

6 February 2014

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ASX CODE: ORS

Market Cap.: \$9.8 m (\$0.092 p/s)
Shares on issue: 106,048,002
Cash: \$1.3 m (31 December 2013)
Debt: \$1.1 m (31 December 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%

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Clarification - Pearl Croydon Open Pit Mining Announcement

Octagonal Resources Limited (ASX: ORS) (“**Octagonal**” or “**Company**”) refers to its announcement to the ASX on 22 January 2014 and titled “Pearl Croydon Open Pit Mining Approved - Amherst, Central Vic”.

Contained within this announcement there is reference to production targets and forecast financial information for the Pearl Croydon Deposit (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) and for the London Hill area (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).

Investors are advised that the production targets and forecast financial information referred to are internal estimates only.

These production targets and forecast financial information are based on inferred mineral resources. Under the 2012 JORC Code requirements, production targets that have not yet been subject to estimation at a level of certainty with disclosure of the appropriate estimation parameters are unable to be quoted.

Furthermore investors are advised that the production targets and forecast financial information contained in the ASX Announcement on 22 January 2014 do not establish the economic viability or definite value of the Pearl Croydon Deposit. The production targets and forecast financial information were based on the Inferred Mineral Resource estimate for the Pearl Croydon Deposit (refer to ASX Announcement dated 20 January 2014) and internal cost estimates for the Pearl Croydon Deposit. These estimates and results are not in themselves sufficient to permit the application of the type of technical and economic analysis required to define the economic viability of the Pearl Croydon Deposit to the standard required by the 2012 JORC Code.

Statements implying economic viability require a defined basis otherwise they are taken to be misleading to shareholders. The Company is concerned that potential investors may attribute the production targets as providing a basis for defining the economic viability of the Pearl Croydon Deposit. The Company retracts the statements of estimated production and forecast financial information and provides no estimate of economic viability either real or implied from the production targets and forecast financial information and cautions investors against using those statements as a basis for investment decisions concerning the Company’s securities.

For further information, please contact:

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