

2 October 2013

No. of Pages: 4

ASX CODE: ORS

Market Cap.: \$8 m (\$0.075 p/s)

Shares on issue: 106,048,002

Cash: \$2.2 m (30 June 2013)

BOARD & MANAGEMENT

Ian Gandel, Chairman

Anthony Gray, Managing Director

Bob Tolliday, Director

MAJOR SHAREHOLDERS

Alliance Resources – 20.8%

Abbotsleigh – 18.7%

JP Morgan Nominees – 8.9%

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Pearl Croydon Open Pit Mine Update **Amherst, in Central Victoria**

- **State Government Approval received**
- **Planning Permit submitted**
- **Community engagement process continuing**
- **All approvals to commence open pit mining expected before the end of the year**

The Directors of Octagonal Resources Limited (ASX: ORS) (“**Octagonal**” or “**Company**”) are pleased to provide an update on the approvals process to commence open pit mining at the Pearl Croydon Gold Deposit near Amherst in Central Victoria.

The Pearl Croydon Deposit contains an Inferred Mineral Resource of 570,000 tonnes grading 2.9 g/t Au for 53,000 ounces of gold (Figure 1 and Table 1).

During late September Octagonal received statutory endorsement approval from the Department of Environment and Primary Industries (“DEPI”) for its Work Plan to undertake open pit mining activities at the Pearl Croydon Deposit.

The Company has now lodged a Planning Permit with the Central Goldfields Shire Council that once approved will complete all regulatory permitting required to commence mining at Pearl Croydon. Approval of the Planning Permit is expected before the end of the year.

Octagonal is also continuing to provide information about its planned mining activities to key stakeholders and the local community and is holding a Community Information Evening in Maryborough on 8 October 2013.

Additional information relating to Octagonal and its various mining and 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

Pearl Croydon Project

The Pearl Croydon Gold Deposit is located on a granted mining licence 40 kilometres southwest of the Company's Porcupine Flat gold processing plant at Maldon and contains an Inferred Mineral Resource of 570,000 tonnes grading 2.9 g/t Au for 53,000 ounces of gold (Figure 1 and Table 1).

During February 2013 a conceptual open pit optimisation study completed on the deposit revealed that there is the potential to develop up to eight open pits in the area (Figure 2), ranging in depth between 30 and 60 metres to mine between 135,000 and 219,000 tonnes of ore grading between 3.7 and 4.9 g/t Au to produce between 15,100 and 32,300 ounces of gold and a cash surplus of between \$6.9 and \$20.1 million (Table 2).

As the Pearl Croydon resource is in the Inferred category it must be upgraded to the Indicated resource category before mining Reserves can be estimated. To reflect this underlying geological uncertainty open pit mining targets reported in this announcement are provided in ranges.

Deposit	Reef	Resource Category	Tonnes	Gold Grade (g/t)	Gold (ounces)
Pearl Croydon North	West Reef	Inferred	142,444	2.3	10,702
	Central Reef	Inferred	293,010	2.4	22,812
	East Reef	Inferred	20,072	4.6	2,949
	Sub Total	Inferred	455,526	2.5	36,463
London Hill	Main Reef	Inferred	49,612	4.4	6,957
	Hanging wall Reef	Inferred	27,515	4.1	3,665
	Sub Total	Inferred	77,128	4.3	10,622
Mullocky	West Reef	Inferred	13,693	2.7	1,188
	East Reef	Inferred	24,212	6.5	5,091
	Sub Total	Inferred	37,905	5.2	6,278
TOTAL		Inferred	570,559	2.9	53,364

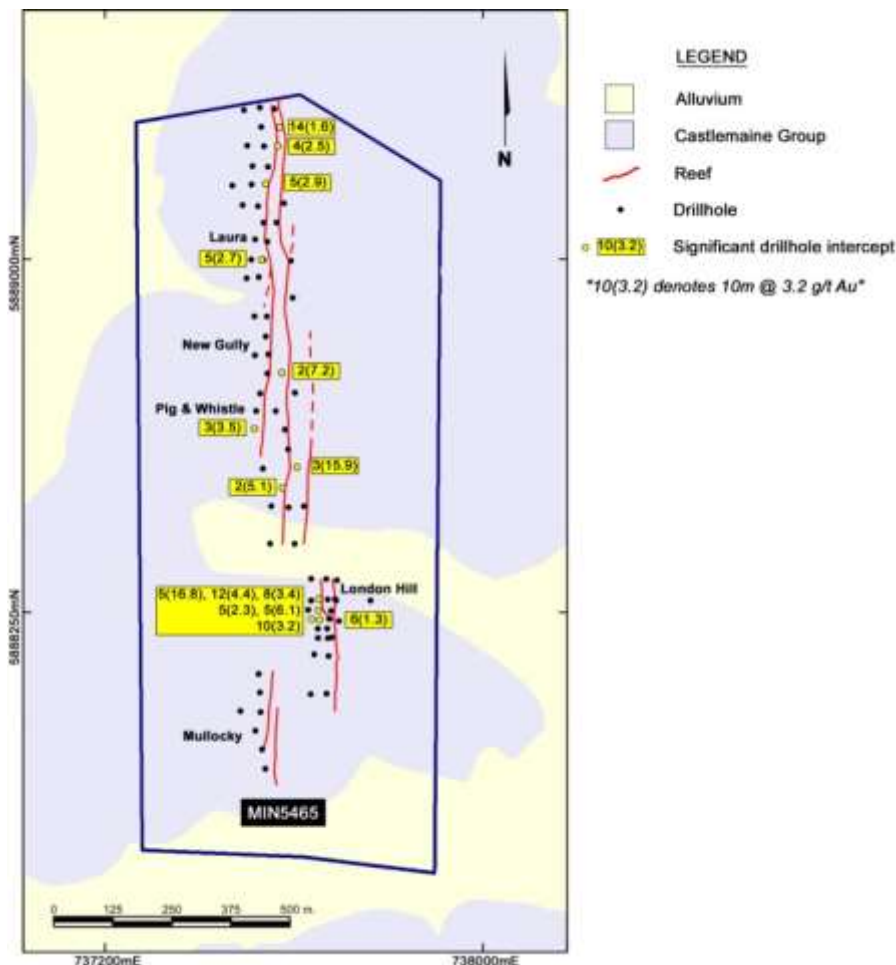


Figure 1. Pearl Croydon: Drill hole location plan

At present most of the Pearl Croydon Deposit has been drilled using 40 metre spaced traverses, however the higher grade London Hill area has already been defined using 20 metre spaced traverses and represents an immediate open pit mining target.

The open pit optimisation study revealed that the London Hill area may contain between 26,500 and 44,500 tonnes of ore grading between 4.7 and 7.1 g/t Au to produce between 4,000 and 9,400 ounces of gold and a cash surplus of between \$2.7 and \$8.0 million (Table 3).

Octagonal's objective is to bring the Pearl Croydon Deposit into production in the shortest possible time frame. To achieve this, the Company is seeking regulatory approval to mine open pits in the London Hill and Pig and Whistle areas and will at the same time complete drilling elsewhere at the deposit to upgrade the resource and calculate mining reserves.

Table 2. Pearl Croydon: Open Pit Optimisation Summary	
Parameter	Value
Ore Tonnes (t)	135,000 - 219,000
Au grade (g/t)	3.7 - 4.9
Waste Tonnes (t)	1,350,000 - 2,730,000
Strip Ratio	10.0 - 12.7
Gold Produced (oz)	15,100 - 32,300
Mining Cost (\$)	6,733,000 - 13,026,000
Transport & Processing Cost (\$)	9,081,000 - 14,725,000
Gold Revenue @ A\$1,500/oz (\$)	22,712,000 - 48,400,000
Cash Surplus (\$)	6,898,000 - 20,649,000

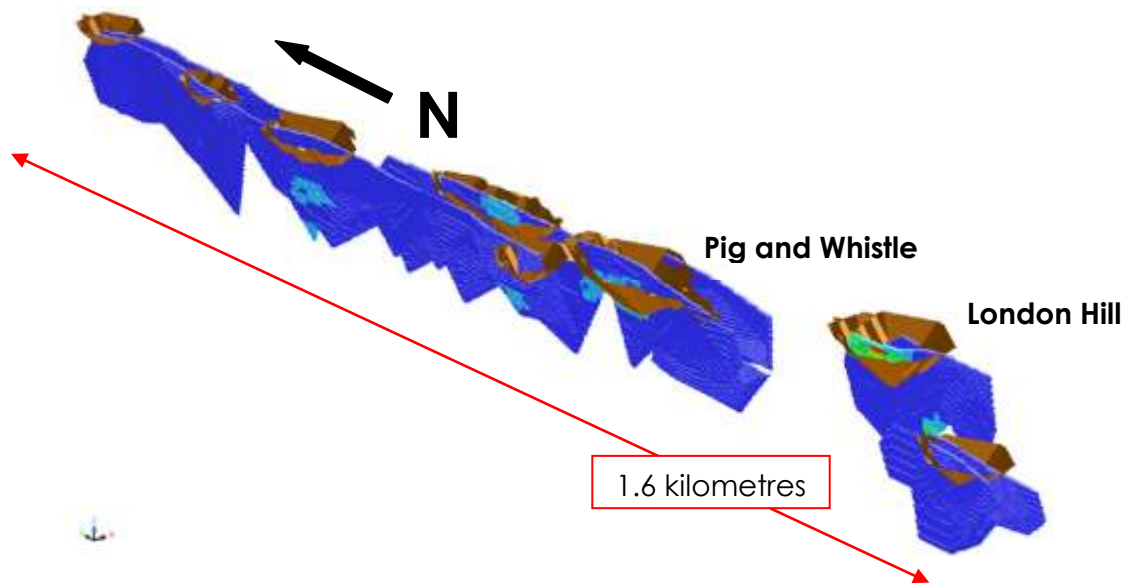


Figure 2. Pearl Croydon: Whittle pit shells generated from open pit optimisation study

Table 3. London Hill: Open Pit Optimisation Summary	
Parameter	Value
Ore Tonnes (t)	26,500 - 44,500
Au grade (g/t)	4.7 - 7.1
Waste Tonnes (t)	328,000 - 679,000
Strip Ratio	12.4 - 15.5
Gold Produced (oz)	4,000 - 9,400
Mining Cost (\$)	1,569,000 - 3,139,000
Transport & Processing Cost (\$)	1,788,000 - 3,006,000
Gold Revenue @ A\$1,500/oz (\$)	6,060,000 - 14,113,000
Cash Surplus (\$)	2,703,000 - 7,968,000

Competent Persons Statement

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.

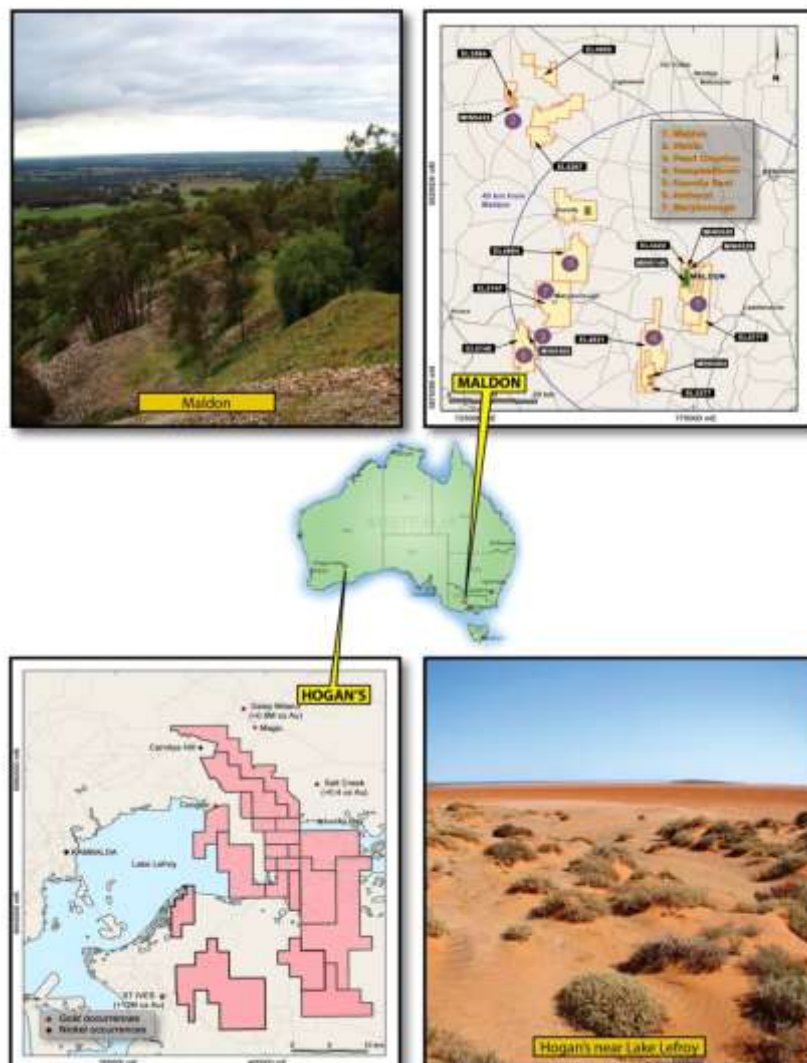
About Octagonal Resources

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 150,000 tpa CIL gold processing plant, 245,000 ounces of inferred gold resources and a decline that extends to the undeveloped underground resources. Octagonal is currently underground mining at the Alliance South Deposit in Maldon and has applied for regulatory approval to commence open pit mining at the Pearl Croydon Deposit.

In Western Australia Octagonal holds 100% interest in the Hogan's Project where it is exploring for gold and copper 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 and Salt Creek mines and Lucky Bay Prospect. Octagonal is exploring priority exploration target areas that display the potential to host a major gold or copper 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