

4 October 2013

No. of Pages: 5

ASX CODE: ORS

Market Cap.: \$8.5 m (\$0.08 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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Clunes Exploration Licence Application, in Central Victoria

- Exploration licence application ELA5491 lodged over the Clunes Goldfield in Central Victoria
- Priority of three competing exploration licence applications to be determined by the Victorian Government
- Clunes Goldfield historically 4th largest primary gold producer in Central Victoria
- Historic production of 1.2 million ounces of gold
- Near-surface and underground exploration targets identified for drill testing
- Potential medium-term ore supply for processing at the Maldon Gold Processing Plant

The Directors of Octagonal Resources Limited (ASX: ORS) (“**Octagonal**” or “**Company**”) are pleased to advise that the Company has applied for an exploration licence over the historic Clunes Goldfield.

The Clunes Goldfield is located 40 kilometres southwest of Maldon and was the fourth largest historic primary gold producer in Central Victoria after Bendigo, Ballarat, and Maldon, having produced 1.2 million ounces of gold at an average grade of 12.6 g/t Au.

Octagonal has identified near-surface and underground exploration target areas that the Company believes have the potential to provide ore for processing at the Maldon Gold Processing Plant.

As three competing exploration licence applications were lodged over the Clunes Goldfield on the same day the Department of State Development, Business and Innovation (“DSDBI”) has advised that pursuant with the Mineral Resources (Sustainable Development) Act 1990 the Minister must rank the applications in order of relative merit and likely ability of each applicant to meet the requirements of the Act. This process may take up to three months.

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

Clunes Goldfield

The Clunes Goldfield is located 40 kilometres southwest of Octagonal's Porcupine Flat gold processing plant at Maldon and was the site of the first economic discovery of gold in Victoria, in July 1850. A short-lived alluvial gold rush followed but was over by September 1851.

Reef mining began in 1857 and continued for 34 years, when the last of the major operations by the Port Phillip and Colonial Gold Mining Company ended. The three largest gold producers in the field were the Port Phillip Mine (473,000oz @ 11g/t Au - excised from the Exploration Licence Application area), the New North Clunes Mine (251,000oz @ 17g/t Au) and the South Clunes Mine (192,000oz @ 9g/t Au).

Together these three mines accounted for approximately 90 percent of the 1.2 million ounces grading 12.6g/t Au that was historically produced from the Clunes Goldfield. The deepest mine on the goldfield was the Port Phillip Shaft, which extended to greater than 530 metres depth.

Most of the modern exploration completed on the Clunes Goldfield was undertaken by WMC Limited between 1951 and 1989. During this period WMC completed 118 percussion and diamond holes for 29,000 metres.

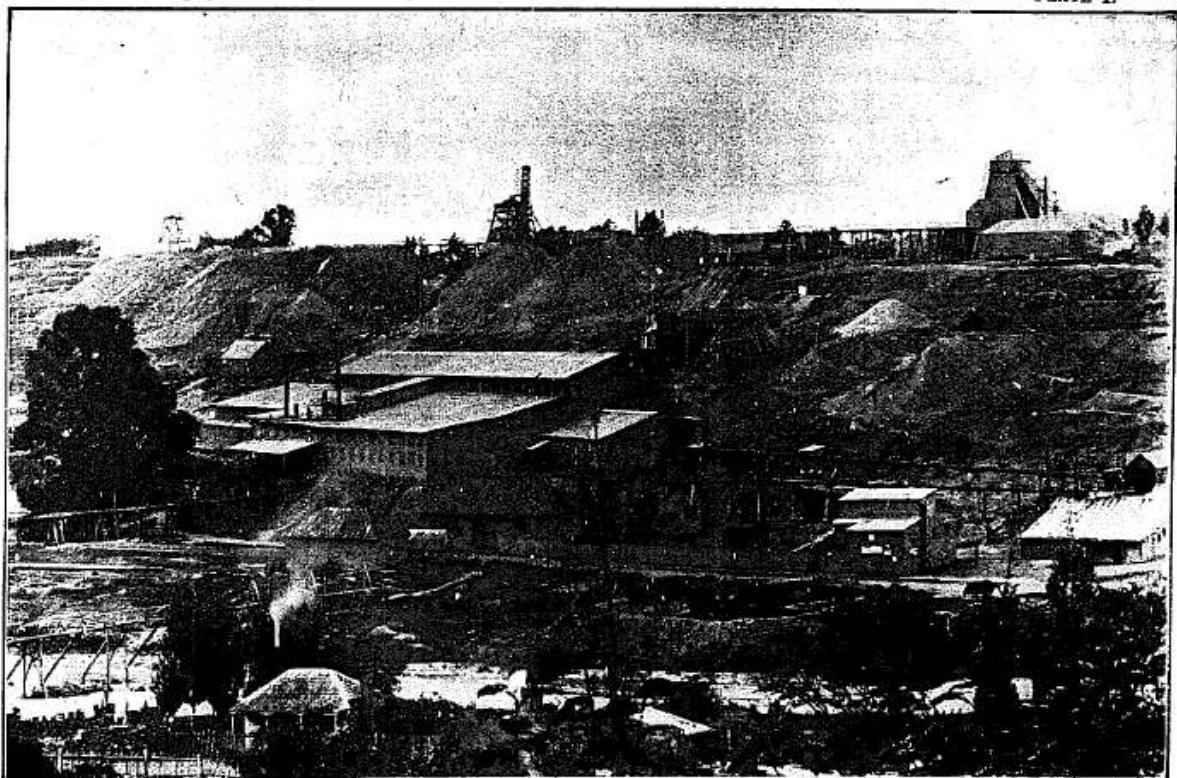
Exploration Licence Application ELA5491, that overlies the Clunes Goldfield, was lodged with the Department of Environment and Primary Industries ("DEPI") to secure tenure and land access for exploration to the fourth largest historic primary gold producing goldfield in Central Victoria after Bendigo, Ballarat, and Maldon. Octagonal considers that historic mining and modern exploration have demonstrated the potential for the Clunes Goldfield to contain significant near-surface and deeper resources that may be exploited using open pit or underground mining techniques.

This Exploration Licence Application is in line with Octagonal's Corporate Strategy of developing a sustainable gold producing operation in Central Victoria as it could provide additional medium and long term open pit and underground resources for processing at the Maldon gold processing plant.

If granted, Octagonal intends to advance exploration on ELA 5491 in a timely manner to ensure that these objectives are met.

Geological Survey of Victoria, Bulletins, No. 6.

PLATE I.



OLD PORT PHILLIP COMPANY'S MILL, AS IT WAS
Looking north-east.

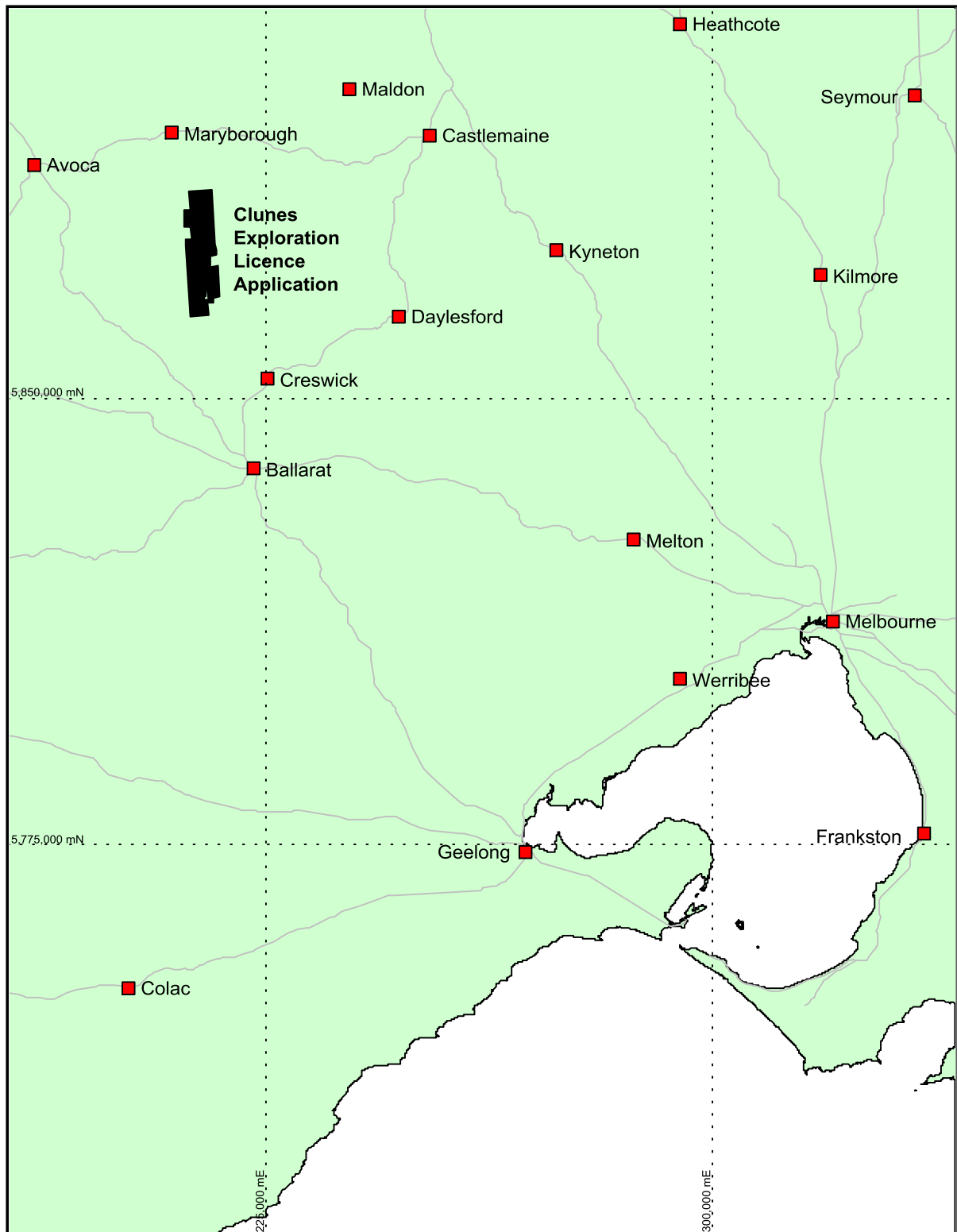


Figure 1. Clunes Exploration Licence Application: Regional Location Plan

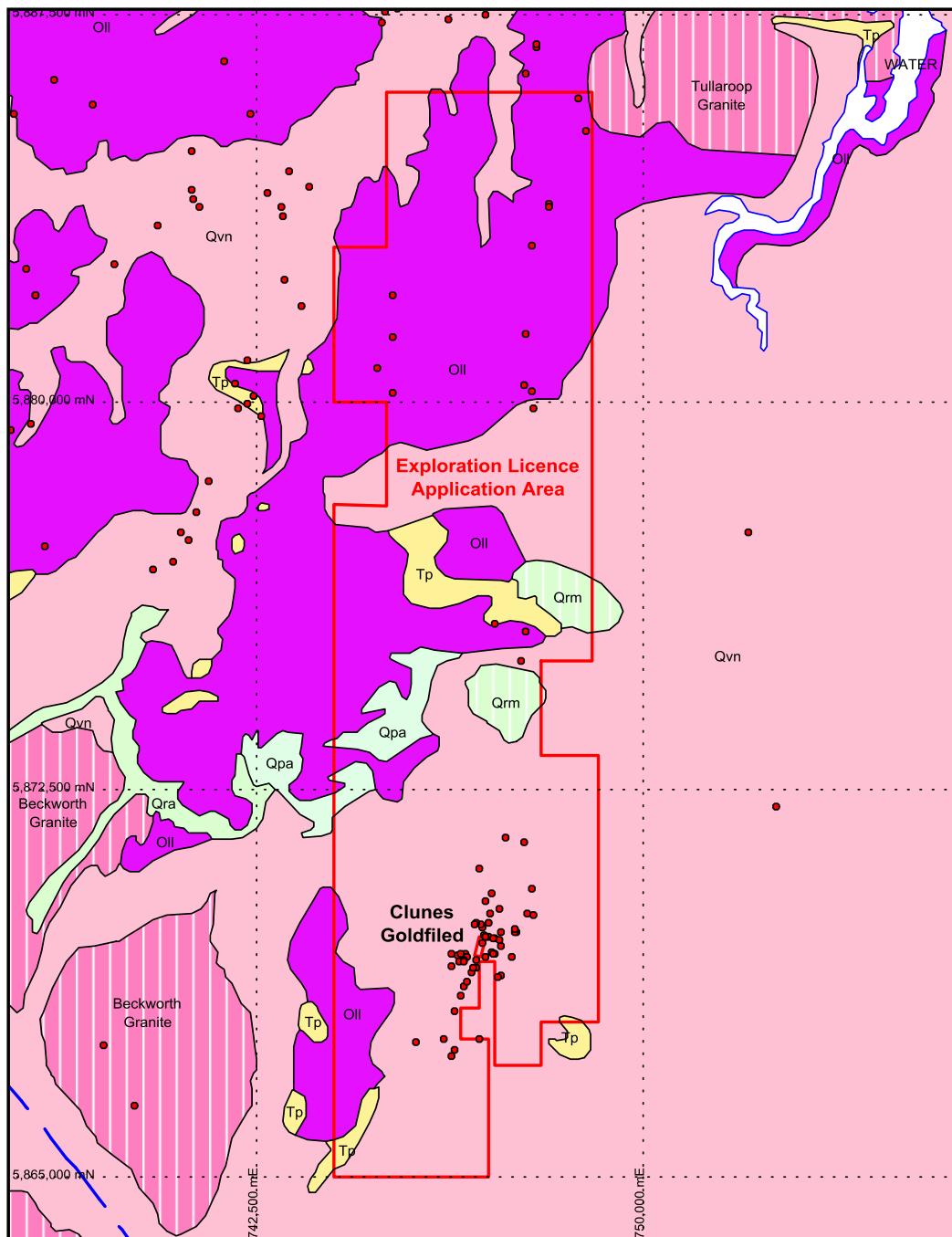


Figure 2. Clunes Exploration Licence Application: Surface Geology Plan

Legend-

- Oll: Ordovician Castlemaine Group marine sandstone, siltstone, shale, and chert
- Tp: Tertiary fluvial gravel, sand, silt
- Qrm: Quaternary Holocene paludal lagoon and swamp deposits; silt, clay
- Qra: Quaternary Holocene fluvial alluvium, gravel, sand, silt
- Qpa: Quaternary Pleistocene fluvial alluvium, gravel, sand, silt
- Qvn: Tertiary tholeiitic to alkaline basalt with minor scoria and ash (Newer Volcanics)

Red dots: Historic gold workings

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.

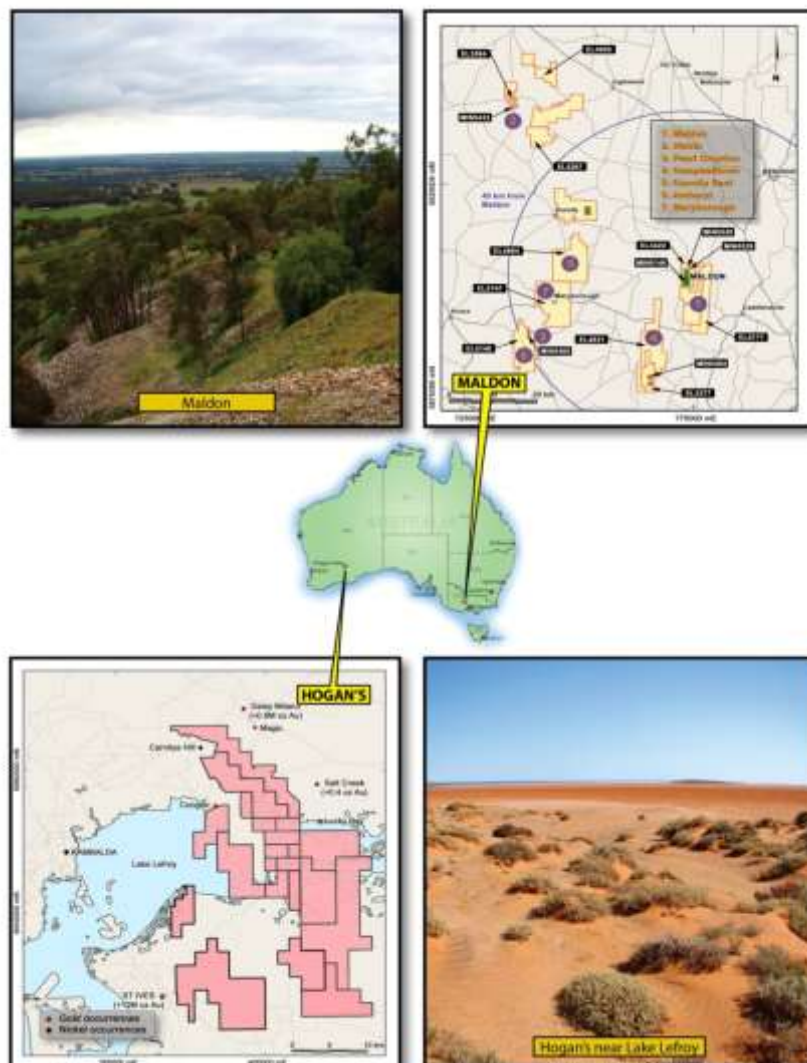
About Octagonal Resources

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