

28 September 2011

No. of Pages: 3

ASX CODE: ORS

Market Cap.: \$14.0 m (\$0.14 p/s)

Shares on issue: 100,048,002

Cash: \$8.71 m (30 June 2011)

BOARD & MANAGEMENT

Ian Gandel, Chairman

Anthony Gray, Managing Director

Ian Pamensky, Director

MAJOR SHAREHOLDERS

Alliance Resources – 22.0%

Abbotsleigh – 15.2%

Newmont – 8.0%

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Underground Mine Development to Commence at Alliance South, Maldon, Victoria

The Directors of Octagonal Resources Limited (ASX: ORS) (“**Octagonal**” or “**Company**”) are pleased to announce that the Company has approved the re-commencement of underground mine development at the Union Hill Mine to access the Alliance South Deposit.

The Alliance South Deposit is hosted with the Eaglehawk Reef at the southern end of the Central Maldon Shear Zone. The deposit contains an Inferred Mineral Resources of 473,000 tonnes grading 12 g/t gold for 182,000 ounces of gold (Figure 1 and Table 1).

The Company will extend the Union Hill Decline 180 metres to the south and develop two levels in the upper area of the Alliance South Shoot to determine the reef grade, assess ground conditions, and determine the most appropriate mining technique for an ongoing operation.

Octagonal intends to develop the Alliance South Shoot as an owner / operator, however to expedite the commencement of mining the Company has engaged the services of a Victorian based private mining contractor to provide labour and equipment to commence mining while the Company sources its own narrow vein mining equipment.

Mining equipment is expected to be mobilised to site during October.

Additional information relating to Octagonal and its various exploration projects can be found on the Company’s website:

www.octagonalresources.com.au

For further enquiries, please contact:

Anthony Gray (Managing Director) +61 3 9697 9088

The information in this report that relates to Exploration Results, Mineral Resources and Ore Reserves is based on information compiled by Anthony Gray. Anthony Gray is a full-time employee of the Company and is a member of the Australian Institute of Geoscientists. Anthony Gray has sufficient experience which is relevant to the style of mineralization and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’ and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources for the Alliance South Deposit are based on information evaluated by Mr TG Summons who is a Member of The Australian Institute of Geoscientists (MAIG) and Mr MV McKeown who is a Fellow the Australasian Institute of Mining and Metallurgy (FAusIMM). These people have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and are each qualified to act as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the “JORC Code”). Mr Summons is an associate of Mining One Pty Ltd, and Mr Mc Keown is an employee of Mining One Pty Ltd and they consent to the inclusion in the report of the Mineral Resource in the form and context in which it appears.

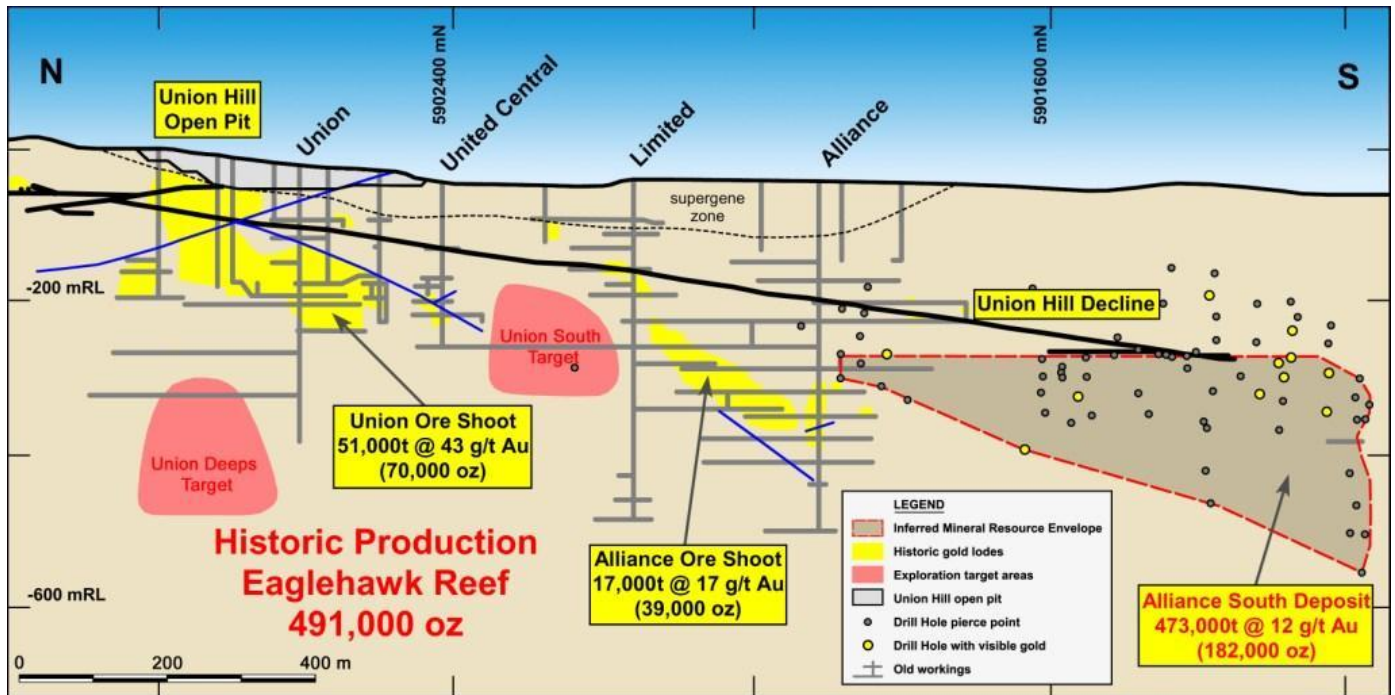


Figure 1. Eaglehawk Reef: Longsection with the Union and Alliance shoots and the Alliance South Deposit

Table 1.
Alliance South Mineral Resource Estimate (October 2009)

Deposit	Location	Estimated Gold Resource and Category								
		Measured			Indicated			Inferred		
		'000t	Au g/t	'000oz	'000t	Au g/t	'000oz	'000t	Au g/t	'000oz
Alliance South	West Zone							287	12	110
	East Zone							186	12	72
Total								473	12	182

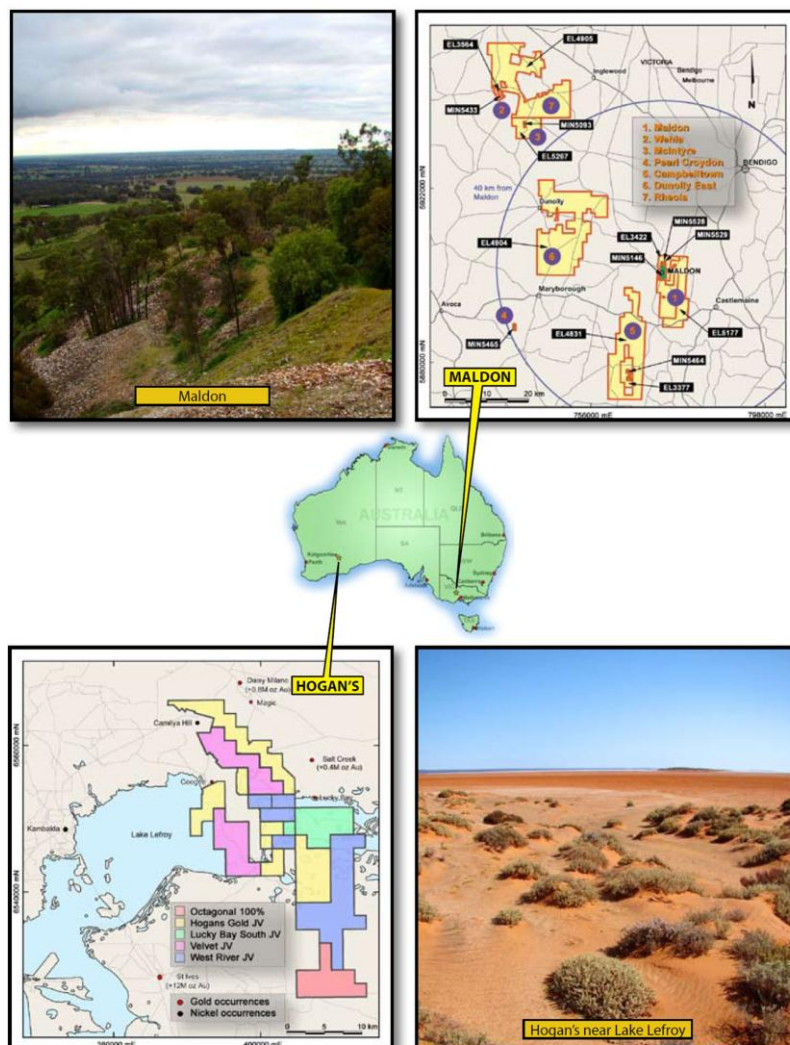
About Octagonal Resources

Octagonal Resources is a gold focused exploration and mining company with projects located in underexplored areas of two of Australia's most significant gold producing regions; the Central Victorian Goldfields and the Eastern Goldfields of Western Australia.

The Company's Victorian operations are centred at Maldon, the third largest historic primary gold producer in Central Victoria after Bendigo and Ballarat. It is here that Octagonal owns a recently refurbished and operation ready CIL gold processing plant, 235,000 ounces of inferred gold resources and a decline that extends to the undeveloped underground resources. Octagonal intends to commence open pit and underground gold mining operations at Maldon during 2011.

In Western Australia Octagonal is earning an 80% interest in the Hogan's Project by exploring for gold deposits in a highly prospective but underexplored area only 70 kilometres from Kalgoorlie. The gold potential of this emerging gold producing district is demonstrated by the recent exploration and mining success achieved by Silver Lake Resources at the Daisy Milano Mine and Integra Mining at the Salt Creek Mine and Lucky Bay Prospect. Octagonal has identified four high priority exploration target areas with the potential to host a major gold deposit.

Octagonal's corporate strategy is to develop a long term sustainable mining operation in Central Victoria to fund the Company's growth through the discovery and development of major gold deposits.



Octagonal Resources Project Locations