remuneration which is both appropriate to the position and is competitive in the market.

While the fixed remuneration of the executives is not directly linked to the Group's financial performance or share price, it is reviewed annually by the Board through a process that considers individual performance, Group performance and market conditions.

Variable remuneration

The Company established an Incentive Rights Plan (the Plan) that was approved by shareholders on 30 July 2020 and applies to full time and permanent part time employees and contractors.

The Plan provides the Company with a range of incentives to attract, retain and align the interest of shareholders and employees and contractors.

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Short term incentives

Short term incentives (STI) may include cash and shares and are awarded to executives based on the achievement of KPI's. Given the current stage of the Company's evolution and the market conditions for mineral exploration and development companies, no STI targets were established at the start of the reporting period, and hence no STI's were issued for the year ended 30 June 2020.

Long term incentives

Long term incentives (LTI) Plan was approved by shareholders on 30 July 2020 and are considered annually by the Remuneration Committee to align remuneration with the creation of shareholder value over the long term.

LTI's can include:

- cash;
- retention rights being rights that vest and may be exercised into Restricted Shares, based on completion of a period of service and comprise no more than third of the LTI value; and
- performance rights, being rights that vest and may be exercised into Restricted Shares, based on achievement of specified performance objectives and comprise no more than two thirds of the LTI value.

The retention and performance rights are issued for no consideration, however, the vesting of the benefits are conditional on achieving specific measurable performance measures that are aligned with the Group's strategic objectives.

The following performance measures were used, in equal weighting:

- Completion of service for the year; and
- Shareholder returns (Total shareholder return of 33% per annum or greater).

Vesting of the LTI is measured over a three-year interval after the commencement of the respective measurement period. At the end of the measurement period and subject to the performance measures, each share right will convert into one ordinary share in the Company. The Group is aware that the vesting of share rights is treated as income to executives and attracts tax in a similar manner to cash payments irrespective of the executive selling or retaining the resulting shares.

The maximum percentage of base remuneration that an executive may receive as a LTI is pre-determined based on the advice of the remuneration consultant. The maximum percentage of base remuneration that the Executive Chairman can receive is 60% and for other executives is 40%.

Where a director or employee ceases employment prior to their incentives vesting due to resignation or termination for cause, incentives will be forfeited. Where a director or employee ceases employment for any other reason, they may at the Board's discretion, retain a number of unvested share rights on a pro-rata basis to reflect their period of service during the LTI grant performance period. These unvested share rights only vest subject to meeting the relevant LTI performance measures.

Non-Executive Directors

The Group does not have contracts with Non-Executive Directors, who are elected to the Board by shareholders on rotation. The pool of directors' remuneration, including cash payments for directors' fees and share based incentive remuneration, is approved by shareholders in Annual Meeting.

In accordance with the total directors' fees approved by shareholders, the Board has agreed the directors' fees to be paid up to a maximum of \$60,000 per annum for each director. No committee fees are paid.

Fees for Non-Executive Directors are not linked to the performance of the Group. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the company and are able to participate in the Non-Executive Deferred Rights Plan.

Employment agreements and contracts

The Group has entered into contracts and agreements with executives, the details of which are provided below.

Executive Chairman

The Executive Chairman is currently employed under a consultancy agreement, with a fixed remuneration of \$14,000 per month with an uplift in remuneration in the event of an increase in the market capitalisation of the Company or performance of duties that the Board considers to be in addition to the ordinary duties of the Executive Chairman office. There is no fixed term for the agreement with either party may terminate the agreement immediately.

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Chief Financial Officer (CFO) and Company Secretary

The current CFO and Company Secretary is employed under employment agreement with no fixed term where either party may terminate the agreement with or without cause by giving one month and three months' notice respectively.

The previous CFO was employed under a consultancy arrangement with either party may terminate the agreement immediately by giving written notice.

The previous Company Secretary was employed under a consultancy arrangement where either party may terminate the agreement by giving 30 days' notice.

General Manager Ozinca Australia

The previous General Manager for Ozinca Australia was employed under a 12 months consultancy agreement where either party may terminate the agreement immediately by giving 30 days' notice.

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REMUNERATION OF KEY MANAGEMENT PERSONNEL AND EXECUTIVES FOR THE YEAR ENDED 30 JUNE 2020

2020	Short-term benefits			Post-employment	Other long-term benefits	Share-based payments			Total	Performance related	Equity compensation
	Salary & Fees	Bonus	Non-cash benefits	Super	Long service leave	Share rights	Shares	Loan funded shares			
	\$	\$	\$	\$	\$	\$	\$	\$	\$	%	%
Directors											
C. Gale	168,000	-	-	-	-	-	-	-	168,000	-	-
D. Vilensky	60,000	-	-	-	-	-	-	-	60,000	-	-
J. van den Elsen ¹	19,032	-	-	-	-	-	-	-	19,032	-	-
J. Lynch ²	24,000	-	-	-	-	-	-	-	24,000	-	-
Other KMP											
Y. Gouw ³	45,513	-	-	4,324	-	-	-	-	49,837	-	-
A. Knowles ⁴	35,429	-	-	-	-	-	-	-	35,429	-	-
J. Grygorcewicz ⁵	17,188	-	-	-	-	-	-	-	17,188	-	-
Total	369,162	-	-	4,324	-	-	-	-	373,486	-	-

¹ Mr van den Elsen was appointed on 6 March 2020.

² Mr Lynch resigned on 6 March 2020.

³ Mr Gouw was appointed as CFO on 20 January 2020 and was later appointed as Company Secretary effective from 6 March 2020.

⁴ Mr Knowles consultancy contract with the Company was terminated effective 20 March 2020.

⁵ Mr Grygorcewicz consultancy contract with the Company was terminated effective 31 December 2019.

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REMUNERATION OF KEY MANAGEMENT PERSONNEL AND EXECUTIVES FOR THE YEAR ENDED 30 JUNE 2019

2019	Short-term benefits			Post-employment	Other long-term benefits	Share-based payments			Total	Performance related	Equity compensation
	Salary & Fees	Bonus	Non-cash benefits	Super	Long service leave	Share rights	Shares	Loan funded shares			
	\$	\$	\$	\$	\$	\$	\$	\$	\$	%	%
Directors											
C. Gale	38,400	-	-	-	-	-	-	-	38,400	-	-
D. Vilensky	36,000	-	-	-	-	-	-	-	36,000	-	-
J. Lynch	9,000	-	-	-	-	-	-	-	9,000	-	-
Other KMP											
A. Knowles	179,200	-	-	-	-	-	-	-	179,200	-	-
J. Grygorcewicz	625	-	-	-	-	-	-	-	625	-	-
Total	263,225	-	-	-	-	-	-	-	263,225	-	-

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ADDITIONAL DISCLOSURES RELATING TO REMUNERATION

(a) Share holdings of key management personnel

2020	Balance at start of year	Granted as remuneration	On exercise of options/conversion of rights	Net change other	Balance at end of year
Directors					
C. Gale	12,881,756	-	-	4,725,676 ¹	17,607,432
D. Vilensky	1,610,220	-	-	5,443,552 ²	7,053,772
J. van den Elsen	-	-	-	-	-
J. Lynch	26,302,228	-	-	6,250,000 ³	32,552,228 ⁵
Other KMP					
Y. Gouw	-	-	-	-	-
A. Knowles	32,204,392	-	-	7,083,333 ⁴	39,287,725 ⁶
J. Grygorcewicz	-	-	-	-	-
	72,998,596	-	-	23,502,561	96,501,157

¹Shares issued to Mr Gale are due to his participation in the Company's Entitlement Offer.

²Shares issued to Mr Vilensky are due to his participation in the Company's Entitlement Offer and settlement of his outstanding fees which were approved at the 2019 AGM.

³Shares issued to Mr Lynch are due to the repayment of his outstanding loan which were approved at the 2019 AGM.

⁴Shares issued to Mr Knowles are due to the settlement of his outstanding fees which were approved at the 2019 AGM.

⁵Mr Lynch resigned on 6 March 2020 and the shareholding details was at the date of resignation.

⁶Mr Knowles consultancy contract with the Company was terminated effective 20 March 2020 and the shareholding details was at the date of termination.

2019	Balance at start of year	Granted as remuneration	On exercise of options	Net change other	Balance at end of year
C. Gale	-	-	-	12,881,756 ¹	12,881,756
D. Vilensky	-	-	-	1,610,220 ¹	1,610,220
J. Lynch	26,302,228	-	-	-	26,302,228
Other KMP					
A. Knowles	-	-	-	32,204,392 ¹	32,204,392
J. Grygorcewicz	-	-	-	-	-
	26,302,228	-	-	46,696,368	72,998,596

¹The shares are issued in exchange for the shares held in Ozinca Australia Pty Ltd, once the acquisition transaction was approved by shareholder on 6 March 2019.

(b) Option holdings of key management personnel

The number of options held by directors and other key management personnel both directly and indirectly are set out below.

2020	Balance at start of year	Granted as remuneration	Exercised	Net change other ¹	Balance at end of year	Vested exercisable	Vested not exercisable
Directors							
C. Gale	-	-	-	2,000,000	2,000,000	2,000,000	-
D. Vilensky	-	-	-	1,763,443	1,763,443	1,763,443	-
J. van den Elsen	-	-	-	-	-	-	-
J. Lynch	-	-	-	-	-	-	-
Other KMP							
Y. Gouw	-	-	-	-	-	-	-
A. Knowles	-	-	-	-	-	-	-
J. Grygorcewicz	-	-	-	-	-	-	-
	-	-	-	3,763,443	3,763,443	3,763,443	-

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¹ There were no options issued to directors and other key management personnel as part of their remuneration during the year and prior year. All options issued to directors are due to their participation in the Company's Entitlement Offer.

(c) Other transactions with key management personnel

During the year, \$91,033 was paid excluding GST to Bowen Buchbinder Vilensky Lawyers, a firm related to Mr Vilensky for legal services rendered.

A company related to Mr Gale and Mr Vilensky, Latin Resources Limited was paid \$56,696 excluding GST for administration services provided by Latin Resources.

The Group made payment of \$1,200 excluding GST to Bourse Securities Pty Ltd, a company related to Mr Lynch for consultancy services rendered. Mr Lynch also invoiced the Group totalling \$10,999 excluding GST during the period for consultancy services he provided and \$50,002 excluding GST for administration services provided in prior year. During the financial period, the Group repaid \$265,000 to John Lynch for loan made to the Group in prior year.

On 15 October 2019, the Group issued 650,000 unsecured convertible notes to various professional and sophisticated investors where 30,000 unsecured convertible notes were issued to Shape Wealth Pty Ltd (Shape Wealth), a company managed by Ryan Gale, son of Mr Christopher Gale. On 29 November 2019, 3,703,704 ordinary shares were issued to Shape Wealth upon the conversion of the Notes (Refer to ASX Announcement dated 13 July 2020).

There were no other transactions with other key management personnel during the current or prior year.

END OF REMUNERATION REPORT

Corporate Governance Statement

The Board of Directors is responsible for the Corporate Governance of the Company. The Board is committed to achieving and demonstrating the highest standard of corporate governance applied in a manner that is appropriate to the Company's circumstances. The Company's Corporate Governance statement is located on the Company's website at www.oakdaleresources.com.au.



Christopher Gale

Director
Perth, 30 September 2020

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
<i>Continuing operations</i>			
Other income	2	11,121	10,120
		11,121	10,120
Administrative expenses		(377,654)	(382,738)
Depreciation and amortisation		(155)	-
Finance costs		(84,151)	(8,209)
Occupancy expenses		(18,449)	(42,440)
Employment costs	3	(239,770)	(122,290)
Development expenses		(606,016)	(18,736)
Exploration written -off		(7,485)	-
Corporate transaction accounting expense	4	-	(741,305)
Provision for expected credit losses		(10,166)	-
Net foreign exchange gain / (loss)		(52,920)	(5,346)
Other expenses from ordinary activities		(174,585)	(135,213)
Profit / (loss) before tax		(1,560,230)	(1,446,157)
Income tax benefit / (expense)	5	-	-
Net profit / (loss) for the year		(1,560,230)	(1,446,157)
<i>Other comprehensive income, net of income tax</i>			
■ Items that will not be reclassified subsequently to profit or loss		-	-
■ Items that may be reclassified subsequently to profit or loss		-	-
□ Foreign currency movement		55,381	23,898
Other comprehensive income for the year, net of tax		55,381	23,898
Total comprehensive income attributable to members of the parent entity		(1,504,849)	(1,422,259)
Earnings per share			
Basic and diluted loss per share (cents per share)	16c	0.295	(1.402)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should to be read in conjunction with the attached notes

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	Note	2020 \$	2019 \$
<i>Current assets</i>			
Cash and cash equivalents	6	1,344,249	9,598
Trade and other receivables	7	27,745	58,462
Other assets	8	48,375	149,614
Total current assets		1,420,369	217,674
<i>Non-current assets</i>			
Other assets	8	859,672	-
Rights of use assets	9	23,899	-
Plant and equipment	10	634,569	633,868
Exploration and evaluation costs	11	65,224	-
Total non-current assets		1,583,364	633,868
Total assets		3,003,733	851,542
<i>Current liabilities</i>			
Lease liabilities	12	15,904	-
Trade and other payables	13	490,478	1,136,676
Provisions	14	215,270	5,327
Borrowings	15	280,000	165,500
Total current liabilities		1,001,652	1,307,503
<i>Non-current liabilities</i>			
Lease liabilities	12	8,693	-
Provisions	14	-	210,846
Total non-current liabilities		8,693	210,846
Total liabilities		1,010,345	1,518,349
Net liabilities		1,993,388	(666,807)
<i>Equity</i>			
Issued capital	16a	5,497,019	1,467,275
Reserves	17	208,295	17,614
Accumulated losses		(3,711,926)	(2,151,696)
Total equity		1,993,388	(666,807)

The consolidated statement of financial position is to be read in conjunction with the accompanying notes.

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 30 JUNE 2020

	Note					Total \$
		Issued Capital \$	Accumulated Losses \$	Foreign Exchange Translation Reserve \$	Share-based Payment reserve \$	
Balance at 1 July 2018		535,321	(705,539)	(6,284)	-	(176,502)
Loss for the period			(1,446,157)			(1,446,157)
Other comprehensive income for the period		-	-	23,898	-	23,898
Total comprehensive income for the period		-	(1,446,157)	23,898	-	(1,422,259)
<i>Transactions with owners, directly in equity</i>						
Share application	16a	976,582	-	-	-	976,582
Transaction costs		(44,628)	-	-	-	(44,628)
Balance at 30 June 2019		1,467,275	(2,151,696)	17,614	-	(666,807)
Balance at 1 July 2019		1,467,275	(2,151,696)	17,614	-	(666,807)
Loss for the year		-	(1,560,230)	-	-	(1,560,230)
Other comprehensive income for the period		-	-	55,381	-	55,381
Total comprehensive income for the period		-	(1,560,230)	55,381	-	(1,504,849)
<i>Transactions with owners, directly in equity</i>						
Options Issued		-	-	-	135,300	135,300
Share application	16a	4,575,853	-	-	-	4,575,853
Transaction costs		(546,109)	-	-	-	(546,109)
Balance at 30 June 2020		5,497,019	(3,711,926)	72,995	135,300	1,993,388

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

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CONSOLIDATED STATEMENT OF CASH FLOWS AS AT 30 JUNE 2020

	Note	2020 \$	2019 \$
<i>Cash flows from operating activities</i>			
Interest and other income received		10,426	-
Interest and other charges paid		(68,043)	-
Payments to suppliers and employees		(1,710,325)	(277,118)
Net cash used in operating activities	6c.i	(1,767,942)	(277,118)
<i>Cash flows from investing activities</i>			
Payments for Alpine Option Fee		(760,839)	-
Purchase of plant and equipment		(1,104)	(336,936)
Payments for exploration and evaluation activity		(57,863)	-
Net cash acquired on acquisition of subsidiary net of cash consideration paid		-	68,972
Net cash (used in)/provided by investing activities		(819,806)	(267,964)
<i>Cash flows from financing activities</i>			
Proceeds from issue of shares and options		3,539,853	257,200
Payments for capital raising costs		(377,454)	(44,628)
Proceeds from borrowings		950,000	-
Repayment of borrowings		(190,000)	-
Advances received		-	335,253
Net cash provided by financing activities		3,922,399	547,825
Net increase in cash held		1,334,651	2,743
Cash and cash equivalents at beginning of the year		9,598	6,855
Cash and cash equivalents at the end of the year	6a	1,344,249	9,598

The consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of preparation

INTRODUCTION

The financial report covers Oakdale Resources Limited, the Company is a listed public company incorporated and domiciled in Australia.

The principal activities of the consolidated entity during the financial year were the exploration and development of economic mineral deposits.

The Consolidated entity is a for-profit entity.

Authorisation of financial report

The financial report was authorised for issue by the directors on 30 September 2020. This general purpose financial report has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations and the *Corporations Act 2001*. This financial report also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB).

Basis of accounting

These financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below in note 1(w).

New, revised or amending Accounting Standards and Interpretations adopted

The Consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Those which have a material impact on the Group are set out below.

AASB 16: LEASES

At inception of a contract, the Group assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability are recognised by the Group where the Group is a lessee. However, all contracts that are classified as short-term leases (i.e. a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as operating expenses on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at the commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

The right-of-use assets comprise the initial measurement of the corresponding lease liability, any lease payments made at or before the commencement date and any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest.

Where a lease transfer ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group anticipates exercising a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

The Company as lessor

Upon entering into each contract as a lessor, the Group assesses if the lease is a finance or operating lease. A contract is classified as a finance lease when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases not within this definition are classified as operating leases. Rental income received from operating leases is recognised on a straight-line basis over the term of the specific lease. Initial direct costs incurred in entering into an operating lease (for example, legal cost, costs to set up equipment) are included in the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term. When a contract is determined to include lease and non-lease components, the Group applies AASB 15 to allocate the consideration under the contract to each component.

Initial Application

The Group has adopted AASB 16: Leases retrospectively with the cumulative effect of initially applying AASB 16 recognised at 1 January 2019. In accordance with AASB 16 the comparatives for the 2018 reporting period have not been restated. The Group has recognised a lease liability and right-of-use asset for all leases (with the exception of short-term and low-value leases) recognised as operating leases under AASB 117: Leases where the Group is the lessee. There has been no significant change from prior year treatment for leases where the Group is a lessor. Lease liabilities are measured at the present value of the remaining lease payments. The Group's incremental borrowing rate as at 1 January 2019 was used to discount the lease payments. The right-of-use assets for the leases have been measured and recognised in the statement of financial position as at 1 January 2019 by taking into consideration the lease liability and the prepaid and accrued lease payments previously recognised as at 1 January 2019 (that are related to the lease).

The following practical expedients have been used by the Group in applying AASB 16 for the first time:

- for a portfolio of leases that have reasonably similar characteristics, a single discount rate has been applied.
- leases that have remaining lease term of less than 12 months as at 1 January 2019 have been accounted for in the same way as short-term leases.
- the use of hindsight to determine lease terms on contracts that have options to extend or terminate
- applying AASB 16 to leases previously identified as leases under AASB 117: Leases and Interpretation 4: Determining whether an arrangement contains a lease without reassessing whether they are, or contain, a lease at the date of initial application.
- not applying AASB 16 to leases previously not identified as containing a lease under AASB 117 and Interpretation 4.

The Group's weighted average incremental borrowing rate on 1 January 2019 applied to the lease liabilities was 12%.

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all Standards and Interpretations in issue not yet adopted for the year ended 30 June 2020 and have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Group.

OAKDALE RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

b. Going concern

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Group made a net loss after tax for the year of \$1,560,230 (2019: \$1,446,157). The Group generated net cash inflows for the year of \$1,334,651 (2019: \$2,743) which resulted in the Group's cash and cash equivalents increasing from \$9,598 to \$1,344,249 as at 30 June 2020, with working capital of \$410,024.

Subsequent to year end, the Group has successfully raised \$2,200,000 (before costs) pursuant to private placement and \$280,000 of its borrowings were converted to capital.

The directors have prepared a cash flow forecast, which indicates that the Consolidated Group will have sufficient cash flows to meet all commitments and working capital requirements for the 12-month period from the date of signing this report.

The Directors believe it is appropriate to prepare these accounts on going concern basis because subsequent to the end of the reporting period:

- The Group has raised additional funds of \$2,200,000 (before costs);
- The Group has no outstanding borrowings; and
- The Directors have an appropriate plan to contain certain expenditure if appropriate funding is unavailable.

Based on the cash flow forecast and other factors referred to above, the Directors are satisfied that the going concern basis of preparation is appropriate. In particular, given the Group's history of raising capital to date, the directors are confident of the Group's ability to raise additional funds as and when they are required.

Should the Group be unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Group be unable to continue as a going concern and meet its debts as and when they fall due.

c. Reverse acquisition

The Group completed the legal acquisition of Ozinca Australia Pty Ltd and its controlled entities (Ozinca Group) on 19 March 2019.

Ozinca Australia Pty Ltd (the legal subsidiary) was incorporated on 1 February 2017 and deemed to be the acquirer for accounting purposes as it has obtained control over the operations of the legal acquirer Oakdale Resources Limited (accounting subsidiary). Accordingly, the consolidated financial statements of Oakdale Resources Limited have been prepared on a continuation of the financial statements of Ozinca Australia Pty Ltd. Ozinca Australia Pty Ltd (as the deemed acquirer) has accounted for the acquisition of Oakdale Resources Limited from 19 March 2019.

The impact of the reverse acquisition on each of the primary statements comparative period is as follows:

- The consolidated statement of profit or loss and other comprehensive income:
 - For the full year ended 30 June 2019 comprises twelve months of Ozinca Group and three months and 11 days of Oakdale Group.
- The consolidated statement of financial position:
 - as at 30 June 2019 represents both Ozinca Group and Oakdale Group as at that date.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

- The consolidated statement of changes in equity:
 - for the full year ended 30 June 2019 comprises Ozinca Group's balance at 1 July 2018, its loss for the full year and transactions with equity holders for 12 months. It also comprises Oakdale Group transactions within equity for the 3 months and 11 days ended 30 June 2019 and the equity value of Ozinca Group and Oakdale Group as at 30 June 2019. The number of shares on issue at the end of the full year represent those of Oakdale Resources Limited only.
- The consolidation statement of cash flows:
 - for the full year ended 30 June 2019 comprises:
 - the cash balance of Ozinca Group as at 1 July 2018; the cash transactions for the twelve months of Ozinca Group and the period from 19 March 2019 to 30 June 2019 of Oakdale Group; and the cash balances of Ozinca Group and Oakdale Group at 30 June 2019;

d. Principles of Consolidation

Subsidiaries are entities controlled by the Company. The company controls an entity when the company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

e. Segment reporting

Oakdale Resources Limited operates in the mineral exploration and mining industry in Australia and Peru. The Consolidated entity has adopted AASB 8 *Operating Segments* whereby segment information is presented using a 'management approach', i.e. segment information is provided on the same basis as information used for internal reporting purposes by the Board of Directors. At regular intervals, the board is provided with management information at a group level for the Group's cash position, the carrying values of exploration permits and a group cash forecast for the next twelve months of operation.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

f. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties. All revenue is stated net of the amount of goods and services tax.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

g. Taxation

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited to Profit or Loss except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity. Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

h. Leases

The Group as lessee

At inception of a contract, the Group assesses if the contract contains or is a lease. If there is a lease present, a right of use asset and a corresponding lease liability is recognised by the Group where the Group is a lessee. However all contracts that are classified as short term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right of use of assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right of use assets is at cost less accumulated depreciation and impairment losses.

Rights of use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right of use asset reflects that the Group anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

i. Impairment of assets

At each reporting date, the consolidated entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Profit or Loss.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

j. Exploration Evaluation and Development Expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

k. Government Grants

Government grants relating to assets such as capitalised exploration expenditure are recognised in the Consolidated Statement of Financial Position by deducting the grant in arriving at the carrying amount of the asset. Government grants relating to expenses are recognised as other income.

l. Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the Consolidated Statement of Financial Position.

m. Financial instruments - assets

a. Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

b. Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

c. Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

i. Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.
- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.
- FVTPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

ii. Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

d. Impairment

The Group assesses on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

n. Financial instruments - liabilities

a. Classification

The Group classifies its financial liabilities in the following measurement categories:

- those to be measured subsequently at FVTPL, and
- those to be measured at amortised cost.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

The classification depends on the entity's business model for managing the financial liabilities and the contractual terms of the cash flows.

For financial liabilities measured at FVTPL, gains and losses, including any interest expenses will be recorded in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

For financial liabilities measured at amortised cost, the effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

b. Recognition and derecognition

Regular way purchases of financial liabilities are recognised on trade-date, the date on which the Group commits to purchase the financial liability. Financial liabilities are derecognised when the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liabilities derecognised and the consideration paid and payable is recognised in profit or loss.

c. Measurement

At initial recognition, the Group measures financial liabilities at its fair value plus, in the case of financial liabilities not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial liabilities. Transaction costs of financial liabilities carried at FVTPL are expensed in profit or loss.

o. Share-based Payment

The Group may provide benefits to consultant and employees (including directors) of the Group in the form of share-based payment transactions, whereby consultants and employees render services in exchange for shares or rights over shares ('equity-settled transactions').

The cost of these equity-settled transactions is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an internal valuation using Black-Scholes option pricing model, further details of which are given in note 17.

Post 30 June 2020, there is currently an Incentive Scheme, which provides benefits to directors and senior executives.

p. Employee benefits

(i) Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date, are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bond bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

q. Plant and equipment

Items of plant and equipment are stated at cost or deemed cost less accumulated depreciation and impairment losses. The cost of self-constructed assets includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

an appropriate proportion of production overheads. Where parts of an item of plant and equipment have different useful lives, they are accounted for as separate items of plant and equipment.

Items of plant and equipment that have not started to be in use, are not depreciated.

r. Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

If the Consolidated entity reacquires its own equity instruments, e.g. as the result of a share buy-back, those instruments are deducted from equity and the associated shares are cancelled. No gain or loss is recognised in the profit or loss and the consideration paid including any directly attributable incremental costs (net of income taxes) is recognised directly in equity.

s. Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

t. Goods and Services Tax (GST) and Peru General Sales Tax (IGV)

Revenues, expenses and assets are recognised net of the amount of associated GST/IGV, unless the GST/IGV incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated inclusive of the amount of GST/IGV receivable or payable. The net amount of GST/IGV recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Consolidated Statement of Financial Position. Cash flows are presented on a gross basis. The GST/IGV components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

u. Foreign currency transactions and balances

Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transaction and balances

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the end of the reporting period.

All exchange differences in the consolidated financial report are taken to profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Group companies and foreign operations

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the period; and

retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the profit or loss in the period in which the operation is disposed.

v. *Contingent liabilities*

A contingent loss is recognised as an expense and a liability if it is probable that future events will confirm that, after taking into account any related probable recovery, an asset has been impaired or a liability incurred and, a reasonable estimate of the amount of the resulting loss can be made.

w. *Critical accounting estimates and judgements*

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Exploration and evaluation costs

Exploration and evaluation costs have been capitalised on the basis that the Consolidated entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written-off in the period in which this determination is made.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 2 Revenue and other income	2020 \$	2019 \$
a. Other Income		
Interest income	2	-
Other income	11,119	10,120
	11,121	10,120

Note 3 Profit / (loss) before income tax	2020 \$	2019 \$
The following significant revenue and expense items are relevant in explaining the financial performance:		
a. Employment expenses:		
■ Director fees ¹	186,432	83,400
■ Increase / (decrease) in employee benefits provisions	3,501	3,408
■ Wages and salaries	45,513	30,415
■ Other employment related costs	4,324	5,067
	239,770	122,290

¹ Director fees amount for the current year totalling \$84,600 has been classified as part of the Development Expenses.

Note 4 Business Combination

On 19 March 2019, Oakdale Resources Limited acquired 100% of the ordinary share capital and voting rights of Ozinca Australia Pty Ltd. Under AASB 3 *business combinations* (AASB 3) this is treated as a 'reverse acquisition', whereby the accounting acquirer is deemed to be Ozinca Australia Pty Ltd and Oakdale Resources Ltd is deemed to be the accounting acquiree. Refer to the effect upon the basis of preparation at note 1(c).

i. **Acquisition consideration**

As consideration for the issued capital of Ozinca Australia Pty Ltd, 67,087,685 shares were issued to the vendors of Ozinca Australia Pty Ltd.

ii. **Fair value of consideration transferred**

Under principles of AASB3, the transaction between Oakdale Resources Limited and Ozinca Australia Pty Ltd is being treated as a reverse acquisition. As such, the assets and liabilities of the legal subsidiary (the accounting acquirer), being Ozinca Australia Pty Ltd, are measured at their pre-combination carrying amounts. The assets and liabilities of the legal parent (accounting acquiree), being Oakdale Resources Limited are measured at fair value on the date of acquisition.

The consideration in a reverse acquisition is deemed to have been incurred by the legal subsidiary (Ozinca Australia Pty Ltd) in the form of equity instruments issued to the shareholders of the legal parent entity (Oakdale Resources Limited). The acquisition-date fair value consideration transferred has been determined by reference to the fair value of the number shares the legal subsidiary would have issued to the legal parent entity to obtain the same ownership interest in the combined entity.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

iii. **Goodwill (Corporate transaction accounting expense)**

Goodwill is calculated as the difference between the fair value of consideration transferred less the fair value of the identified net assets of the acquired. Details of the transactions are as follows:

	Fair value \$
Fair value of consideration transferred	751,382
<i>Fair value of identifiable assets and liabilities held at acquisition date:</i>	
Cash	68,972
Trade and other receivables	456,537
Trade and other payables	(132,591)
Borrowings	(382,841)
Fair value of identifiable assets and liabilities assumed	10,077
Goodwill (Corporate transaction accounting expense)	741,305

The goodwill calculated above represents goodwill in Oakdale Resources Limited, however this has not been recognised as Oakdale Resources Limited (the accounting acquiree) is not a business. Instead the deemed fair value of the interest in Ozinca Australia Pty Ltd issued to existing shareholders to effect the combination was recognised as an expense in the income statement. This expense has been presented as 'Corporate transaction accounting expense' on the face of the consolidated statement of profit or loss and other comprehensive income.

Note 5 Income tax

	2020 \$	2019 \$
a. Income tax expense / (benefit)		
Current tax	-	-
Deferred tax	-	-
	-	-
b. Reconciliation of income tax expense to prima facie tax payable		
The prima facie tax payable / (benefit) on loss from ordinary activities before income tax is reconciled to the income tax expense as follows:		
Prima facie tax on operating loss at 27.5%	(429,063)	(397,693)
Add / (Less) tax effect of:		
□ Foreign tax rate difference	(9,340)	(3,790)
□ Non deductible items	63,267	203,859
□ Deferred tax asset not brought to account	375,136	197,624
Income tax expense / (benefit) attributable to operating loss	-	-
c. The applicable weighted average effective tax rates attributable to operating profit are as follows	29.1%	28.1%
i. The tax rates used in the above reconciliations is the corporate tax rate of 27.5% payable by the Australian corporate entity on taxable profits under Australian tax law. There has been no change in this tax rate since the previous reporting year.		

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Note 5 Income tax (cont.)

	2020 \$	2019 \$
d. Tax losses and deductible temporary differences		
Unused tax losses and deductible temporary differences for which no deferred tax asset has been recognised, that may be utilised to offset tax liabilities:		
■ Tax losses	611,294	395,645

The Group has an accumulated estimated tax losses and deductible temporary differences of \$611,294. Utilisation of the carried forward tax losses and deductible temporary differences is subject to satisfaction of the Continuity of Ownership Test (COT) or, failing that, the Same Business Test (SBT).

The Group is currently in the process of assessing if the above disclosed estimated tax losses and deductible temporary differences of \$611,294 will satisfy the relevant tests and continue to be carried forward within the Group.

Potential deferred tax assets attributable to tax losses have not been brought to account at 30 June 2020 because the Directors do not believe it is appropriate to regard realisation of the deferred tax assets as probable at this point in time. These benefits will only be obtained if:

- i. the Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss to be realised;
- ii. the Group continues to comply with conditions for deductibility imposed by law; and
- iii. no changes in tax legislation adversely affect the Group in realising the benefit from the deductions for the loss.

Note 6 Cash and cash equivalents

	2020 \$	2019 \$
a. Reconciliation of cash		
Cash at bank	1,343,791	9,289
Petty Cash	458	309
	<u>1,344,249</u>	<u>9,598</u>

b. The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in Note 18 Financial risk management.

	2020 \$	2019 \$
c. Cash Flow Information		
i. Reconciliation of cash flow from operations to (loss)/profit after income tax		
Loss after income tax	(1,560,230)	(1,446,157)
Cash flows excluded from loss attributable to operating activities		
<i>Non-cash flows in (loss)/profit from ordinary activities:</i>		
■ Corporate transaction accounting expense	-	741,305
<i>Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:</i>		
■ (Increase)/decrease in receivables and other current assets	22,960	14,065
■ Increase/(decrease) in trade and other payables	(241,158)	410,261
■ Increase/(decrease) in provisions	10,486	3,408
Cash flow from operations	<u>(1,767,942)</u>	<u>(277,118)</u>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 7 Trade and other receivables	2020 \$	2019 \$
Current		
GST receivable	12,708	20,729
Other receivables	15,037	37,733
	27,745	58,462

Note 8 Other assets	2020 \$	2019 \$
Current		
Prepayments	48,375	54,700
Tax credits	-	94,914
	48,375	149,614
Non-Current		
Tax credits	98,833	-
Alpine Project option fee ¹	760,839	-
	859,672	149,614

¹ The amount constitutes funding provided to Alpine Resources (USA) Pty Ltd in accordance with the Binding Option Term Sheet (refer to ASX Announcement dated 27 June 2019) which is in progress. Subsequent to 30 June 2020, the Group exercised its option to acquire the Alpine Project (Refer to Note 21).

Note 9 Rights of Use Assets	2020 \$	2019 \$
Leased core storage	31,865	-
Accumulated Depreciation	(7,966)	-
	23,899	

Movement in carrying amounts:

Lease office building

Recognised on initial application of AASB 16 (previously classified as operating leases under AASB 117)	-	-
Addition to right-of-use assets	31,865	-
Depreciation capitalised in exploration and evaluation and evaluation costs	(7,966)	-
Net Carrying amount	23,899	-

The statement of Profit and Loss shows the following amounts relating to leases:

Depreciation charged related to rights-of-use assets	-	-
Interest expense on lease liabilities	-	-
Short-term leases expense	-	-
Low-value asset leases expense	-	-

Note 10 Plant and equipment	2020 \$	2019 \$
Cost at beginning of the year	633,868	-
Additions during the year	1,104	633,868
Foreign currency effect	(258)	-
Less depreciation	(145)	-
Cost at year end	634,569	633,868

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 11 Exploration and Evaluation Costs

	2020 \$	2019 \$
Non-current		
Costs carried forward in respect of areas of interest in:		
- Exploration and evaluation phases	65,224	7,495,243
Provision for tenements	-	(7,495,243)
	65,224	-

The Group has gone through significant organisational change with the reverse acquisition of the Ozinca Group in 2019 and now has sufficient funding for its planned exploration activities. It is currently reviewing historical information from existing tenements located in South Australia for other prospective minerals, with further substantive exploration to be undertaken and budgeted based on the findings from the review. All of the Group's Australian based exploration leases has been maintained to ensure they are valid, with minimum expenditure requirements appropriately arranged with the relevant government entities.

The Group considers it is appropriate to capitalise its current year exploration and evaluation expenses based on its current exploration plan and the requirement of AASB 6: Exploration for and Evaluation of Mineral Resources.

Note 12 Lease Liability

	2020 \$	2019 \$
Gross lease liabilities – minimum lease payments:		
Less than one year	18,000	-
Between one and five years	9,000	-
More than five years	-	-
	27,000	-
Future finance charges on leases	(2,403)	-
	24,597	-
The present value of lease liabilities classified as:		
<i>Current</i>	15,904	-
<i>Non-Current</i>	8,693	-
	24,597	-

Note 13 Trade and other payables

	2020 \$	2019 \$
Current		
Trade payables	286,073	583,608
Accruals	83,777	253,249
Employment related payables	32,936	12,412
Payable to a shareholder/ex director ¹	47,543	217,656
Others	40,149	69,751
	490,478	1,136,676

¹ During the period the Group paid \$265,000 via the issue of shares and cash payments to John Lynch for loan provided to the Group in prior year.

Note 14 Provisions

	2020 \$	2019 \$
<i>Current</i>		
Employee entitlements	15,813	5,327
Deferred payments	199,457	-
	215,270	5,327
<i>Non-Current</i>		
Deferred payments	-	210,846

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 15 Borrowings	2020 \$	2019 \$
Convertible notes ¹	280,000	165,500

¹ Subsequent to 30 June 2020, all of the Convertible Notes were converted into ordinary share (Refer to Note 21).

Note 16 Issued capital	2020 No.	2020 \$	2019 No.	2019 \$
Fully paid ordinary shares	1,392,300,440	5,497,019	198,355,364	1,467,275
a. Ordinary shares				
At the beginning of year	198,355,364	1,467,275	44,536,667	535,321
Incentive Shares to convertible note holder	375,000	7,500		
Share Purchase Plan Placement	59,619,109	497,223		
Repayment of expense/loan (Note 13)	250,020,801	1,640,330		
Convertible notes conversion	16,403,401	193,000		
Entitlement Offer	166,376,545	835,500		
Unissued seed capital at \$0.06 per share	701,150,220	1,402,300		
Shares issued during 2019 by legal subsidiary			-	(32,000)
Elimination of existing legal acquiree shares			16,266,666	257,200
Shares of legal acquirer at acquisition date			(60,803,333)	
Issue of shares for acquisition in March 2019			67,087,685	
Share issue arising from convertible notes in 2019			104,571,250	751,382
Shares issued by legal acquirer in 2019			19,196,429	
Transaction costs relating to share issues		(546,109)	7,500,000	(44,628)
At reporting date	1,392,300,440	5,497,019	198,355,364	1,467,275

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote. Ordinary shares have no par value and the company does not have a limited amount of authorised capital.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 16 Issued capital (cont.)

	2020 \$	2019 \$
b. Earnings Per Share		
Reconciliation of earnings to profit or loss		
Loss used in the calculation of basic and diluted EPS	(1,560,230)	(1,446,157)
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic EPS	528,390,196	103,136,740
Loss per share		
Basic and diluted loss per share (cents per share)	(0.295)	(1.402)

c. Capital Management

The Directors' objectives when managing capital are to ensure that the Group can maintain a capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the availability of liquid funds in order to meet its short-term commitments.

Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Group's capital risk management is the current working capital position against the requirements of the Group to meet exploration programmes and corporate overheads. The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required.

The Group is not subject to externally imposed capital requirements.

The working capital position of the Group at 30 June 2020 was as follows:

The working capital position of the Group were as follows:

	Note	2020 \$	2019 \$
Cash and cash equivalents	6	1,344,249	9,598
Trade and other receivables	7	27,745	58,462
Other current assets	8	48,375	149,614
Lease liabilities	12	(24,597)	-
Trade and other payables	13	(490,478)	(1,136,676)
Provisions	14	(215,270)	(216,173)
Borrowings	15	(280,000)	(165,500)
Working capital position		410,024	(1,300,675)

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 17 Reserves	Note	2020 \$	2019 \$
Foreign exchange reserve	17a	72,995	17,614
Share-based payment reserve	17b	135,300	-
		208,295	17,614

a. **Foreign exchange translation reserve**

The foreign exchange reserve records exchange differences arising on translation of foreign controlled subsidiary.

	2020 No.	2020 \$	2019 No.	2019 \$
b. Share-based payment reserve				
Balance at beginning of reporting period	-	-	-	-
OARO Options issued to SPP Participants	119,709,817	-	-	-
OARO Options issued to sub underwriter & broker	41,000,000	135,300	-	-
OARO Options issued to Entitlement Offer Participants	350,575,133	-	-	-
Balance at end of reporting period	511,284,950	135,300	-	-

The options that were issued during the year had their price calculated by using the Black-Scholes option pricing model applying the following inputs:

Grant date	03/10/19
Grant date fair value	\$0.0033
Grant date share price	\$0.015
Exercise price	\$0.04
Expected volatility	82.28%
Option life	2.2 years
Expiry date	31/12/21
Risk-free interest rate	0.71%

12-monthly historical volatility from grant date has been the basis for determining expected share price volatility as it is assumed that this is indicative of future tender, which may not eventuate.

Note 18 Financial risk management

a. **Financial Risk Management Policies**

This note presents information about the Group's exposure to each of the above risks, its objectives, policies and procedures for measuring and managing risk, and the management of capital.

The Group's financial instruments consist mainly of deposits with banks, monies loaned, and accounts payable and receivable.

The Group does not speculate in the trading of derivative instruments.

A summary of the Group's Financial Assets and Liabilities is shown below:

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 18 Financial risk management (cont.)

	Floating Interest Rate	Fixed Interest Rate	Non-interest Bearing	2020 Total	Floating Interest Rate	Fixed Interest Rate	Non-interest Bearing	2019 Total
	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets								
☐ Cash and cash equivalents	1,344,249	-	-	1,344,249	9,598	-	-	9,598
☐ Trade and other receivables	-	-	27,745	27,745	-	-	58,462	58,462
Total Financial Assets	1,344,249	-	27,745	1,371,994	9,598	-	58,462	68,060
Financial Liabilities								
Financial liabilities at amortised cost								
☐ Lease liabilities	-	24,597	-	24,597	-	-	-	-
☐ Trade and other payables	-	-	490,478	490,478	-	-	1,136,676	1,136,676
☐ Borrowings	-	280,000	-	280,000	-	-	165,500	165,500
Total Financial Liabilities	-	304,597	490,478	795,075	-	-	1,302,176	1,302,176
Net Financial Assets/(Liabilities)	1,344,249	(304,597)	(462,733)	576,919	9,598	-	(1,243,714)	(1,234,116)

b. Specific Financial Risk Exposures and Management

The main risks the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate, foreign currency risk and equity price risk. However, the sole material risk at the present stage of the Group is liquidity risk and foreign currency risk.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board adopts practices designed to identify significant areas of business risk and to effectively manage those risks in accordance with the Group's risk profile. This includes assessing, monitoring and managing risks for the Group and setting appropriate risk limits and controls. The Group is not of a size nor is its affairs of such complexity to justify the establishment of a formal system for risk management and associated controls. Instead, the Board approves all expenditure, is intimately acquainted with all operations and discuss all relevant issues at the Board meetings. The operational and other compliance risk management have also been assessed and found to be operating efficiently and effectively.

i. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

Due to the current nature of the Group, being an exploration entity, the Group is not exposed to material credit risk.

ii. Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Typically, the Group ensures that it has sufficient cash to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The financial liabilities of the Group include trade and other payables as disclosed in the statement of financial position. All trade and other payables are non-interest bearing and due within 30 days of the reporting date.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 18 Financial risk management (cont.)

■ **Contractual Maturities**

The following are the contractual maturities of financial liabilities of the Group:

	Within 1 Year 2020 \$	Greater Than 1 Year 2020 \$	Total 2020 \$	Within 1 Year 2019 \$	Greater Than 1 Year 2019 \$	Total 2019 \$
Financial liabilities due for payment						
Lease liabilities	15,904	8,693	24,597	-	-	-
Trade and other payables	490,478	-	490,478	1,136,676	-	1,136,676
Borrowings	280,000	-	280,000		165,500	165,500
Total contractual outflows	786,382	8,693	795,075	1,136,676	165,500	1,302,176
Financial assets						
Cash and cash equivalents	1,344,249	-	1,344,249	9,598	-	9,598
Trade and other receivables	27,745	-	27,745	58,462	-	58,462
Total anticipated inflows	1,371,994	-	1,371,994	68,060	165,500	68,060
Net inflow on financial instruments	585,612	(8,693)	576,919	(1,068,616)	(165,500)	(1,234,116)

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

iii. **Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board meets on a regular basis and considers the Group's interest rate risk.

(1) **Interest rate risk**

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is also exposed to earnings volatility on floating rate instruments.

Due to the low amount of debt exposed to floating interest rates, interest rate risk is not considered a high risk to the Group. Movement in interest rates on the Group's financial liabilities and assets is not material.

(2) **Foreign exchange risk**

The Group also has transactional currency exposures from operating costs and concession and other payments that are denominated in currencies other than the Australian dollar (AUD). The currencies in which these transactions are primarily denominated are the United States dollar (USD) and Peruvian Sol (PEN).

The Board attempts to mitigate the effect of its foreign currency exposure by acquiring USD in accordance with budgeted expenditures when the exchange rate is favourable. Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Group holds financial instruments which are other than the AUD functional currency of the Group, but is not expected to be significant to the Group.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 18 Financial risk management (cont.)

iv. **Net Fair Values**

(1) *Fair value estimation*

The fair values of financial assets and financial liabilities are presented in the table in Note 18a and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Financial instruments whose carrying value is equivalent to fair value due to their nature include:

- Cash and cash equivalents;
- Trade and other receivables;
- Trade and other payables; and
- Borrowings

The methods and assumptions used in determining the fair values of financial instruments are disclosed in the accounting policy notes specific to the asset or liability.

Note 19 Commitments

- **Plant and equipment**
- **Tenement commitments (12 months)**

	2020	2019
	\$	\$
	-	-
	275,000	-
	275,000	-

The Group has no other material leasing commitments as at 30 June 2020.

In order to maintain current rights of tenure to mining tenements in South Australia, the Group has the above discretionary exploration expenditure requirements in accordance with the Almagamated Expenditure Agreement (AEA) where the Company need to meet minimum expenditure of \$275,000 by December 2020.

The obligation, which is subject to renegotiation upon expiry of the current AEA, is not provided for in the financial statements and is payable in the future.

If the Group decides to relinquish certain leases and/or does not meet these obligations, exploration and evaluation assets recognised in the consolidated statement of financial position may require review to determine appropriateness of carrying values. The sale, transfer or farm-out of exploration rights to third parties will reduce or extinguish these obligations.

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Note 20 Segmental Reporting

For management's purposes, the Group is organised into two main operating segments based on geographic areas, Peru and Australia during the current period.

This is different to how it was organised in previous period where the Group is organised into one main operating segment which involves the exploration and development of minerals in Australia and where the financial results from the one segment are equivalent to the financial statements of the Group as a whole. No comparative information is therefore provided for the financial period ended 30 June 2019.

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board (chief operating decision maker) in assessing performance and in determining the allocation of resources. The Group's two operating segments are Australia and Peru. The accounting policies applied for internal reporting purposes are consistent with those applied in the preparation of these financial statements

The following is an analysis of the Group's revenues, results, assets, liabilities by reportable operating segment for the current period.

2020	Australia	Peru	Total
	\$	\$	\$
Revenue			
Interest revenue	2	-	2
Other income	10,000	1,119	11,119
Total revenue	10,002	1,119	11,121
Depreciation & amortisation expense	-	(155)	(155)
Finance costs	(82,719)	(1,432)	(84,151)
Development expenses	-	(606,016)	(606,016)
Exploration written off	-	(7,485)	(7,485)
Provision for expected credit losses	-	(10,166)	(10,166)
Net foreign exchange gain(loss)	-	(52,920)	(52,920)
Other expenses	(810,458)	-	(810,458)
Total expenses	(893,177)	(678,174)	(1,571,351)
Segment loss	(883,175)	(677,055)	(1,560,230)
Segment assets	2,254,940	748,793	3,003,733
Segment liabilities	(904,930)	(105,415)	(1,010,345)
Additions to non-current assets			
Exploration & evaluation assets	65,224	-	65,224
Plant & equipment	-	1,104	1,104
Tax credits	-	98,833	98,833
Alpine Project option fee	760,839	-	760,839
Total additions to non-current assets	826,063	99,937	926,000

Segment loss represents the loss incurred by each segment without allocation of corporate overhead costs. This is the information reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

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Note 21 Events after reporting date

On 13 August 2020, the Company completed the acquisition of 100% of Australian Precious Minerals Pty Ltd (APM), holder of the Crown PGE-Nickel-Copper Project (Crown, the Project) held within the exploration asset E70/5406, located within the Yilgarn Craton and approximately 70km north east of Perth, Western Australia, following from the shareholder approval received at the General Meeting held on 30 July 2020.

The acquisition of APM and the Crown Project was settled through issuing the Vendors fully paid ordinary shares as follows:

- 35,000,000 fully paid ordinary shares in Oakdale on receiving Oakdale's shareholder approval.
- 27,000,000 fully paid ordinary shares in Oakdale on the granting of the tenement application.
- 27,000,000 fully paid ordinary shares in Oakdale on the granting of the drilling program approval by the WA Mines Department.

As at the date of this Report, only 35,000,000 fully paid ordinary shares have been issued to the Vendors.

On 21 August 2020, 280,000 unsecured convertible notes were converted into 56,000,000 ordinary shares at an effective price of \$0.005 per share.

Oakdale has also exercised the option with Alpine Resources (USA) Pty Ltd ("**Alpine**") on 27 August 2020, for the acquisition (through its US subsidiary Alpine Metals LLC) of Alpine's gold projects incorporating the Lambarson Canyon, Douglas Canyon and Tonopah North Projects in Nevada, USA ("**the Projects**"). The Projects are targeting Carlin and epithermal style million plus ounce gold deposits in northern and southern Nevada, USA.

On 10 September 2020, the Company announced that it has agreed terms for a placement of 104,761,905 shares at an issue price of \$0.021 to raise \$2,200,000. Shares comprising the Placement were issued to institutional funds, professional and sophisticated investors. The Placement was oversubscribed by \$785,000 with the issue price carried out at a 31% premium to the Company's 10-day VWAP.

On 25 August 2020, John Lynch, a former director of the Company brought a claim in the Queensland Magistrate Court against the Company. The Company and the Directors have denied the claim and have taken steps to defend that claim with the assistance of legal representation (Refer to Note 22).

Note 22 Contingent Liabilities

On 25 August 2020, John Lynch, a former director of the Company brought a claim in the Queensland Magistrate Court against the Company. Mr Lynch has claimed payment of \$66,821 (plus interest and legal cost) for current financial year consultancy fees and administration services provided in prior year. The Company and the Directors have denied the claim and have taken steps to defend that claim with the assistance of legal representation. While the claim is currently ongoing, the Company has accrued most of the claim amount and is of the opinion any additional exposure is minimal.

Note 23 Key Management Personnel (KMP) compensation

The names and positions of KMP are as follows:

- Chris Gale
- David Vilensky
- Joseph Van Den Elsen
- John Lynch
- Yugi Gouw
- Andrew Knowles
- Jon Grygorcewicz

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 23 Key Management Personnel (KMP) compensation (cont.)

The key management personnel compensation included in administrative expenses, employment costs and development expenses for the current year are as follows:

	2020 \$	2019 \$
Short-term benefits	369,162	263,225
	369,162	263,225

Note 24 Parent entity disclosures

	2020 \$	2019 \$
a. Financial Position of Ozinca Australia Pty Ltd		
Current assets	6,030	20,394
Non-current assets	638,142	260,046
Total assets	644,172	280,440
Current liabilities	40,950	438,798
Non – Current liabilities	780,460	-
Total liabilities	821,410	438,798
Net assets	(177,238)	(158,358)
<i>Equity</i>		
Issued capital	712,049	712,049
Accumulated losses	(889,287)	(870,407)
Total equity	(177,238)	(158,358)
b. Financial performance of Ozinca Australia Pty Ltd		
Profit / (loss) for the year	(18,880)	(368,633)
Other comprehensive income	-	-
Total comprehensive income	(18,880)	(368,633)

c. Guarantees entered into by Ozinca Australia Pty Ltd for the debts of its subsidiaries

There are no guarantees entered into by Ozinca Australia Pty Limited for the debts of its subsidiaries as at 30 June 2020.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 25 Related party transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. All transactions with key management personnel have been disclosed in the Remuneration Report.

a. Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transaction with related parties inclusive of GST

	2020 \$	2019 \$
<ul style="list-style-type: none"> ■ Allegra Capital Pty Ltd Trade and other payable to Allegra Capital Pty Ltd, an entity related to Mr Gale for director fees 	-	16,500
<ul style="list-style-type: none"> ■ Lascelles Holdings Pty Ltd Trade and other payable to Lascelles Holdings Pty Ltd, an entity related to Mr Gale for director fees 	15,400	-
<ul style="list-style-type: none"> ■ David Vilensky Trade and other payable to Mr Vilensky for director fees 	-	50,018
<ul style="list-style-type: none"> ■ Bowen Buchbinder Vilensky Lawyers Trade and other payable to Bowen Buchbinder Vilensky Lawyers, an entity related to Mr Vilensky for legal fees 	18,920	-
<ul style="list-style-type: none"> ■ John Lynch Trade and other payable balance to Mr Lynch for consulting fees 	11,930	-
<ul style="list-style-type: none"> ■ Bourse Securities Pty Ltd Payable balance to Mr Lynch for advances made in prior periods 	47,343	217,341
<ul style="list-style-type: none"> ■ Zaius Investments Pty Ltd Trade and other payable to Zaius Investments Pty Ltd, an entity related to Mr Knowles for consulting fees 	49,711	275,103

Note 26 Auditor's Remuneration

	2020 \$	2019 \$
Audit and review of the financial reports	46,224	30,000
Tax and compliance services	275	29,124
	46,499	59,124

Note 27 Controlled entities

a. Parent entity

Oakdale Resources Limited is the parent of the Group.

i. Subsidiaries

	Country of Incorporation	Class of Shares	Percentage Owned
<ul style="list-style-type: none"> ■ Ozinca Australia Pty Ltd 	Australia	Ordinary	100%
<ul style="list-style-type: none"> ■ Ozinca Peru SAC 	Peru	Ordinary	100%
<ul style="list-style-type: none"> ■ Lymex Tenements Pty Ltd 	Australia	Ordinary	100%

b. Investments in subsidiaries are accounted for at cost.

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DIRECTORS' DECLARATION

The Directors of Oakdale Resources Limited declare that:

- the attached financial statements and notes thereto comply with the *Corporations Act 2001*, the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1(a) to the financial statements;
- the attached financial statements and notes thereto give a true and fair view of the Consolidated entity's financial position as at 30 June 2020 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Consolidated entity will be able to pay its debts as and when they become due and payable;

The directors have been given the declarations required by section 295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of directors made pursuant to section 295(5) of the *Corporations Act 2001*.



Christopher Gale
Executive Chairman

Perth, 30 September 2020

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AUDITOR'S INDEPENDENCE DECLARATION

HALL CHADWICK 

**AUDITOR'S INDEPENDENCE DECLARATION
OAKDALE RESOURCES LIMITED**

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Oakdale Resources Limited.

As audit partner of Oakdale Resources Limited for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.



Hall Chadwick Audit (WA) Pty Ltd
ABN 42 163 529 682



Nikki Shen
Director

Dated 30 September 2020

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INDEPENDENT AUDITOR'S REPORT

HALL CHADWICK 

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OAKDALE RESOURCES LIMITED

Report on the Financial Report

Opinion

We have audited the accompanying financial report of Oakdale Resources Limited ("the Company") and its subsidiaries (collectively "the Group"), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of Oakdale Resources Limited is in accordance with the Corporations Act 2001, including:

- i) Giving a true and fair view of the Group's financial position as at 30 June 2020 and of its performance for the year ended on that date; and
- ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. Our responsibilities under those standards are further described in the Auditor's Responsibility section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to note 1(b) to the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

Our opinion is not modified in respect of this matter.

Independence

We are independent of the Group in accordance with the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Other than the matter described in the material uncertainty related to going concern section, we have determined that there are no other key audit matters to be communicated in our report.

Other Information

Other information is financial and non-financial information in the annual report of the Group which is provided in addition to the Financial Report and the Auditor's Report. The directors are responsible for Other Information in the annual report. The Other Information we obtained prior to the date of this Auditor's Report was the Director's report. The remaining Other Information is expected to be made available to us after the date of the Auditor's Report.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, the auditor does not and will not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report. In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. We are required to report if we conclude that there is a material misstatement of this Other Information in the Financial Report and based on the work we have performed on the Other Information that we obtained prior the date of this Auditor's Report we have nothing to report.

Directors' Responsibilities for the Financial Report

The Directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1(a), the Directors also state, in accordance with Australian Accounting Standard AASB 101 Presentation of Financial Statements, that the financial report complies with International Financial Reporting Standards. In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using a going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our responsibility is to express an opinion on the financial report based on our audit. Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individual or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report. As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the

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circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern. We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation. We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion. We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2020.

In our opinion, the Remuneration Report of Oakdale Resources Limited for the year ended 30 June 2020, complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



Hall Chadwick Audit (WA) Pty Ltd
ABN 42 163 529 682
Dated 30 September 2020



Nikki Shen
Director

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

Statement of security holders as at 25 September 2020

Ordinary Share Capital

1,619,062,345 shares are held by 5,799 individual holders.

Distribution of shareholders and option holders by size of share and options holdings	Share Holders	Optionholders
1 - 1,000	877	10
1,001 - 5,000	66	4
5,001 - 10,000	41	2
10,001 - 100,000	2,692	52
Over 100,000	2,123	384
TOTAL HOLDERS	5,799	452
Holding less than a marketable parcel	1,434	44

Voting Rights Each ordinary share carries one vote.

Options do not carry any rights to vote until exercised into fully paid ordinary shares.

Twenty Largest Shareholders – Ordinary Shares

RANK	HOLDER NAME	Number	%
1	RNB SUPERFUND PTY LTD <RNB TRADING STAFF S/FUNDA/C>	50,994,796	3.15%
2	MR PAUL AINSWORTH	40,000,000	2.47%
3	COMSEC NOMINEES PTY LIMITED	32,331,473	2.00%
4	MR PETER PROKSA	20,000,000	1.24%
5	MR CHI KIT TSUI	19,150,000	1.18%
6	CITICORP NOMINEES PTY LIMITED	18,123,544	1.12%
7	CLEANWEST PROPERTY SERVICES PTY LTD	18,079,699	1.12%
8	MR CHRIS GALE & MRS STEPHANIE GALE <THE GALE SUPER FUND A/C>	17,607,432	1.09%
9	MR COREY MICHAEL MCKERROW	12,000,000	0.74%
10	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	11,827,386	0.73%
11	CS FOURTH NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 11 A/C>	10,635,151	0.66%
12	QUENTINE INVESTMENTS PTY LTD <KNOWLES FAMILY A/C>	10,500,000	0.65%
13	MR PETER ALLAN LEARMONT	10,000,000	0.62%
14	CAVERNHILL HOLDINGS PTY LTD <LOXAM SUPER FUND A/C>	10,000,000	0.62%
15	MS PAMELA JOY BATES	10,000,000	0.62%
16	MR DRAGOSLAV JEVTIC & MRS NICOLE JEVTIC	9,600,000	0.59%
17	MR MINA ADEL GIRGIS BESHAY	8,097,290	0.50%
18	MR SAMUEL LETTICE	7,500,000	0.46%
19	COILENS CORPORATION PTY LTD	7,053,772	0.44%
20	JL AND RA ROBERTS PTY LTD	7,000,000	0.43%
	Total	330,500,543	20.41%

Substantial shareholders

There are no substantial shareholders with holdings greater than 5%

Twenty Largest Option holders – Exercisable at \$0.04 and Expiring 31 December 2021

RANK	HOLDER NAME	OPTIONS	%
1	SMALL ENTERPRISES (AUST) PTY LTD <SMALL SUPER FUND A/C>	30,000,000	5.49%
2	RNB SUPERFUND PTY LTD <RNB TRADING STAFF S/FUNDA/C>	23,533,631	4.31%
3	AHM NSW PTY LTD	20,000,000	3.66%
4	MR STEVEN JOHN RUSHBROOK	12,331,626	2.26%
5	MR DAVID FAGAN	12,000,000	2.20%
6	MR DRAGOSLAV JEV TIC & MRS NICOLE JEV TIC	12,000,000	2.20%
7	PAC PARTNERS SECURITIES PTY LTD	11,000,000	2.01%
8	M & K KORKIDAS PTY LTD <M&K KORKIDAS P/L S/FUND A/C>	10,699,520	1.96%
9	MR STEVEN JOHN LARKINS & MRS ANN KATHLEEN LARKINS <LARKINS SUPER FUND A/C>	10,000,000	1.83%
10	MR PAUL AINSWORTH	10,000,000	1.83%
11	MR SANDOR HELBY	9,000,000	1.65%
12	MR HENRY RAMON DAWSON	8,000,000	1.46%
13	MRS BELINDA JAYNE DING	8,000,000	1.46%
14	MRS NEHA VINODKUMAR THAKKAR	7,000,000	1.28%
15	MR EDMUND ANDREW EASTON	6,500,000	1.19%
16	MR GAVIN JOHN REZOS	6,250,000	1.14%
17	MR DAMIAN FRANK VINCI	5,500,000	1.01%
18	COLDAW PTY LTD <SUPERANNUATION FUND A/C>	5,000,000	0.92%
19	GOVINDA FREEDOM FUND PTY LTD <SUPER GOVINDA A/C>	5,000,000	0.92%
20	CLEANWEST PROPERTY SERVICES PTY LTD	5,000,000	0.92%
	Total	216,814,777	39.68%

Company Secretary

Yugi Gouw

Registered Office in Australia

Unit 3, 32 Harrogate Street

West Leederville, WA 6007

Telephone: (08) 6117 4797

Share Registry

Automic Registry Services

Level 5, 126 Philip Street

Sydney NSW 2000

Telephone: 1300 288 664

Stock Exchange Listing

The Company is listed on the Australian Securities Exchange Limited. The Company ASX code is OAR.

Unquoted equity securities

Ordinary shares (collective security shares)

10,000,000

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MINING TENEMENTS LISTING

South Australia

Project	Tenement. No.	Interest held	Status
Brimpton Lake	EL 5721	100%	Exploration Licence
Kapinnie	EL 6394	100%	Exploration Licence
Mt Hope	EL 6517	100%	Exploration Licence
Sheringa	EL 6393	100%	Exploration Licence
Gilbratar	EL 6506	100%	Exploration Licence

Western Australia

Project	Tenement. No.	Interest held	Status
Crown	E70/5406	100%	Exploration Licence in application

USA - Nevada

Project	Claim. No.	Interest held	Status
Tonopah	TN 1 – TN 54	100%	Exploration Licence
Douglas Canyon	DC 1 – DC 48	100%	Exploration Licence
Lambarson Canyon	LC 01 – LC 64	100%	Exploration Licence

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