

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

OAKDALE RESOURCES LIMITED

ABN

27 009 118 861

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | 1. Secured Convertible Notes
2. Ordinary Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 1. 180,500 Secured Convertible Notes ("Secured Convertible Note")
2. 10,000,000 Ordinary Shares |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 1. The terms of Secured Convertible Notes are as follows
a) Convertible Notes to be issued at a price of \$1.00 each with a Maturity date of 1 October 2019. Each Convertible Note is convertible into ordinary fully paid shares. The conversion price will be 80% of the 5-Day VWAP prior to the date on which conversion Notice is sent to the Company.
b) Interest (to accrue daily and be payable quarterly in arrears) will be payable on Convertible Notes at 12% p.a.
c) The Noteholders shall be entitled to receive one (1) share option at an exercise price of \$0.05 with an expiry date of 1 October 2020 for every three (3) Shares issued to Noteholders on conversion of their Note.
d) Secured Convertible Notes will not be quoted or listed on ASX |

+ See chapter 19 for defined terms.

2. Ordinary Shares

- a) 10,000,000 Ordinary shares are issued to Escrow Agent for nil payment on issue. These shares are used as Collective Security Shares for the payment of redemption amount of Secured Convertible Notes on pro-rata basis.
- b) Collective security shares are issued to BBV Legal Pty Ltd (ACN 128 505 402) acting as Escrow Agent for Secured Convertible Note Holders.
- c) These shares carry an implied fully paid value of \$0.018 per shares and it will deem to be fully paid when these shares are transferred to Secured Convertible Noteholders to satisfy the payment of redemption amount on or before maturity date 1 October 2019 on pro-rata basis
- d) Ordinary shares issued to Escrow Agent will not be listed until it is transferred to Secured Convertible noteholders by Escrow Agent to settle the payment of redemption amount
- e) Ordinary shares issued to Escrow Agent will be returned back to the Company if redemption amount due on maturity is paid in cash to Secured Convertible Noteholders and shares not taken up by any Secured Convertible Noteholders will be cancelled for not making a payment of subscription amount for issue of shares.

- 4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

1) Secured Convertible Notes

Secured Convertible Notes do not confer any dividend rights

2) Ordinary Shares

- a) Ordinary shares issued to Escrow Agent at an implied value of \$0.018 per shares but issued for nil payment on issue. These shares will deem to be fully paid when these shares are transferred to Secured Convertible Noteholders to satisfy the payment of redemption amount on or before maturity date 1 October 2019 on pro-rata basis.
- b) Ordinary shares issued to Escrow Agent will be returned back to the Company if redemption amount due on maturity is paid in cash to Secured Convertible Noteholders and shares not taken up by any Secured Convertible Noteholders will be cancelled.

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5	Issue price or consideration	1. Secured Convertible Notes issued at \$1.00 per note 2. Ordinary Shares are issued at an implied value of \$0.018 per shares and it will be deemed to be fully paid when these shares are transferred to Secured Convertible Noteholders to satisfy the payment of redemption amount on or before maturity date 1 October 2019 on pro-rata basis.
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	1. The funds raised from issue of Secured Convertible Notes will be used for working capital 2. No funds is raised on issue of Collective Security Shares
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i	N/A
6b	The date the security holder resolution under rule 7.1A was passed	N/A
6c	Number of +securities issued without security holder approval under rule 7.1	N/A
6d	Number of +securities issued with security holder approval under rule 7.1A	N/A
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A
6f	Number of +securities issued under an exception in rule 7.2	N/A

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6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A	
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	N/A	
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	20 March 2019	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		171,658,935	Ordinary Fully Paid Shares
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		200,000	Unsecured Convertible Notes
		180,500	Secured Convertible Notes
		10,000,000	Ordinary Shares (Collective Security Shares)
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)		

Part 2 - Pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A

+ See chapter 19 for defined terms.

13	Ratio in which the ⁺ securities will be offered	N/A
14	⁺ Class of ⁺ securities to which the offer relates	N/A
15	⁺ Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A

⁺ See chapter 19 for defined terms.

27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	⁺ Issue date	N/A

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of ⁺securities
(tick one)

(a) ☐ ⁺Securities described in Part 1 (Nil)

(b) ☐ All other ⁺securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders

36 ☐ If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories

1 - 1,000

1,001 - 5,000

5,001 - 10,000

10,001 - 100,000

100,001 and over

⁺ See chapter 19 for defined terms.

37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought	N/A	
39	+Class of +securities for which quotation is sought	N/A	
40	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: - the date from which they do - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment		
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another +security, clearly identify that other +security)		
42	Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	Number	+Class

+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities are in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

20/03/2019
Sign here: Date:
(~~Director~~/Company secretary)

Print name: Hemant Amin.....

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