

14 September 2011

No. of Pages: 6

ASX CODE: ORS

Market Cap.: \$15.0 m (\$0.15 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%

PRINCIPAL OFFICE

Octagonal Resources Limited

ABN 38 147 300 418

Suite 3, 51 – 55 City Road

Southbank VIC 3006

T +61 3 9697 9088

F +61 3 9697 9089

E info@octagonalresources.com.au

W www.octagonalresources.com.au

Burn's Prospect Infill Aircore Drilling **Results Hogan's Project, Western Australia**

- **Infill aircore drilling at Burns Prospect in Western Australia continues to intersect broad zones of gold anomalism**
- **Assay results returned from 80 metre by 320 metre spaced drilling include:**
 - ▶ **4 metres @ 0.55 g/t Au from 71 metres (weathered Archaean intermediate intrusive)**
 - ▶ **8 metres @ 0.29 g/t Au from 20 metres (weathered Archaean high-magnesian basalt)**
 - ▶ **4 metres @ 0.38 g/t Au from 42 metres to end of hole (weathered Archaean high-magnesian basalt)**
 - ▶ **6 metres @ 0.20 g/t Au from 20 metres (weathered Archaean high-magnesian basalt)**
 - ▶ **8 metres @ 1.22 g/t Au from 80 metres to end of hole (transported Tertiary sand)**
- **Two significant areas of gold in regolith anomalism identified**
- **Closer spaced aircore drilling planned to better define targets before bedrock drill testing**

The Directors of Octagonal Resources Limited (ASX: ORS) (“**Octagonal**” or “**Company**”) are pleased to announce the results from infill aircore drilling recently completed at the Burns Prospect, located within the Hogan's Project, in Western Australia.

Infill aircore drilling using an 80 metre by 320 metre spaced grid has continued to intersect gold mineralisation in weathered Archaean rocks including 4 metres @ 0.55 g/t Au from 71 metres in OBU091, 6 metres @ 0.20 g/t Au from 20 metres in OBU105, 4 metres @ 0.38 g/t Au from 42 metres to the end of hole in OBU106, and 8 metres @ 0.29 g/t Au from 20 metres in OBU150.

These results define two significant zones of gold in regolith anomalism that trend towards salt lake cover and are not constrained by drilling.

The Burns Prospect is a priority exploration target area that Octagonal is rapidly advancing by using infill and extensional aircore drilling with the objective to refine gold in regolith anomaly targets for bedrock drill testing.

Appropriate land and lake aircore drilling rigs have already been booked to complete the next phase of exploration. The Company is aiming to have exploration targets adequately defined by aircore drilling to commence bedrock drill testing in early 2012.

Burns Prospect

The Burn's Prospect is characterised by a discrete granite intrusive with associated low magnetic and gravity signatures that intrudes a thrust package of mafic, ultramafic and metasedimentary rocks. The granite has caused doming of the greenstone sequence, creation of dilational jogs associated with northwest trending structures, and localised lithological and structural complexity that forms ideal sites for the deposition of gold. Evidence of intense fluid flow is further supported by a high-magnetic alteration halo that surrounds the granite.

In May 2011 Octagonal intersected significant zones of gold anomalism hosted within weathered mafic rocks while completing regional aircore drilling using a 160 metre by 640 metre spaced grid. These results included:

- ▶ **23 metres @ 0.5 g/t Au from 18 metres to the end of hole in OBU022**
- ▶ **12 metres @ 0.3 g/t Au from 68 metres to the end of hole in OBU011**
- ▶ **3 metres @ 0.9 g/t Au from 44 metres in OBU013**
- ▶ **2 metres @ 0.6 g/t Au from 63 metres to the end of hole in OBU019**

The aim of the recently completed aircore drilling program was to better define the distribution of gold in regolith (weathered Archaean bedrock) anomalism using an 80 metre by 320 metre spaced grid and consisted of 101 holes, totalling 5,689 metres. This is the first of two phases of infill aircore drilling designed to eventually test the area with a 40 metre by 160 metre spaced grid to allow for targeted bedrock drilling.

Significant assay results returned from this drilling program are listed in Table 1 and include; **6 metres @ 0.61 g/t Au from 78 metres in OBU065, 8 metres @ 1.22 g/t Au from 80 metres in OBU066, 4 metres @ 0.55 g/t Au from 71 metres in OBU091, 7 metres @ 0.73 g/t Au from 82 metres in OBU092, 6 metres @ 0.20 g/t Au from 20 metres in OBU105, 4 metres @ 0.38 g/t Au from 42 metres to the end of hole in OBU106, 8 metres @ 0.29 g/t Au from 20 metres in OBU150, and 2 metres @ 0.89 g/t Au from 83 metres in OBU158.**

The gold mineralisation intersected in holes OBU091, OBU105, OBU106, and OBU150 is derived from weathered Archaean rocks, whereas the gold mineralisation in holes OBU065, OBU066, OBU092, and OBU158 is hosted within transported Tertiary sand and clay located at the base of a paleochannel (ancient river bed) that cuts the target area.

The gold in weathered Archaean rock anomalism defines two broad target areas that are not constrained by drilling where they trend under salt lake cover (Figure 1). The eastern gold anomaly extends over 300 metres and is associated with variable epidote and biotite altered high-magnesian basaltic rocks. The western gold anomaly strikes broadly north-south, extends over greater than 1,000 metres strike length, and is associated with both altered high-magnesian basaltic and intermediate intrusive rocks.

Interpretation of assay results when using broad spaced drilling requires a comprehensive understanding of gold mobility within the weathering profile. Even though the mineralisation style and host rocks targeted at the Burns Prospect differ from the nearby + 400,000 ounce Salt Creek Deposit, the significance of the Burns Prospect drilling results are best placed into context by comparing them to the discovery history of the Salt Creek Deposit since gold dispersion within the regolith is likely to be similar.

Infill drilling at the **Burns Prospect** has utilised an **80 metre by 320 metre spaced grid**. Regolith drilling at the **Salt Creek Deposit** which eventually led to its discovery used a **50 metre by 200 metre spaced grid** and intersected 3m @ 0.39 g/t Au, 5m @ 0.23 g/t Au, 4m @ 0.11 g/t Au, and 8m @ 0.52 g/t Au. This drilling defined a 600 metre long greater than 0.1 g/t gold in regolith anomaly (Figure 2).

The gold results already intersected at Burns Prospect are wider, higher grade, and more broadly distributed than those that led to the discovery of the Salt Creek Deposit, even though the drill hole spacing is also wider. These observations further support the potential of the Burns Prospect to host a significant gold deposit.

The Company is extremely encouraged by these drilling results and will continue infill and extensional aircore drilling with the objective of refining gold in regolith anomaly targets for bedrock drill testing during early 2012. A land aircore rig has been booked to complete the second phase of infill drilling during October using a 40 metre by 160 metre spaced grid and a lake aircore rig has been booked to test for gold in regolith anomalism extending under the salt lake. The lake aircore drilling program will commence as soon as an appropriate drill rig becomes available.

Octagonal is earning up to 80% equity in the Burn's Prospect target area subject to farm in and joint venture agreements with Gladiator Resources Limited (ASX: GLA), Gold Attire Pty Ltd and West River Pty Ltd.

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.

Table 1.
Burns Prospect: Significant Assay Results

Hole Number	From (m)	To (m)	Interval (m)	Au (g/t)	Comments
OBU027	76	83	7	0.10	base of Tertiary channel and contaminated felsic intrusive to EOH
OBU065	78	84	6	0.61	base of Tertiary channel and contaminated felsic intrusive
OBU066	80	88	8	1.22	base of Tertiary channel and contaminated intermediate intrusive to EOH
OBU082	32	33	1	0.10	weathered high-magnesian basalt
OBU083	24	25	1	0.18	weathered high-magnesian basalt
OBU091	71	75	4	0.55	weathered intermediate intrusive
OBU092	82	89	7	0.73	base of Tertiary channel and contaminated intermediate intrusive to EOH
OBU094	66	67	1	0.10	base of Tertiary channel
OBU095	75	76	1	0.25	intermediate intrusive at EOH
OBU105	20	26	6	0.20	weathered high-magnesian basalt
OBU106	42	46	4	0.38	weathered high-magnesian basalt to EOH
OBU109	78	83	5	0.10	base of Tertiary channel
OBU112	44	48	4	0.19	weathered high-magnesian basalt
OBU113	28	30	2	0.11	weathered intermediate intrusive
OBU148	80	81	1	0.12	weathered tholeiitic basalt
OBU150	20	28	8	0.29	weathered high-magnesian basalt
OBU158	83	85	2	0.89	base of Tertiary channel and contaminated intermediate intrusive to EOH

Notes:

1. All aircore holes drilled vertically to blade refusal.
2. Four metre composite samples routinely collected.
3. Composite samples containing greater than 0.1 g/t gold re-sampled and analysed over 1 metre intervals.
4. Analysis conducted by Inspectorate KalAssay (Kalgoorlie Laboratory) using a 40 gram Fire Assay Digest with AAS Finish.
5. Where Archaean rocks are potentially contaminated by gold in Tertiary sediments Archaean rock chips are hand sorted, washed and sent for separate analysis.
6. "EOH" denotes "end of hole".

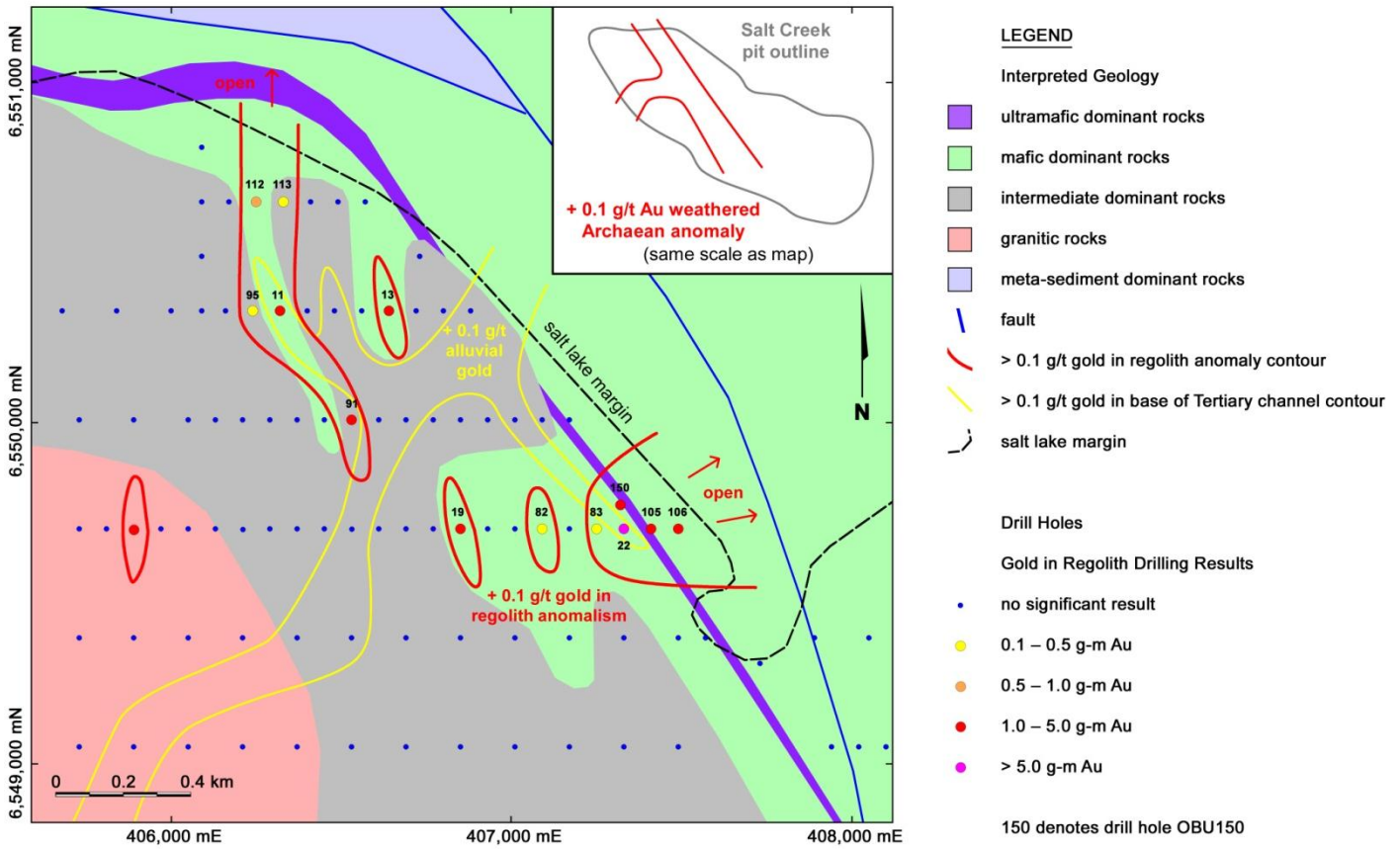


Figure 1. Burns Prospect: Drill hole location plan with significant assay results and interpreted geology (refer to Figure 2 for details of insert)

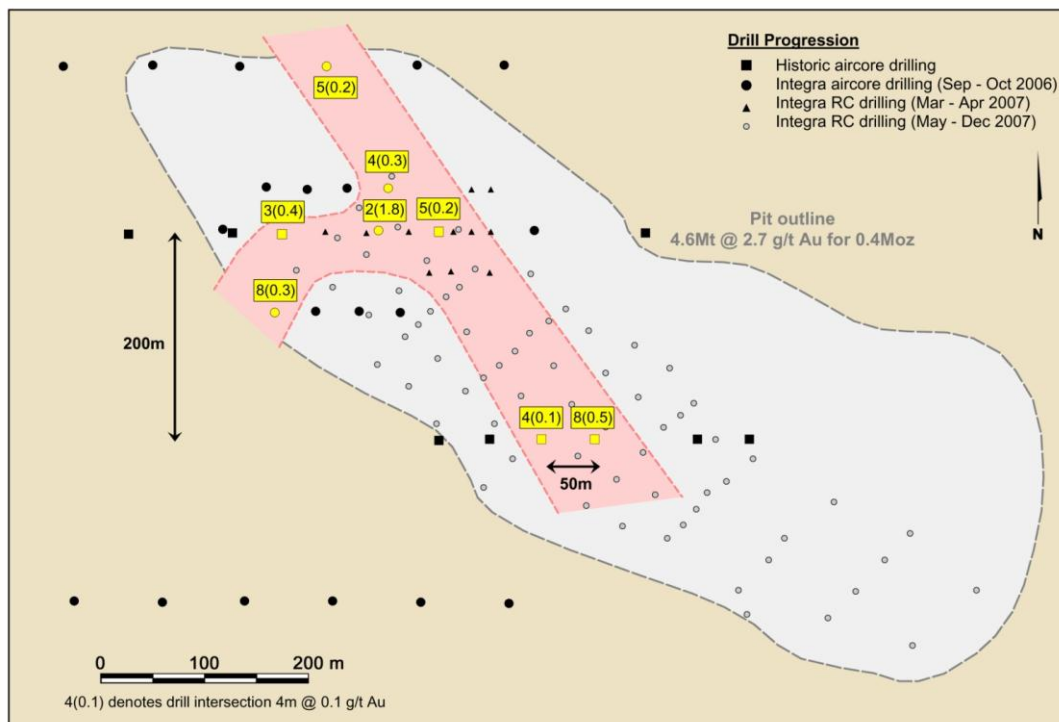


Figure 2. Salt Creek Deposit: Drilling progression from discovery to resource (insert to Figure 1)

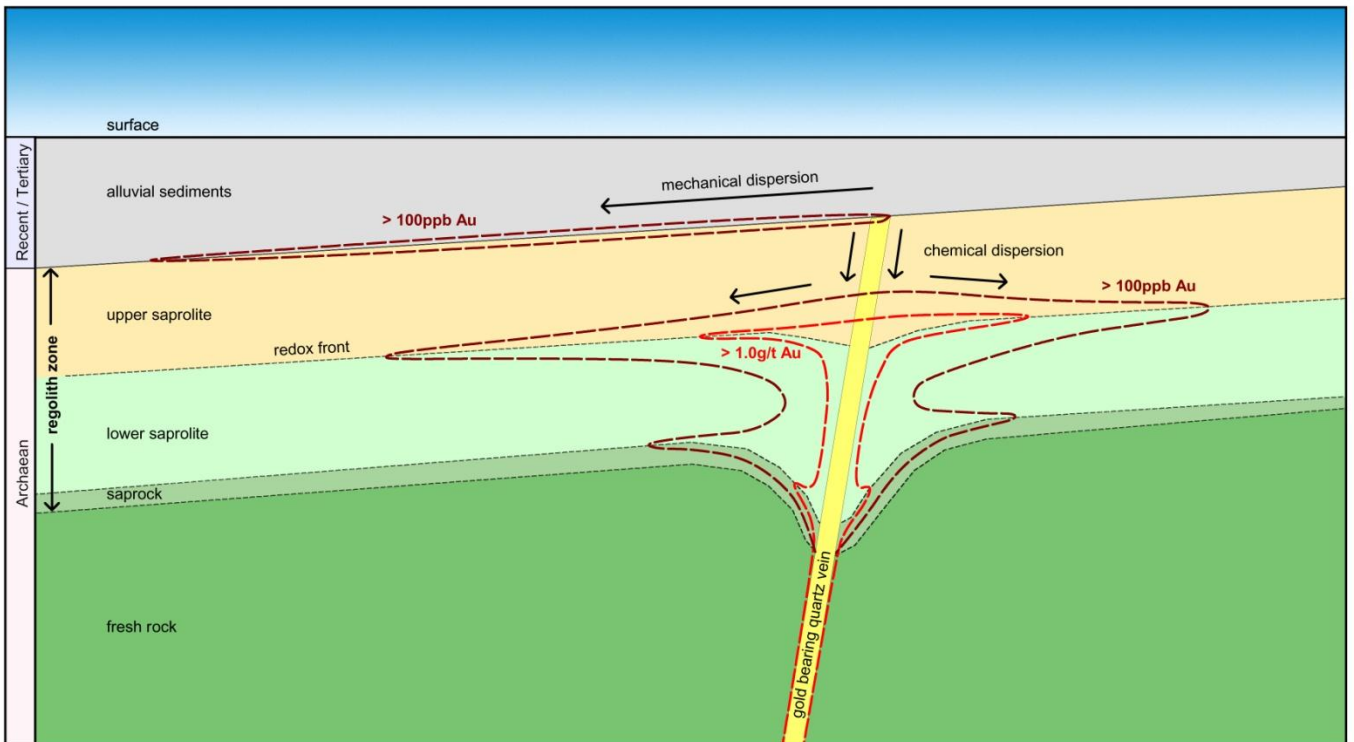


Figure 3. Simplified schematic regolith gold exploration model



Figure 4. Burns Prospect: Aircore drilling

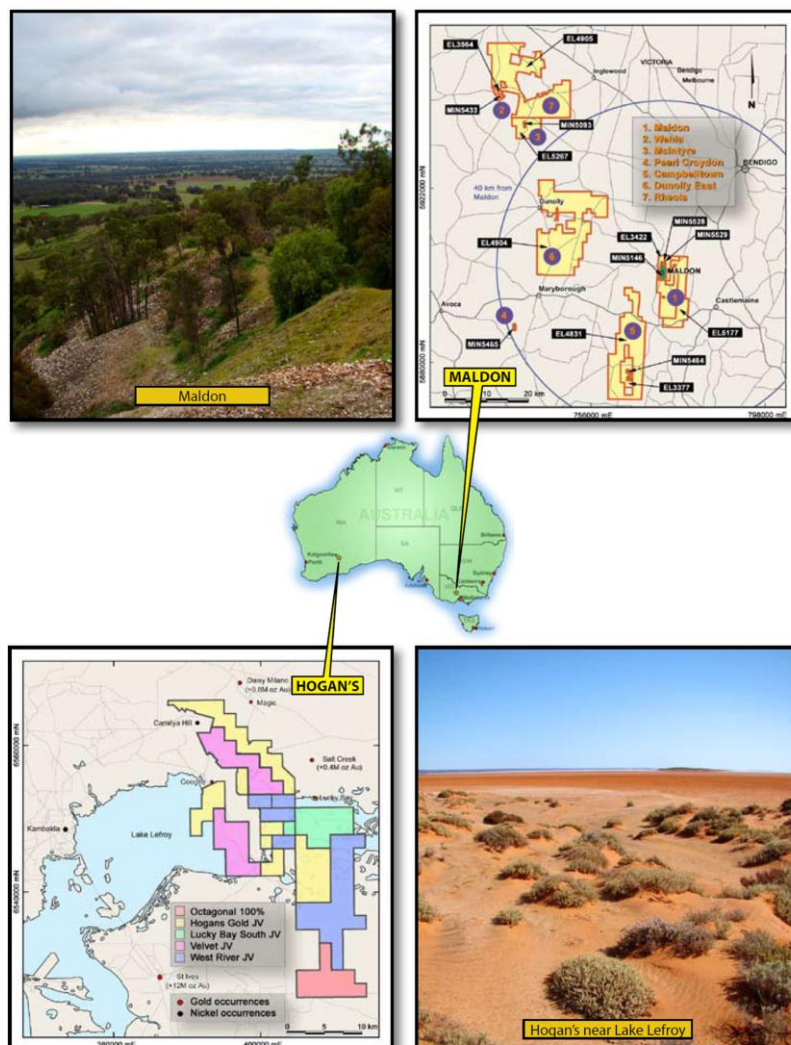
About Octagonal Resources

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