

**18 DECEMBER 2013**

No. of Pages: 6

**ASX CODE: ORS**

Market Cap.: \$7.4 m (\$0.07 p/s)  
Shares on issue: 106,048,002  
Cash: \$1.2 m (30 September 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 – 8.8%  
Karl Sabljak – 5.2%

## ISSUE OF PERFORMANCE RIGHTS – APPENDIX 3B

Attached is an Appendix 3B in relation to the issue of a total of 1,733,440 Performance Rights under the terms of the Company's Employee Performance Rights Plan.

335,710 Performance Rights were issued to the Managing Director, Mr Anthony Gray, and 131,060 Performance Rights were issued to the Non-Executive Director/Company Secretary/CFO, Mr Robert Tolliday, pursuant to the approval of shareholders at the 2013 Annual General Meeting. The remaining 1,266,670 Performance Rights were issued to other eligible employees.

The Performance Rights are subject to the satisfaction of the performance hurdles outlined in the Appendix 3B. To the extent that the hurdles are satisfied (if at all), the Performance Rights will vest and become fully paid ordinary shares in the Company.

For and on behalf of the Board.

Bob Tolliday

**Company Secretary**  
**OCTAGONAL RESOURCES LIMITED**

Additional information relating to Octagonal and its various mining and exploration projects can be found on the Company's website:

[www.octagonalresources.com.au](http://www.octagonalresources.com.au)

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Rule 2.7, 3.10.3, 3.10.4, 3.10.5

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

**OCTAGONAL RESOURCES LIMITED**

ABN

**38 147 300 418**

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |   |                             |
|---|---|-----------------------------|
| 1 | +Class of +securities issued or to be issued  | Unlisted Performance Rights |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 1,733,440                   |

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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3 Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)

Performance Rights issued under the Employee Performance Rights Plan.

Performance Rights are issued on the following terms:

- (a) 60% of Performance Rights Vest on 18 December 2014;
- (b) 40% of Performance Rights Vest on 18 December 2015;
- (c) Rights expire on the date the employee ceases to be employed;
- (d) There being no work related fatality during the period 18 December 2013 to 17 December 2014;
- (e) Reduced percentages applying to the number of Performance Rights in certain circumstances for Lost Time Injuries (LTI's) during the period 18 December 2013 to 17 December 2014;
- (f) The closing price of company's ordinary shares exceeding 14.0c for more than 20 trading days during the period 18 December 2013 to 17 December 2014;
- (g) Upon Vesting the holder has a right to be issued Ordinary Shares; and
- (h) The exercise price is Nil.

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+ See chapter 19 for defined terms.

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>Yes, if/when Rights vest to Shares</p>
<p>5 Issue price or consideration</p>	<p>Nil – Issued as part of Employee Performance Rights Plan and in accordance with current employment contracts and per Shareholder approval for MD (Anthony Gray) and Non-Executive Director (Robert Tolliday) at AGM 2013.</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Performance Rights issued under the Employee Performance Rights Plan</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Not Applicable</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>Not Applicable</p>

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+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

6c	Number of +securities issued without security holder approval under rule 7.1	Not Applicable	
6d	Number of +securities issued with security holder approval under rule 7.1A	Not Applicable	
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Not Applicable	
6f	Number of securities issued under an exception in rule 7.2	Not Applicable	
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	Not Applicable	
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not Applicable	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Not Applicable	
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	18 December 2013	
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	Number	+Class
		106,048,002	Ordinary fully paid Shares

+ See chapter 19 for defined terms.

9	Number and <sup>+</sup> class of all <sup>+</sup> securities not quoted on ASX (including the securities in section 2 if applicable)	Number	<sup>+</sup> Class
		1,733,440	2014 Performance Rights
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Performance Rights – no dividend is payable On vesting, dividends are payable on the Ordinary Shares issued	

## Part 2 - Bonus issue or pro rata issue

Items 11 to 33 are not applicable

## Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of securities  
(tick one)

(a)  Securities described in Part 1

(b)  All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

### Entities that have ticked box 34(a)

Items 35 to 42 are not applicable

<sup>+</sup> See chapter 19 for defined terms.