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BOARD & MANAGEMENT

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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Aircore Drilling Resumes **at the Hogan's Project in Western Australia**

- **Drilling has recommenced at the Hogan's Project in Western Australia**
- **8,000 metre Aircore drilling program to test the potential of the Salt Creek – Lucky Bay Gravity Trend and Burns Prospect to host a major gold deposit**

The Directors of Octagonal Resources Limited (ASX: ORS) (“**Octagonal**” or “**Company**”) are pleased to announce that an 8,000 metre Aircore drilling program has commenced at the Hogan's Project in Western Australia.

The aircore drilling program is designed to test the potential of the southern side of the Salt Creek – Lucky Bay Gravity Trend and eastern side of the Burns Prospect to host a major gold deposit.

Salt Creek – Luck Bay Gravity Trend

This exploration target is characterised by a north trending major fault and adjacent gravity high associated with the Salt Creek Mine and Lucky Bay Prospect (Figure 1). The fault extends for more than 20 kilometres strike length within the Hogan's Project and cuts a complex sequence of Archaean sediments and mafic and intermediate intrusive and volcanic rocks.

Aircore drilling previously completed by WMC and Newmont Exploration Pty Ltd (“Newmont”) only covers a northern section of the target with a combination of 80 metre by 640 metre and 160 metre by 320 metre spaced drilling. This broad spaced drilling returned significant gold in regolith (weathered Archaean bedrock) results including 4m @ 0.15 g/t Au from 36m in NEWHGAC012, 5m @ 0.76 g/t Au from 30m in NEWHGAC030, and 10m @ 0.15 g/t Au from 44m in SAL362.

The current drilling program is designed to test the southern area of the target over more than 8 kilometres strike length using approximately 140 aircore holes, totalling 5,600 metres, to be drilled on a 160 metre by 640 metre spaced grid.

This area of the target contains highly magnetic banded iron formation that cross-cuts the Salt Creek – Lucky Bay Gravity Trend. These iron-rich rocks are a potentially favourable trap sites for gold mineralisation that may be sourced from the deep seated fault defined in gravity data.

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.

Aircore drilling completed by WMC in the Burns Prospect area targeted the northwest and southeast areas of the prospect using 160 metre by 320 metre and 160 metre by 640 metre spaced drilling, respectively (Figure 1). This drilling returned significant anomalous gold results including 2m @ 0.42 g/t Au from 20m in SAL908, 4m @ 0.24 g/t Au from 74m in SAL1080, 3m @ 0.58 g/t Au from 84m in SAL1088, 14m @ 1.21 g/t Au from 82m in SAL1089, and 2m @ 0.48 g/t Au from 32m in SAL1120.

Newmont subsequently followed up the significant gold result in hole SAL1089 by drilling eleven 80 metre by 160 metre spaced aircore holes and one diamond hole for 161.6 metres. This drilling intersected altered diorite with abundant and pervasive epidote – chlorite – biotite alteration and weak to moderate carbonate alteration and veining. A very fine dusting of pyrite and arsenopyrite was also observed in most holes.

Even though Newmont concluded that the gold mineralisation intersected in SAL1089 was derived from transported gravel at the base of the Tertiary channel, the extent and style of alteration intersected in drilling combined with the presence of gold anomalism in basement rocks suggests that this area is highly prospective for a significant gold deposit and warrants systematic drill testing.

The current drilling program is designed to test over 6 square kilometres on the eastern side of the target area using approximately 60 aircore holes, totalling 2,400 metres, to be drilled on a 160 metre by 640 metre spaced grid.

This area of the target contains significant wide spaced gold in regolith Aircore drill intersections. The purpose of the current drilling program is to continue systematic broad spaced drilling of the target area to better define and constrain gold in regolith anomalism for infill drill testing.

The two drilling programs are expected to take three to four weeks to complete and drilling results will be announced at the earliest possible opportunity.

Octagonal is earning up to 80% equity in the Burn's Prospect and Salt Creek – Lucky Bay Gravity Trend target areas 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:

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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.

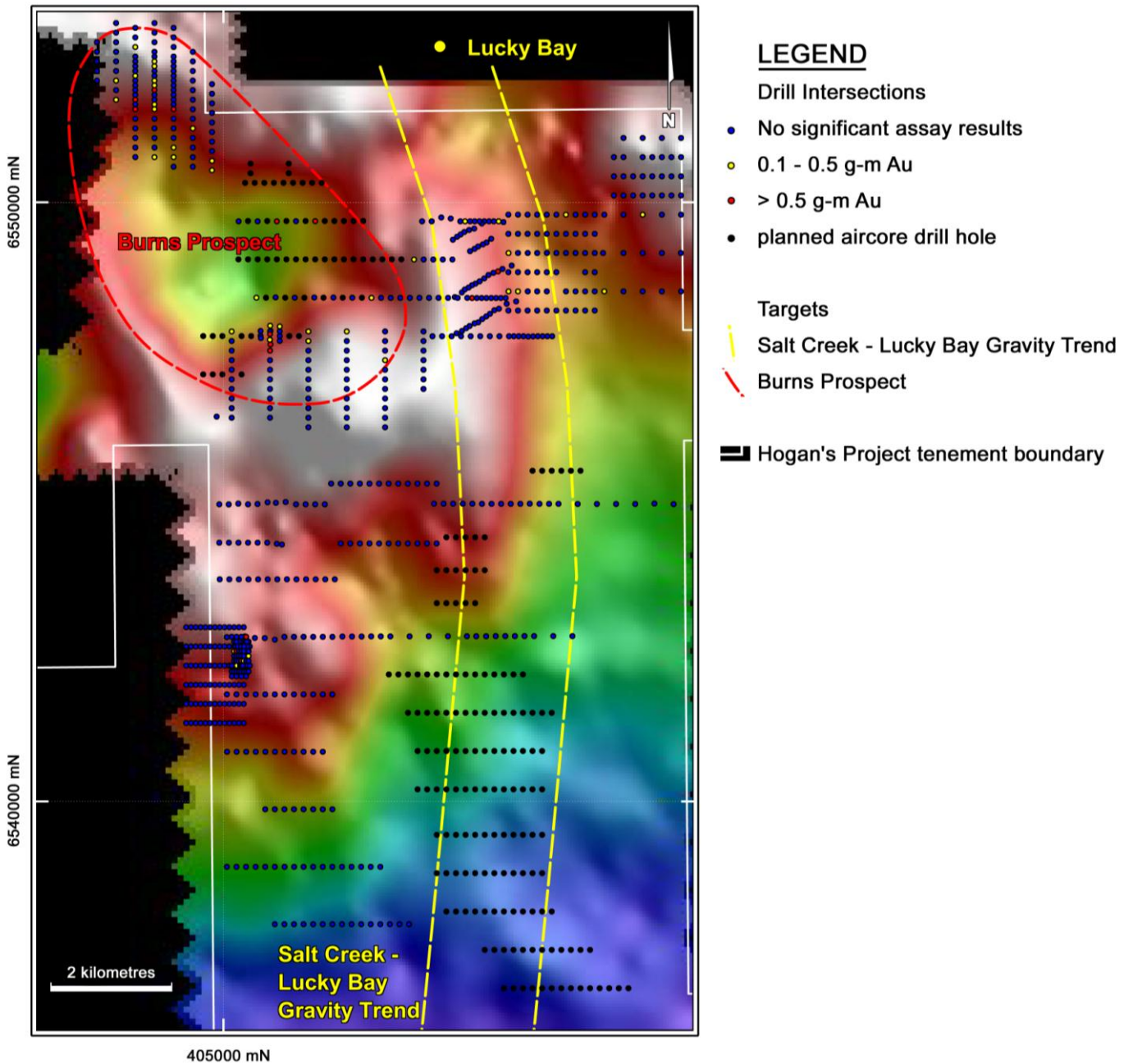


Figure 1. Burn's Prospect and Salt Creek – Lucky Bay Gravity Trend:
Planned aircore drill hole location plan with historic drilling on a gravity image

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.

