

6 May 2011

No. of Pages: 4

ASX CODE: ORS

Market Cap.: \$18.0 m (\$0.18 p/s)

Shares on issue: 100,048,002

Cash: \$9.55 m (31 March 2011)

DIRECTORS

Ian Gandel, Chairman
Anthony Gray, Managing Director
John Harrison, Director

MAJOR SHAREHOLDERS

Alliance Resources – 22.0%

Abbotsleigh – 15.2%

Newmont – 8.0%

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RC Drilling Program Commences at Black Reef, Wehla

- **Drilling has commenced at Black Reef in Central Victoria**
- **1,400 metre RC drilling program to define reef structure and gold grade distribution in area of planned initial 200,000 tonne open pit**
- **Previous drilling in area intersected 5 metres grading 14.9 g/t gold and 5 metres grading 35.4 g/t gold**
- **Open pit mining expected to commence in the second half of 2011**

The Directors of Octagonal Resources Limited (ASX: ORS) (“**Octagonal**” or “**Company**”) are pleased to announce that Reverse Circulation (“RC”) drilling has commenced at the Black Reef, Wehla, in Central Victoria.

The Wehla Goldfield is located 60 kilometres from the Company’s Porcupine Flat gold processing plant at Maldon and historically produced approximately 100,000 ounces of gold. Previous drilling in the goldfield has intersected high-grade gold mineralisation, however the structural controls are not well understood.

Octagonal intends to gain a better understanding of the structure by mining a 200,000 tonne open pit at Black Reef in an area where a costean returned 14 metres grading 4.6 g/t gold and drilling intersected 5 metres grading 35.4 g/t gold, 5 metres grading 14.9 g/t gold, 4 metres grading 3.7 g/t gold, 1 metre grading 4.0 g/t gold and 6 metres grading 1.4 g/t gold (Figure 1).

The aim of this drilling program is to accurately locate the reef structure and test the distribution of gold mineralisation prior to mining. Approximately 30 RC holes, totalling 1,400 metres, are planned to intersect the Black Reef over a 120 metre strike length and to 35 vertical metres depth using a 10 metre by 10 metre spaced grid (Figure 2).

The results from this drilling program will supplement the current Black Reef mine design and provide detailed drill assay data for reconciliation against open pit grade control data and gold recovered from the mill.

Octagonal has a granted mining licence overlying the Black Reef mine area and has commenced the approval process with the Department of Primary Industries to undertake open pit mining operations with a view to commence mining during the second half of 2011.

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.

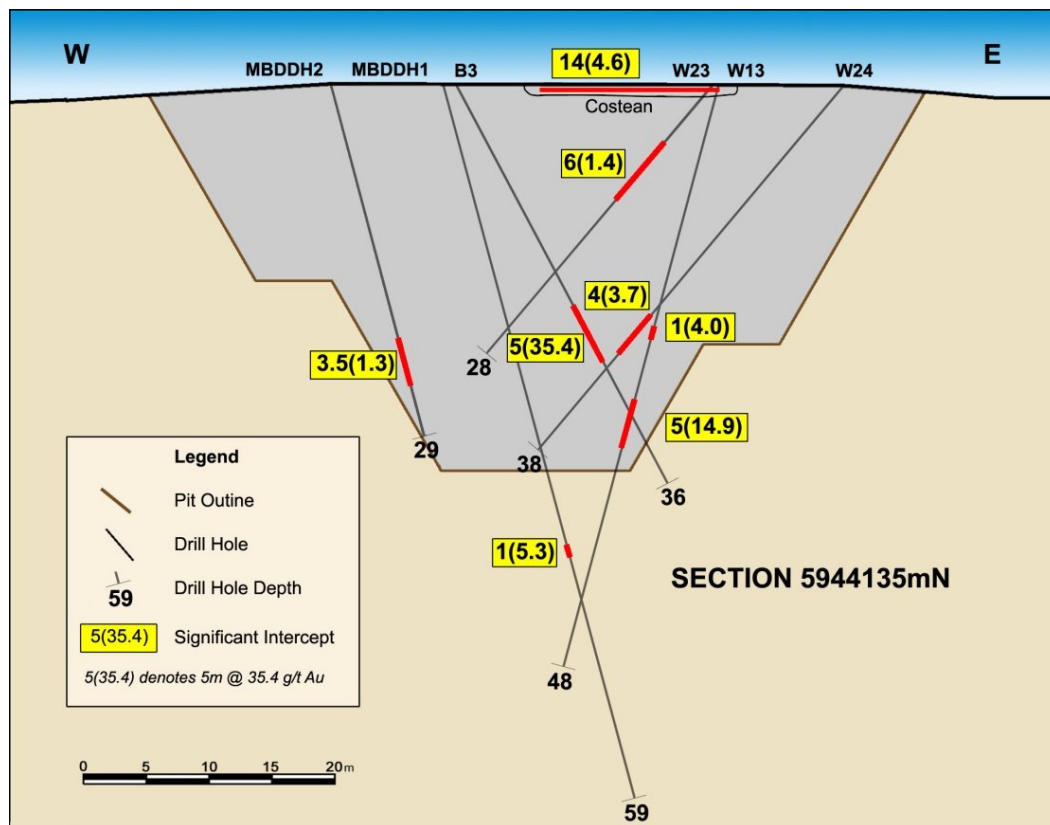


Figure 1. Black Reef: Cross-section of planned open pit with historic drilling

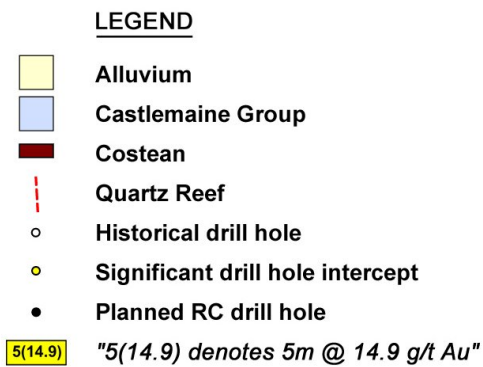
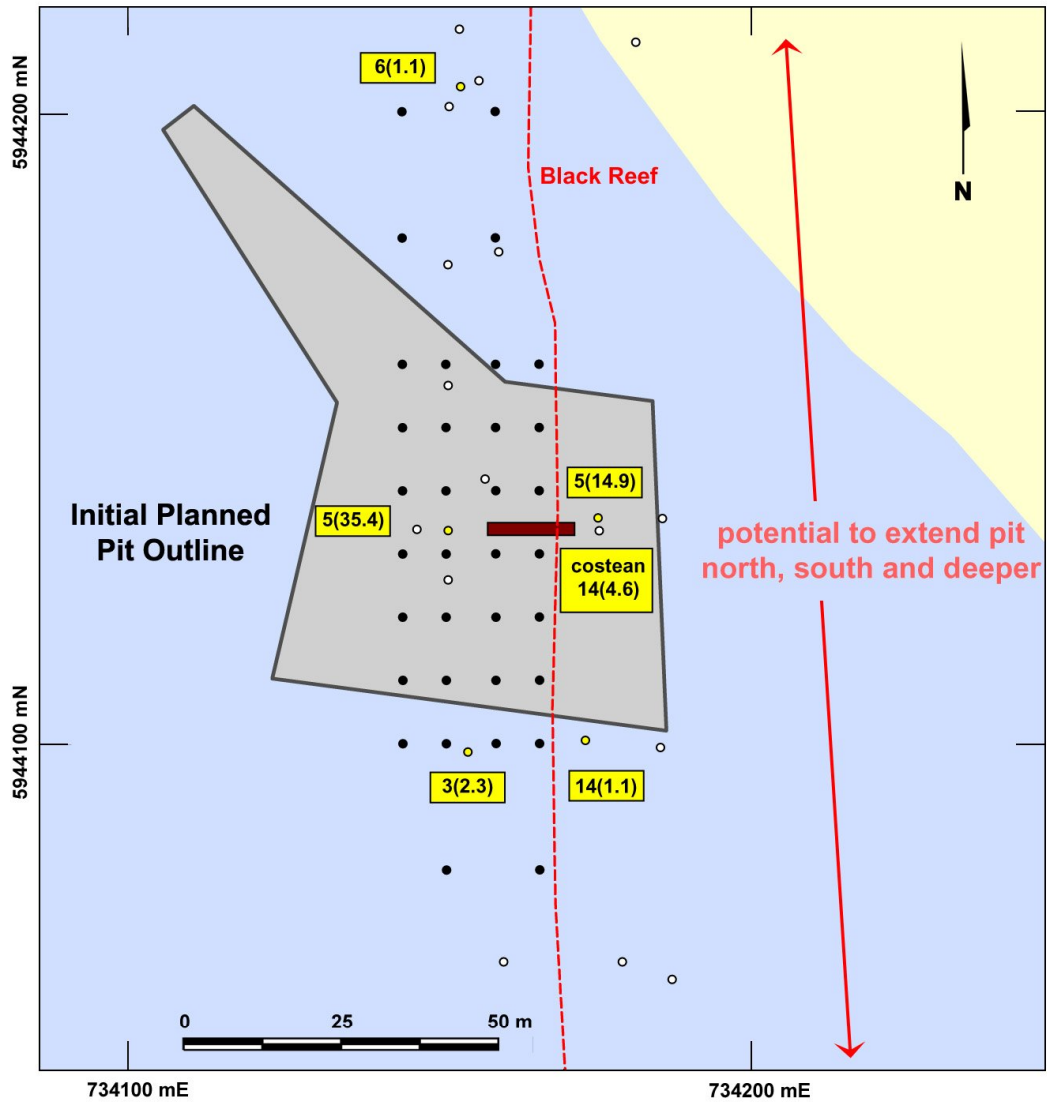


Figure 2. Black Reef: Planned RC drill hole location plan with proposed initial pit outline and historic drilling

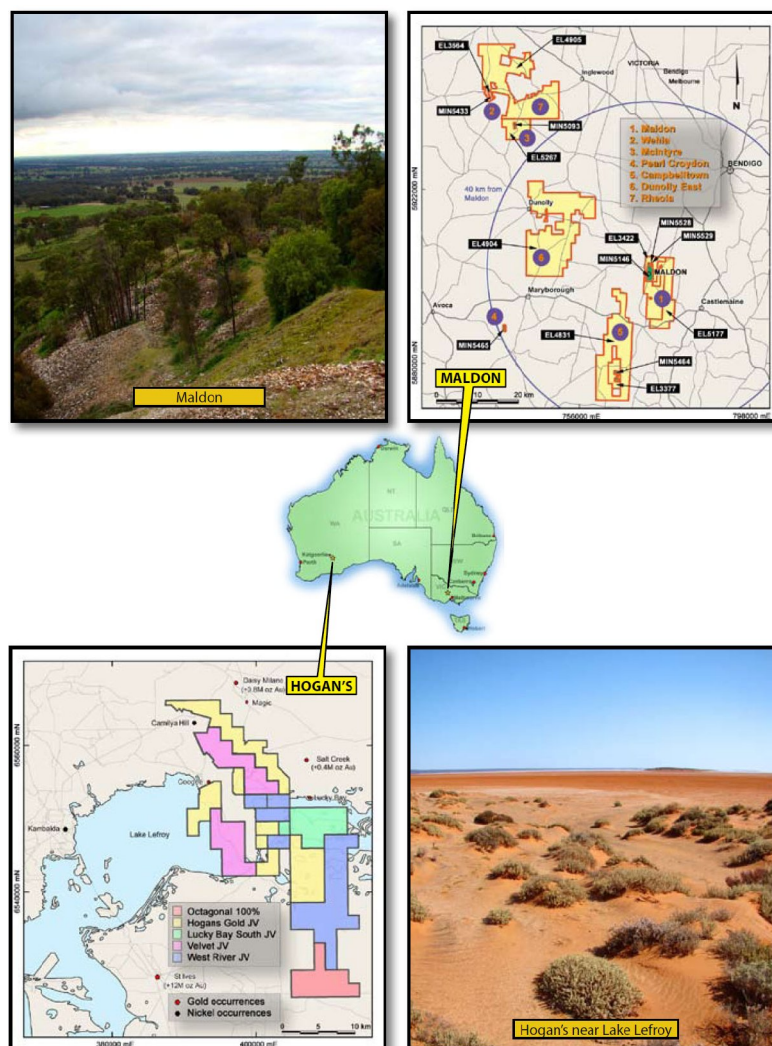
About Octagonal Resources

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