

31 March 2014

No. of Pages: 11

ASX CODE: ORS

Market Cap.: \$8.8 m (\$0.052 p/s)
Shares on issue: 169,672,726
Cash: \$1.3 m (31 December 2013)
Debt: \$1.0 m (31 December 2013)

BOARD & MANAGEMENT

Ian Gandel, Chairman
Anthony Gray, Managing Director
Bob Tolliday, Director

MAJOR SHAREHOLDERS

Abbotsleigh – 19.5%
Alliance Resources – 13.5%
Karl Sabljak – 5.5%

PRINCIPAL OFFICE

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Placement of Balance of Shortfall Shares to Institutional Investor

Octagonal Resources Limited (ASX : ORS) is pleased to advise that Patersons Securities Limited, as Lead Manager of the recently completed non-renounceable rights issue (“Rights Issue”) has placed the remaining 7,120,000 shortfall shares (\$356,000) to an institutional investor thus bringing the total applications under the Rights Issue to 63,624,724 shares (\$3,181,236.20).

Octagonal’s Managing Director, Anthony Gray, commented “we are pleased to place the remaining shortfall shares to a single institutional client of Patersons Securities. This placement, which represents 4% of our stock, will strengthen our share register and completes the Rights Issue.”

The net proceeds from the issue will be used for:

- Development and production mining of the Alliance South Gold Deposit (Victoria);
- Development and production mining of the Pearl Croydon Gold Deposit (Victoria);
- Exploration of the Burns copper-gold deposit (Western Australia); and
- General working capital, debt repayment purposes, and business development opportunities.

The share registry has allotted and issued 7,120,000 ordinary shares to the applicant. A copy of the Appendix 3B and Cleansing Statement following completion of the shortfall placement of the Rights Issue is attached.

The Directors wish to thank shareholders for their continued support of the Company and advise that a holding statement for the new securities will be despatched shortly.

For further enquiries, please contact:

Bob Tolliday (Company Secretary) +61 3 9697 9088

Additional information relating to Octagonal and its various mining and exploration projects can be found on the Company’s website:
www.octagonalresources.com.au

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, 04/03/13

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 | Ordinary fully paid shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 7,120,000 |
| 3 | Principal terms of the +securities (e.g. 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) | Ordinary fully paid shares |

+ See chapter 19 for defined terms.

| | |
|--|--|
| <p>4 Do the ⁺securities rank equally in all respects from the ⁺issue date 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"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | <p>Yes</p> |
| <p>5 Issue price or consideration</p> | <p>\$0.05 cents per New Share</p> |
| <p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p> | <ul style="list-style-type: none"> • Development and production mining at the Alliance South Decline Development • Development and production mining at the Pearl Croydon Deposit • Exploration of the Burns Prospect (WA) • Costs of the Offer • Working Capital |
| <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>Yes</p> |
| <p>6b The date the security holder resolution under rule 7.1A was passed</p> | <p>29 November 2013</p> |
| <p>6c Number of ⁺securities issued without security holder approval under rule 7.1</p> | <p>Nil</p> |

| 6d | Number of +securities issued with security holder approval under rule 7.1A | Nil | | | | |
|-------------|---|--|--------|--------|-------------|----------------------------|
| 6e | Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting) | Nil | | | | |
| 6f | Number of +securities issued under an exception in rule 7.2 | 7,120,000 | | | | |
| 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. | N/A | | | | |
| 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 | N/A | | | | |
| 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 | Listing Rule 7.1 – 25,450,909 Listing Rule 7.1A – 16,967,272 | | | | |
| 7 | +Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B. | 31 March 2014 | | | | |
| 8 | Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable) | <table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>169,672,726</td> <td>Ordinary fully paid shares</td> </tr> </tbody> </table> | Number | +Class | 169,672,726 | Ordinary fully paid shares |
| Number | +Class | | | | | |
| 169,672,726 | Ordinary fully paid shares | | | | | |

+ See chapter 19 for defined terms.

| | | |
|----|---|---|
| | Number | +Class |
| 9 | Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable) | 1,733,440 Unlisted Performance Rights |
| 10 | Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) | The Directors of the Company are unable to state when, or if, dividends will be paid in the future, as the payment of dividends will depend on the Company's profitability, financial position and cash requirements. |

Part 2 – DELETED – 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)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Date: 31 March 2014

(Director/Company secretary)

Print name:

Bob Tolliday

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

| Rule 7.1 – Issues exceeding 15% of capital | |
|---|--|
| <i>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</i> | |
| <i>Insert</i> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue | 106,048,002 |
| <p><i>Add</i> the following:</p> <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> | <p style="text-align: center;">56,504,724 shares issued 19 March 2014</p> <p style="text-align: center;">7,120,000 shares issued 31 March 2014</p> |
| <i>Subtract</i> the number of fully paid +ordinary securities cancelled during that 12 month period | Nil |
| “A” | 169,672,726 |

| | |
|---|--|
| Step 2: Calculate 15% of “A” | |
| “B” | 0.15 <i>[Note: this value cannot be changed]</i> |
| Multiply “A” by 0.15 | 25,450,909 |
| Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used | |
| <p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> | Nil |
| “C” | Nil |
| Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1 | |
| <p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p> | 25,450,909 |
| <p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p> | Nil |
| Total [“A” x 0.15] – “C” | 25,450,909 <i>[Note: this is the remaining placement capacity under rule 7.1]</i> |

+ See chapter 19 for defined terms.

Part 2

| Rule 7.1A – Additional placement capacity for eligible entities | |
|--|---|
| Step 1: Calculate “A”, the base figure from which the placement capacity is calculated | |
| “A” <i>Note: number must be same as shown in Step 1 of Part 1</i> | 169,672,726 |
| Step 2: Calculate 10% of “A” | |
| “D” | 0.10 <i>Note: this value cannot be changed</i> |
| Multiply “A” by 0.10 | 16,967,272 |
| Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used | |
| Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> | Nil |
| “E” | Nil |

| Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A | |
|--|---|
| “A” x 0.10 <i>Note: number must be same as shown in Step 2</i> | 16,967,272 |
| Subtract “E” <i>Note: number must be same as shown in Step 3</i> | Nil |
| Total [“A” x 0.10] – “E” | 16,967,272 <i>Note: this is the remaining placement capacity under rule 7.1A</i> |

+ See chapter 19 for defined terms.

31 March 2014

Notice under section 708A(5)(e) of the Corporations Act 2001 (Cth)

Octagonal Resources Limited ACN 147 300 418 (ASX:ORS) (**ORS** or the **Company**) refers to the Offer Document lodged with the ASX on 10 February 2014 in relation to the non-underwritten, non-renounceable pro-rata entitlement issue of 3 new fully paid shares for every 5 ordinary shares held at A\$0.05 cents per new share.

The Company gives notice under section 708A(5)(e) of the *Corporations Act 2001 (Cth)* (**Corporations Act**) that on 31 March 2014 the Company issued 7,120,000 fully paid ordinary shares under the shortfall (**Shortfall Shares**), in accordance with the terms of the Offer Document.

For the purposes of section 708A(6) of the Corporations Act, the Company advises:

1. The Shortfall Shares were issued without disclosure to investors under Part 6D.2 of the Corporations Act;
2. This notice is being given under section 708A(5)(e) of the Corporations Act;
3. As at the date of this notice, the Company has complied with:
 - (a) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
 - (b) section 674 of the Corporations Act.
4. As at the date of this notice, there is no information that is 'excluded information' (within the meaning of sections 708A(7) and 708A(8) of the Corporations Act).

Signed for Octagonal Resources Limited



Mr Bob Tolliday
Company Secretary