

OAKDALE RESOURCES LIMITED

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ASX ANNOUNCEMENT

DRILLING TO COMMENCE AT OAKDALE GRAPHITE PROJECT ON 11 MARCH 2015

*Drilling Programme to target known metallurgically
tested oxidized zone*

Highlights

- The Department of State Development has approved our programme for Environmental Protection and Rehabilitation (PEPR) and drilling is planned to commence on Wednesday 11 March 2015.
- An initial 10,000 metres of air core drilling is planned along with four diamond drill holes to collect insitu metallurgical samples for further metallurgical testing. As reported in our recent Prospectus, in excess of 60% of the graphite in the Oakdale Graphite Project is flake graphite.
- The Oakdale Graphite Project is located in a well-known graphite province with the Uley Graphite Project currently being mined by Valance Industries Limited being approximately 80km south along a sealed highway.
- The Oakdale Graphite Project is in an area well serviced by required infrastructure.

Oakdale Resources Limited (**ASX: OAR**) is pleased to announce that it will shortly commence its drilling programme at its 100% owned graphite project on the Eyre Peninsula. Oakdale has received the required drilling permit (PEPR) from the Department of State Development and has commissioned Broken Hill Exploration Pty Ltd to carry out the work.

Drilling will be undertaken by an air core drill rig with a maximum hole depth of approximately 60 metres enabling rapid progress towards delineating a JORC resource.

The Oakdale Graphite deposit was discovered by two diamond drill holes drilled 400 metres apart, both of which intersected over 200 metres of interbedded graphite units. A recently completed Gradient IP Programme is currently being interpreted by Michael Webb of Blue Sky Geoscience and a final report is expected early next week. This report on the interpretation of the Gradient IP Survey and its Electromagnetic traverses (EM) will help to delineate the immediate graphite signatures, east and west of the diamond drill holes and also outline the broader regional potential for graphite occurrences.

Mr Nick Moony of Esker Milling and Processing Pty Ltd has previously conducted metallurgical test work on the oxidised drill samples collected for metallurgical testing and as reported in the Prospectus, greater than 60% of the graphite is flake graphite with sizes ranging in excess of 425 microns.

The upcoming programme will enable the Company to assess the extent of the deposit and to better define the metallurgical characteristics of the deposit

For further information please contact John Lynch on (07) 3624 8188

Yours faithfully

John E Lynch
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