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ASX CODE: ORS

Market Cap.: \$17.0 m (\$0.17 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 Specimen Reef, Dunolly East

- **Drilling has commenced at Specimen Reef in Central Victoria**
- **Reverse circulation drilling program to test reef structure over 240 metres strike length and to 30 metres depth**
- **Previous drilling in area has intersected:**
 - ▶ **4 metres @ 7.8 g/t Au from 13 metres**
 - ▶ **1 metre @ 8.3 g/t Au from 24 metres**
 - ▶ **2 metres @ 4.6 g/t Au from 8 metres**
- **560 metre drilling program to test reef with 20 metre by 40 metre spaced grid**
- **Potential for near surface gold mineralisation amenable to open pit mining**

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

The Dunolly East Project is located 30 kilometres to the west of the Company’s Porcupine Flat gold processing plant at Maldon. The Specimen Reef is the most advanced exploration target in the Dunolly East area. It overlies two parallel quartz reefs (Specimen Reef and Doctor’s Reef) that can be traced over greater than 1,000 metres strike length. Both reefs occur as discrete medium to wide quartz veins with associated stock work stringer vein zone envelopes. The Specimen Reef is characterised by a strongly developed stringer zone up to 7 metres wide with massive veins greater than 0.5 metres wide.

Between 1994 and 1996 Goldsbrough NL drilled seventeen RC holes at the Specimen Reef. This drilling returned significant results including 2 metre @ 4.6 g/t Au from 6 metres in SP3, 4 metres @ 7.8 g/t Au from 13 metres in SP4, and 1 metre @ 8.3 g/t Au from 24 metres in SP61 (Figure 1).

The assay results from holes SP3, SP61, and SP4 define a 200 metre long zone of near surface gold mineralisation that is a priority exploration target as it could potentially provide short term feed to the Porcupine Flat gold processing plant.

The current RC drilling program will consist of 14 holes, totalling 560 metres, and is designed to test the Specimen Reef over 240 metres strike length and to a depth of 30 vertical metres using a 20 metre by 40 metre spaced grid (Figure 2). The aim of this drilling program is to assess the potential for the Specimen Reef to host near surface gold mineralisation amenable to open pit mining.

This drilling program will take approximately a week to complete and assay results will be announced when they become available.

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.

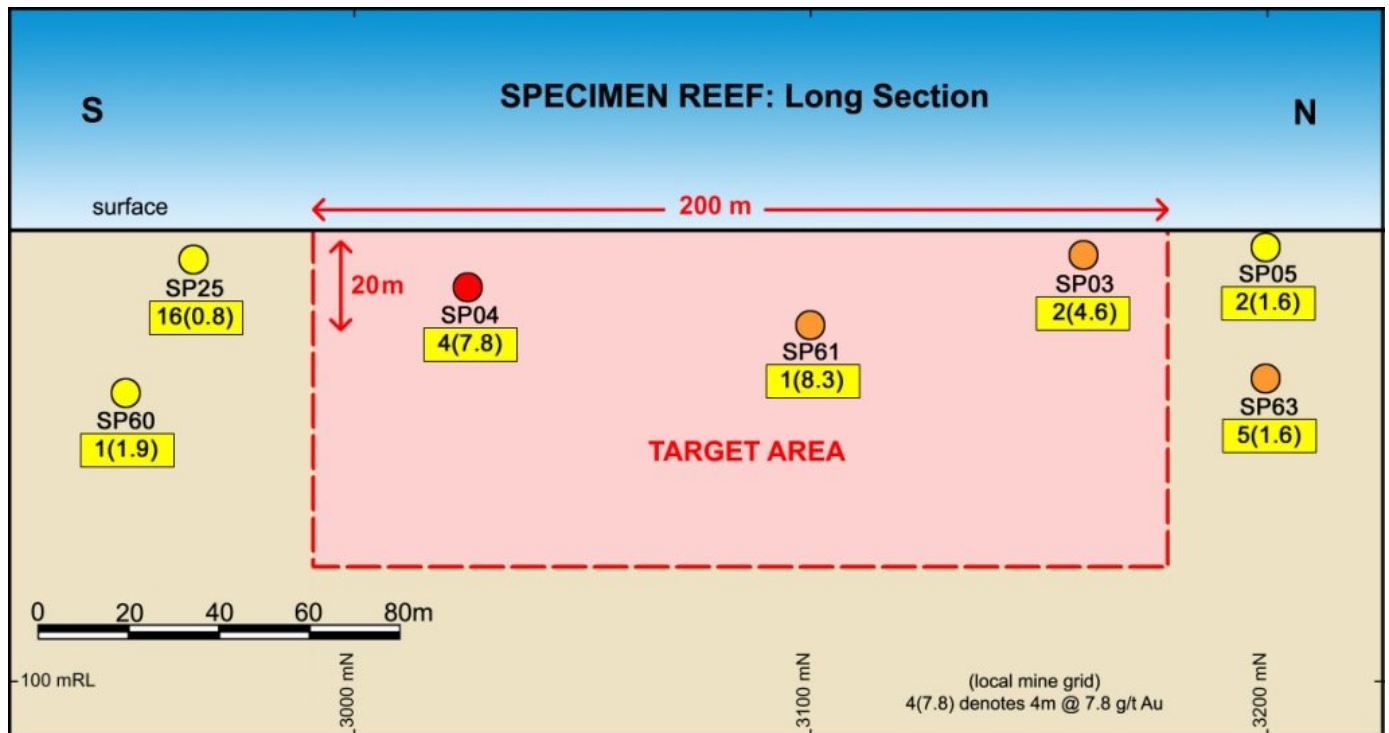


Figure 1. Specimen Reef: Long-section through part of historic Goldsbrough drilling

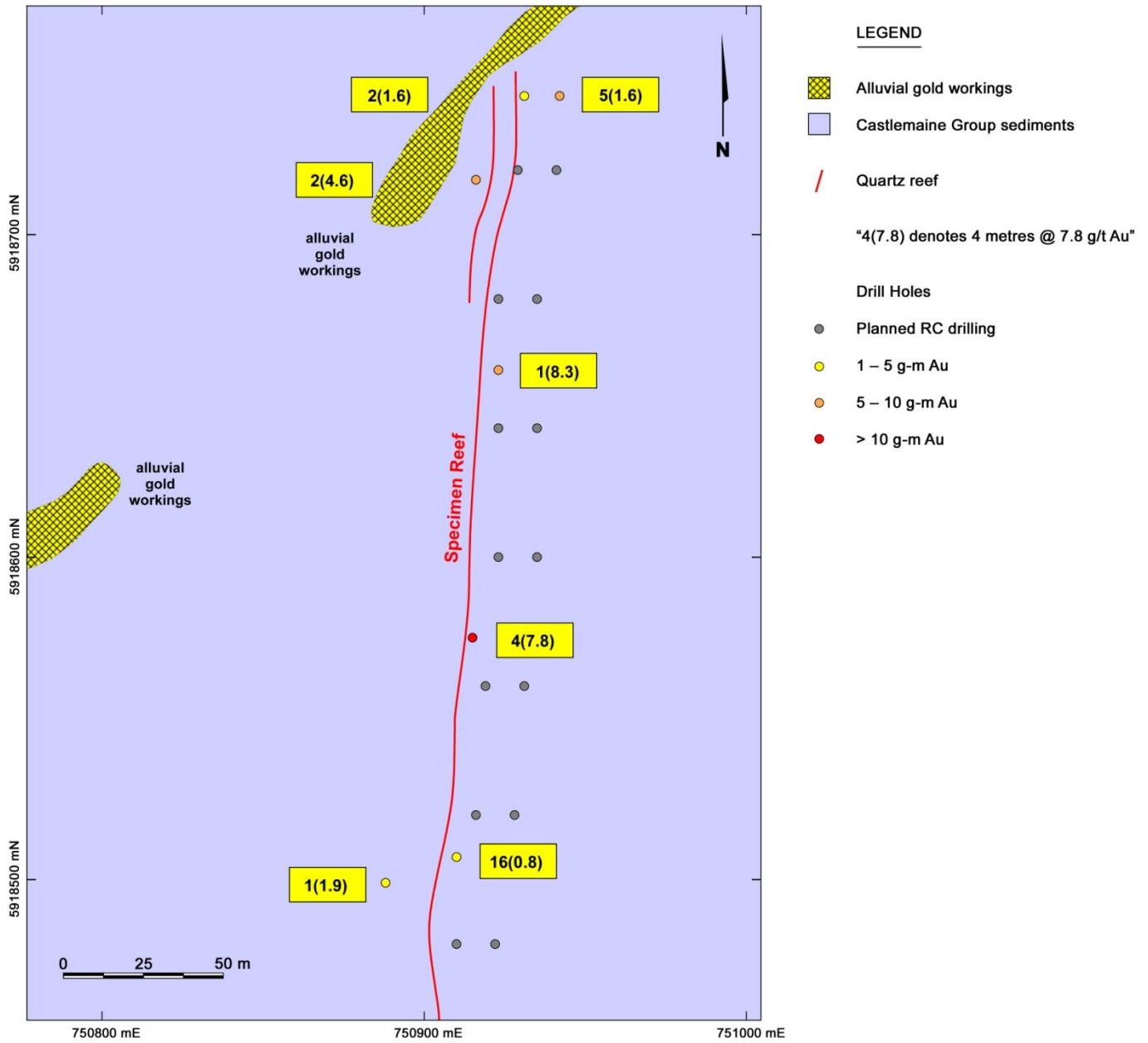


Figure 2. Specimen Reef: Planned RC drill hole location plan with historic drilling

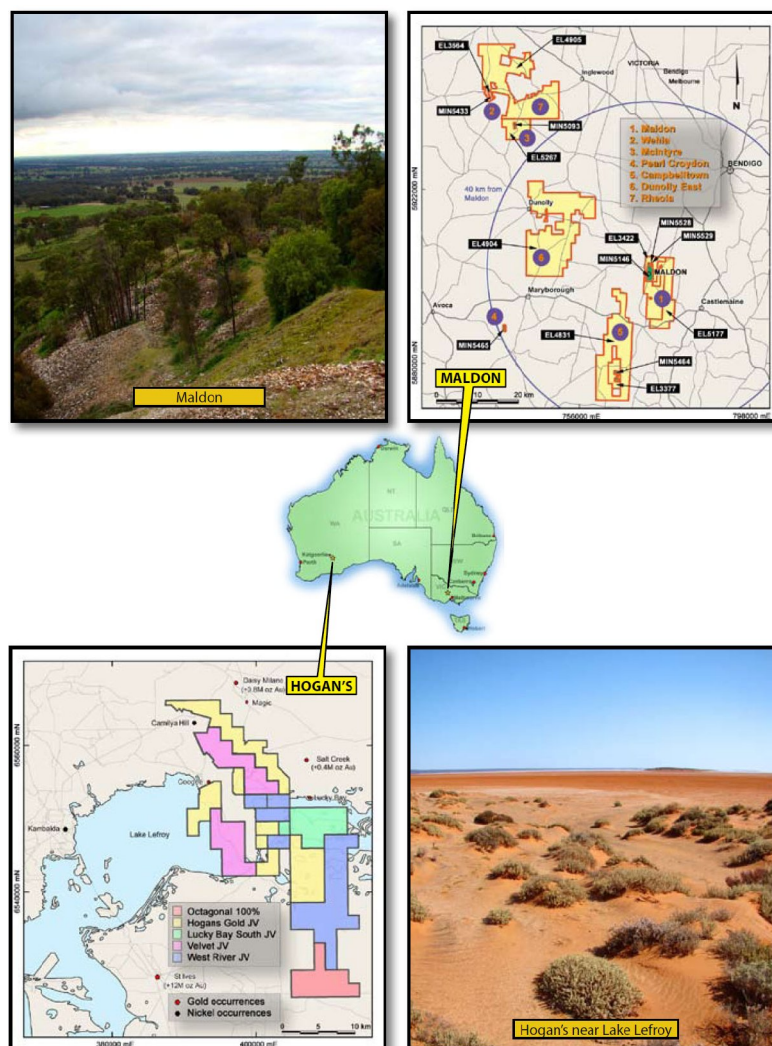
About Octagonal Resources

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