

11 February 2014

Dear Shareholder

Octagonal Resources Limited Non-Renounceable Entitlement Offer

On 10 February 2014, Octagonal Resources Limited (“**Octagonal**” or “**Company**”) announced that, in conjunction with Lead Manager Patersons Securities Limited, the Company will be conducting a non-renounceable entitlement offer to shareholders of approximately 63,628,802 new shares on the basis of 3 new shares for every 5 shares held at the record date at \$0.05 each (“**New Shares**”) to raise approximately \$3.2 million (before costs) (“**Entitlement Offer**”).

Eligible Shareholders (other than Directors and related parties of the Company) may, in addition to taking up their entitlement to New Shares under the Entitlement Offer in full, apply for additional New Shares, subject to availability and the discretion of the Directors and Lead Manager. Any additional New Shares not taken up by existing shareholders will comprise the shortfall which may be placed by the Lead Manager.

The Entitlement Offer is being made pursuant to an Offer Document without disclosure in accordance with section 708AA of the Corporations Act, as modified by ASIC Class Order 08/35 (“**Offer Document**”). The Offer Document was lodged with the ASX on 10 February 2014 and contains further information about how to take up your entitlement under the Entitlement Offer. The Offer Document will be available on the Company’s website at www.octagonalresources.com.au and on the ASX website and will be mailed to Shareholders after the Record Date.

Indicative Timetable

| Event | Date |
|---|------------------|
| Announcement of Issue | 10 February 2014 |
| Lodgement Date (Appendix 3B and Section 708AA(2)(f) Notice with ASX) | 10 February 2014 |
| Notice of Issue sent to Shareholders | 11 February 2014 |
| “Ex” Date | 12 February 2014 |
| Record Date | 18 February 2014 |
| Opening Date (Dispatch of Offer Document to Shareholders) | 24 February 2014 |
| Closing Date | 11 March 2014 |
| Securities quoted on a deferred settlement basis | 12 March 2014 |
| Notify ASX of under subscriptions | 14 March 2014 |
| Issue of New Shares and dispatch of shareholding statements | 19 March 2014 |
| Share Trading Date | 20 March 2014 |

The dates are indicative only and the Company reserves the right to vary them in consultation with the Lead Manager and in accordance with the requirements of the ASX Listing Rules.

Use of Funds from Entitlement Offer

The funds raised under the Rights Issue will primarily be used for the development of the Maldon Gold Operation in Victoria and the Hogan's Project in Western Australia, and specifically:

- 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.

Overseas Shareholders

The Entitlement Offer is not available in any jurisdiction where, or to any person to whom, it would be unlawful to issue the New Shares. It is the responsibility of any applicant under the Entitlement Offer to ensure compliance with any laws of a country relevant to their application.

For further information relating to the Entitlement Offer, please contact the Company Secretary on (03) 9697 9088.

Yours faithfully



Bob Tolliday
Company Secretary
Octagonal Resources Limited

