

18 February 2014

No. of Pages: 40

ASX CODE: ORS

Market Cap.: \$6.8 m (\$0.064 p/s)
Shares on issue: 106,048,002
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

Alliance Resources – 20.8%
Abbotsleigh – 18.7%
JP Morgan Nominees – 8.8%
Karl Sabljak – 5.2%

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Road Show Presentation

Please find attached a copy of a Company Presentation to be made by the MD, Mr Anthony Gray, to investors during February and March.

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



Octagonal
Resources Limited

ABN: 38 147 300 418

ASX Code: ORS

Investor Road Show February 2014

“Building a sustainable gold
producing operation in Victoria
to fund Company growth”



Photo: Portal of Union Hill Decline (Maldon, VIC)

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The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Anthony Gray, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Gray is a full-time employee of the company. Mr Gray has sufficient experience that is relevant to the styles of mineralisation and types of deposit under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Gray consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this presentation that relates to exploration, mining, and production targets refers to targets that are conceptual in nature, where there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

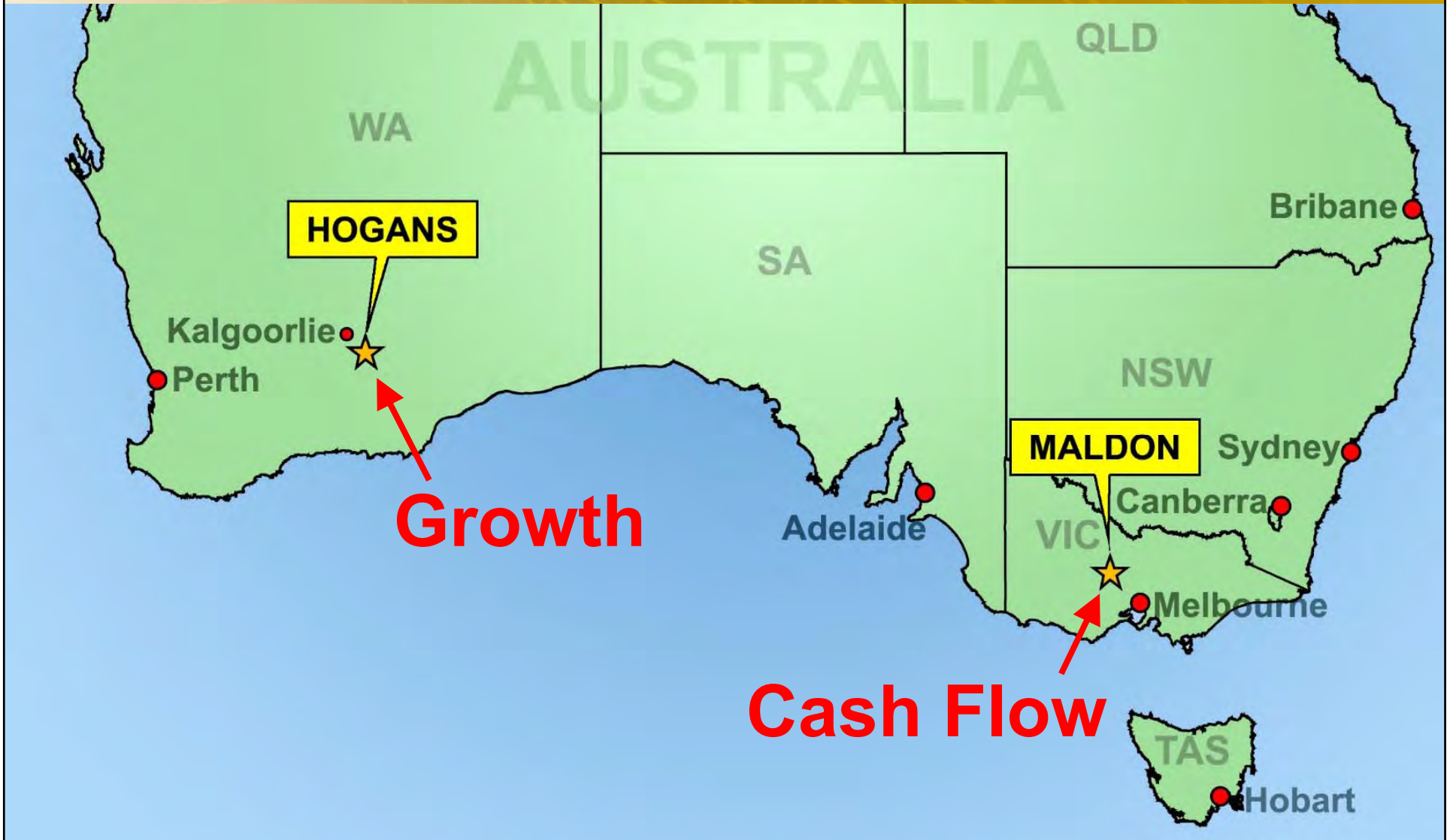
Victorian Gold Producer



Gold producer since November 2012



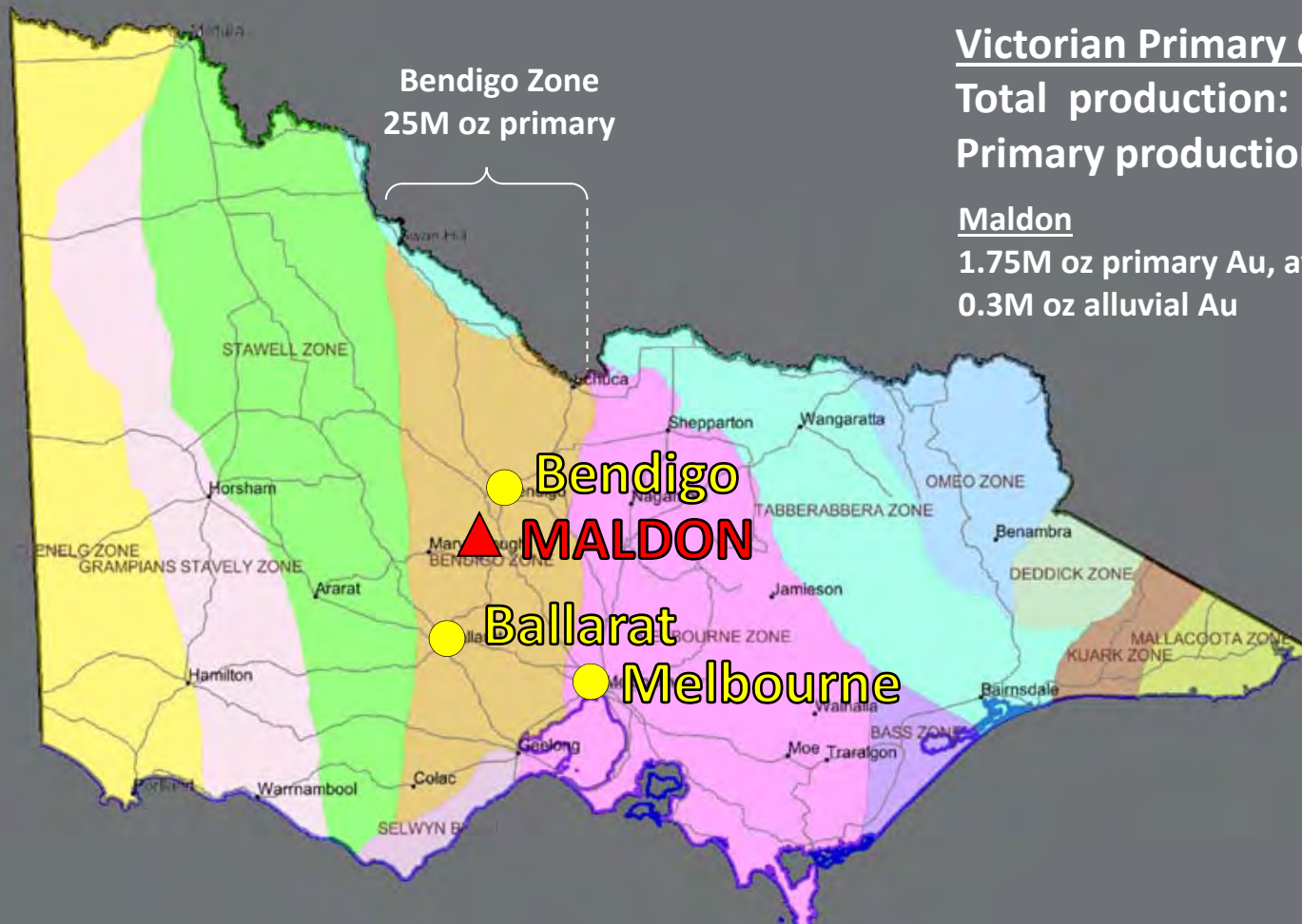
Operations



Project Location - Central Victoria



WORLD CLASS GOLD PRODUCING DISTRICT



Victorian Primary Gold

Total production: 80M oz

Primary production: 35M oz

Maldon

1.75M oz primary Au, av. 28 g/t Au

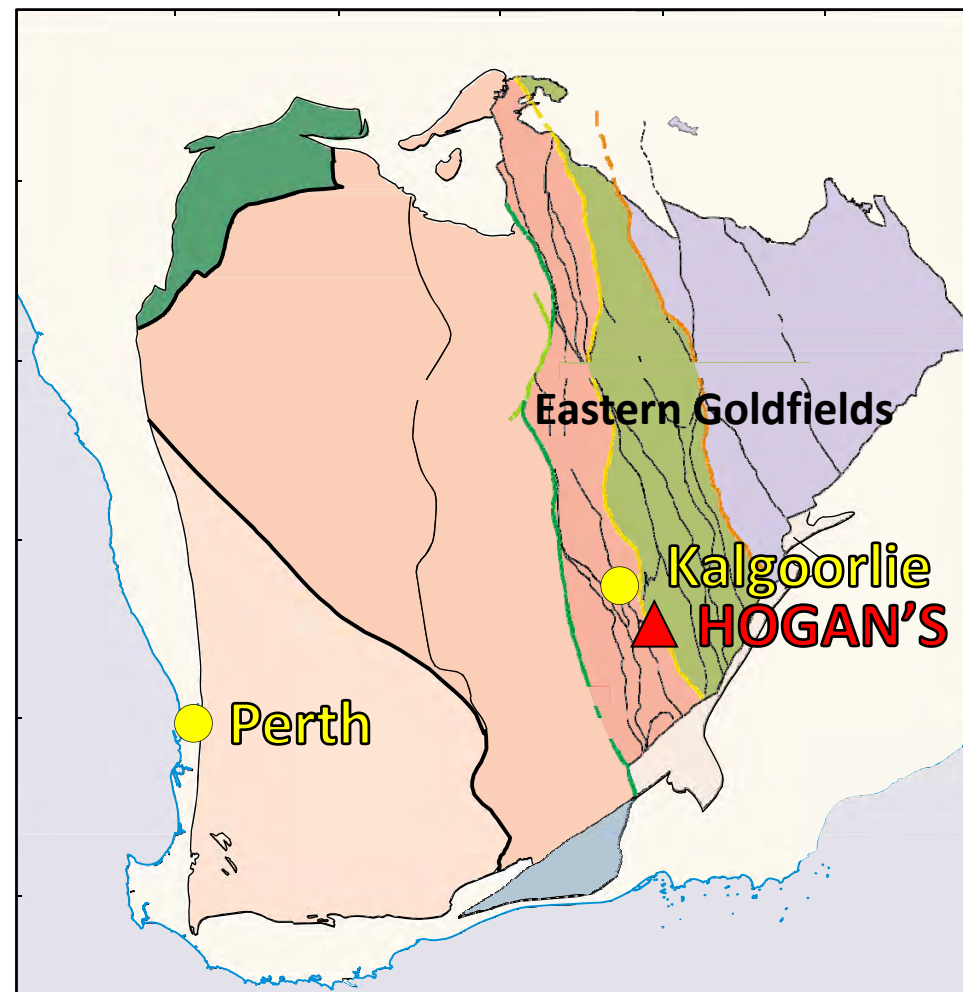
0.3M oz alluvial Au

EASTERN GOLDFIELDS PROVINCE

15 World Class Gold Deposits (+3M oz Au)

Hogan's Project

- ▶ 70 kilometres southeast of +70M oz Golden Mile
- ▶ 30 kilometres northeast of +12M oz St Ives Goldfield



Mining High Grade Gold Underground at Maldon

- ▶ **ASX Announcements (29 January & 17 February 2014)**
mine development intersects 38m grading 18.8 g/t Au over 3.7m width including 9.5m grading 32.1 g/t Au over 3.2m width

Open Pit Mining to Commence in March 2014

- ▶ **ASX Announcements (22 January & 6 February 2014)**
Pearl Croydon Deposit – 570,000 tonnes @ 2.9 g/t Au for 53,000 oz Au¹

Large Copper - Gold Exploration Target in WA

- ▶ **Discovered by Octagonal in 2011**
one square kilometre area of gold anomalism in aircore drilling
two kilometre long copper anomaly in aircore drilling
RC drilling has intersected broad zones of +1 g/t Au and +1 % Cu

Non-Renounceable Rights Issue

▶ **ASX Announcement (10 February 2014)**

- **Raise up to \$3.18 million via issue of 63.6 million shares @ 5 cents**
 - 46% discount to closing price pre announcement (9.2c)
 - 50% discount to 15 day VWAP pre announcement (10.1c)
- **Ex date 12 February 2014**
- **Shareholders may apply for additional Shortfall shares**
- **Offer Closes 11 March 2014**
- **Issue of new shares 19 March 2014**
- **Trading of new shares 20 March 2014**

Share Structure



Share Structure (Current)	
Ordinary Shares	106.0 million
Options	0
Market Cap. (\$0.05)	\$5.3 million
Cash	\$1.3 million (31 Dec. 2013)
Debt	\$1.1 million (31 Dec. 2013)

Share Structure (post Rights Issue - 100% uptake)	
Ordinary Shares	169.7 million
Options	0
Market Cap. (\$0.05)	\$8.5 million
Cash	\$3.4 million
Debt	0

Directors	
Ian Gandel	Chairman
Anthony Gray	Managing Director
Bob Tolliday	Non-Executive Director

Major Shareholders	Shares	%
Alliance Resources Limited	22 million	20.8
Abbotsleigh Pty Ltd (Ian Gandel)	19.9 million	18.7
JP Morgan Nominees	9.3 million	8.8
Karl Sabljak	5.5 million	5.2
Top 20 Shareholders	70.2 million	66.2
TOTAL SHARES	106,048,002	100



Cash Flow



Replacement cost: +\$15 million



Management



► Board

Ian Gandel (Chairman)

Sophisticated investor: largest shareholder & director AGS, ALK, GIP

Anthony Gray (Managing Director)

Geologist: 18 years experience Vic & WA exploring for gold, copper & nickel

Bob Tolliday (Non-Executive Director)

Chartered Accountant: 25 years experience accounting, audit, finance, company secretarial

► 14 multi-skilled & professional staff

- 1 mining engineer
- 2 metallurgists
- 3 underground miners
- 3 mill operators,
- 1 diesel mechanic
- 3 geologists
- 1 administrator

(+300 years mining industry experience)

+1,000 days MTI & LTI free (+140,000 hrs)



Mining Assets

Union Hill Decline

- ▶ 2 kilometres long
- ▶ 4 metre by 4.5 metre size
- ▶ **Construction cost: +\$20 million**



Underground Mining Fleet

- ▶ Twin boom jumbo
- ▶ Single boom jumbo
- ▶ Two 30 tonne dump trucks
- ▶ Bogger, grader & loader
- ▶ **Replacement cost: +\$3 million**



Victorian Mining Strategy

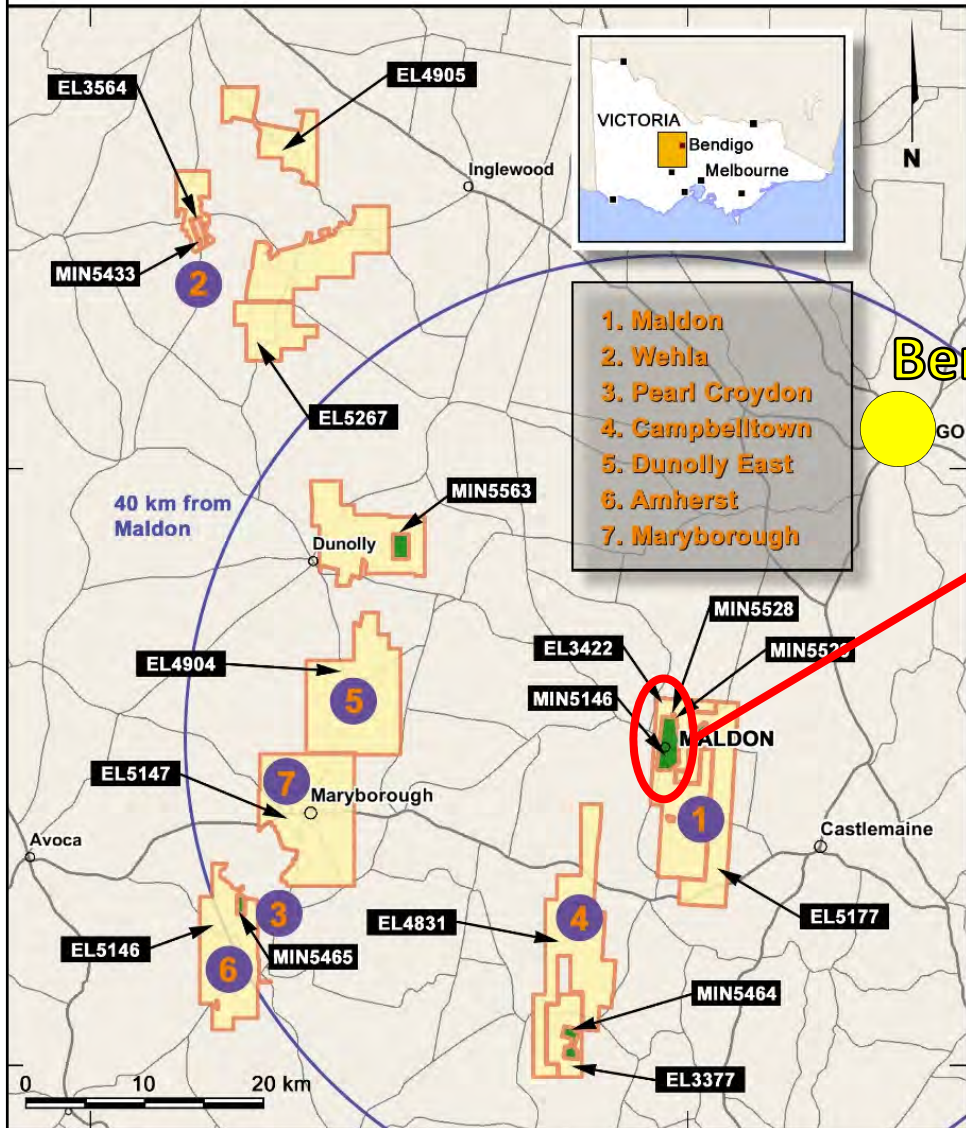


Develop a sustainable low risk, high grade, high margin gold operation

- ▶ Focus on grade and profit not tonnes and ounces
- ▶ Narrow vein mining – small mining equipment – owner operator
- ▶ Understand the gold distribution and ground conditions of deposit
- ▶ Low cash costs – small multi-skilled professional and experienced team
- ▶ Develop multiple underground and open pit ore sources – strong project pipeline
- ▶ Supplement production profile with third party ore
- ▶ Use existing resources to fund Company growth



Victorian Gold Operation



Maldon

- ▶ 150,000 tpa CIL gold mill
- ▶ Underground mine

Central Maldon Shear Zone

Historic Production

1854 – 1920

1.47 million ounces

- ▶ Nuggetty Reef: 301,000 oz
- ▶ Eaglehawk Reef: 491,000 oz
- ▶ Beehive Reef: 250,000 oz
- ▶ German Reef: 277,000 oz
- ▶ Victoria & Derby Reef: 150,000 oz

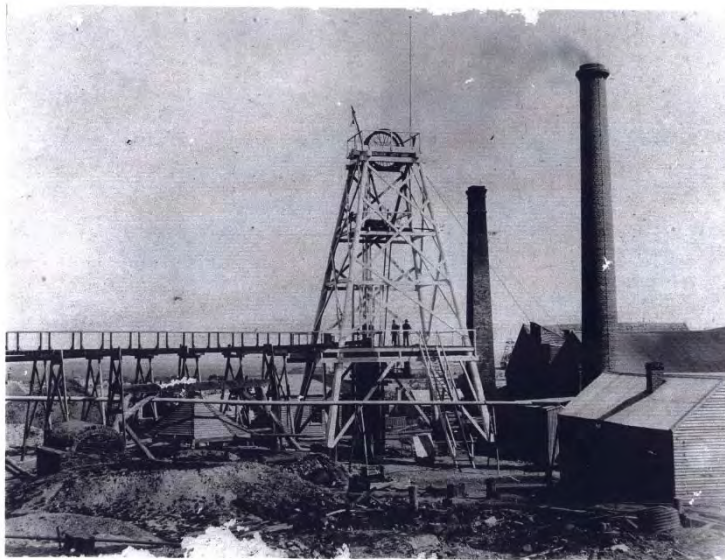
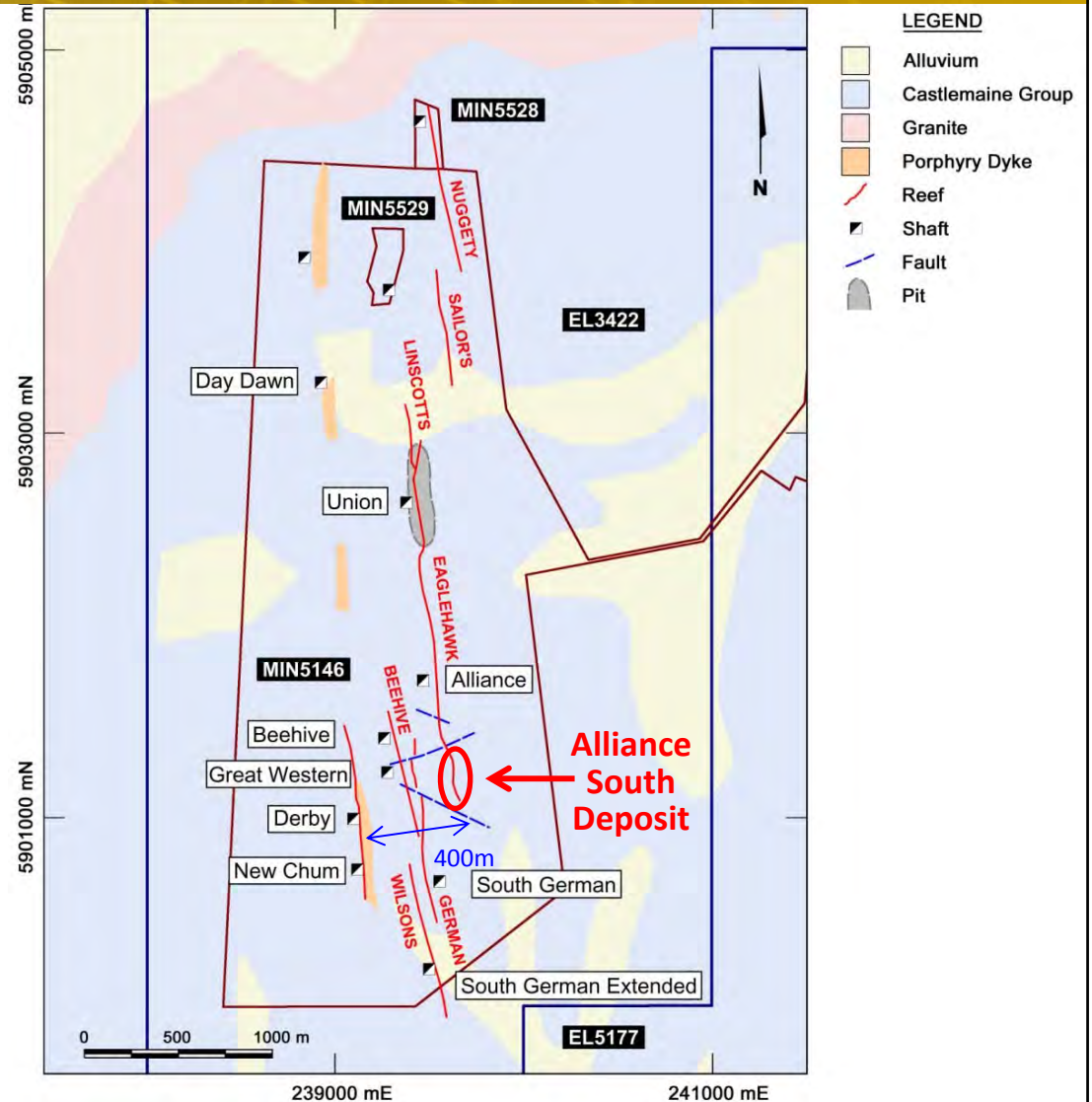
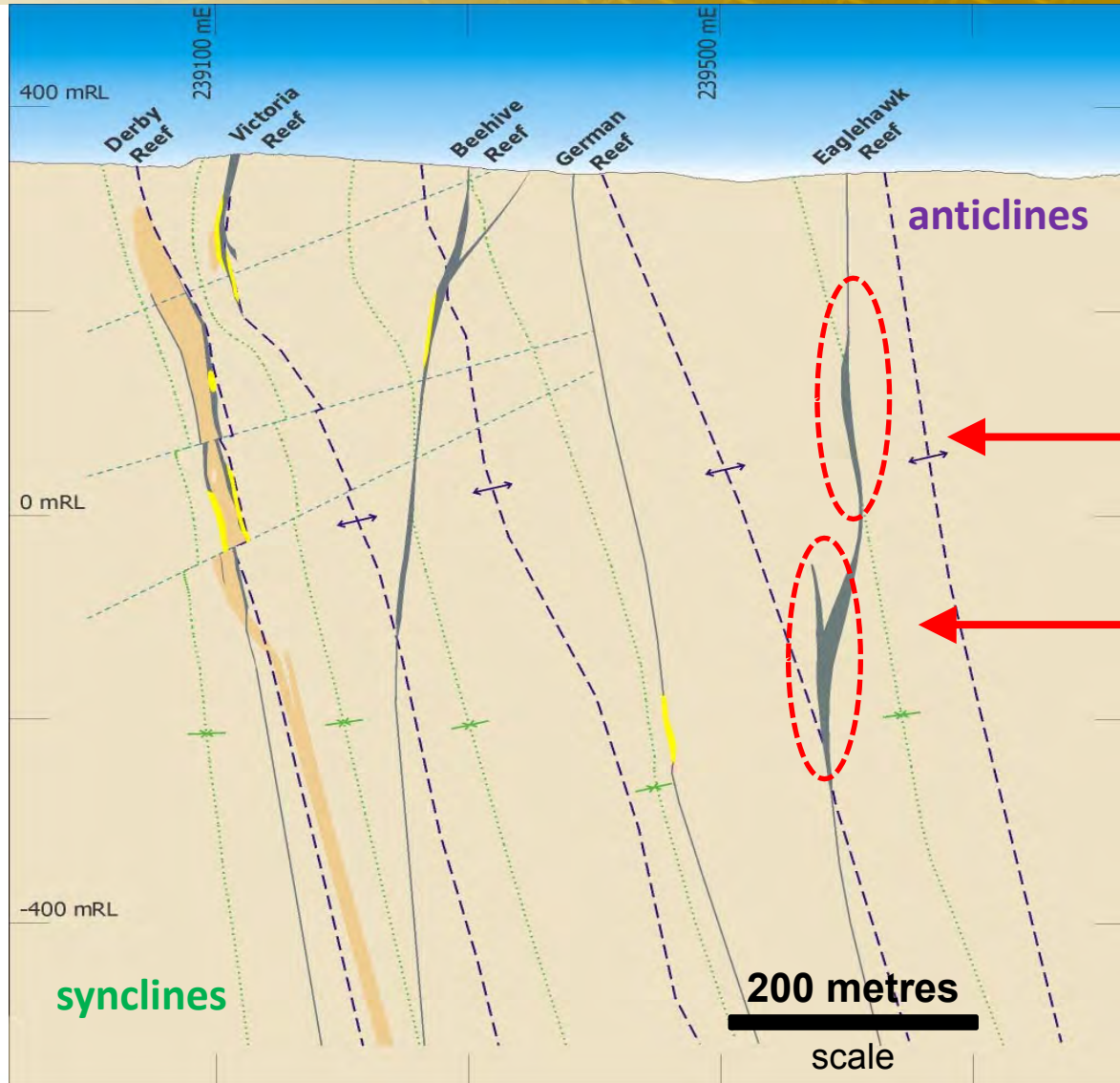


Photo: Alliance Shaft (Eaglehawk Reef)



Structural Control on Ore Shoots



gold associated with dilational jogs where the reef jumps between synclines & anticlines

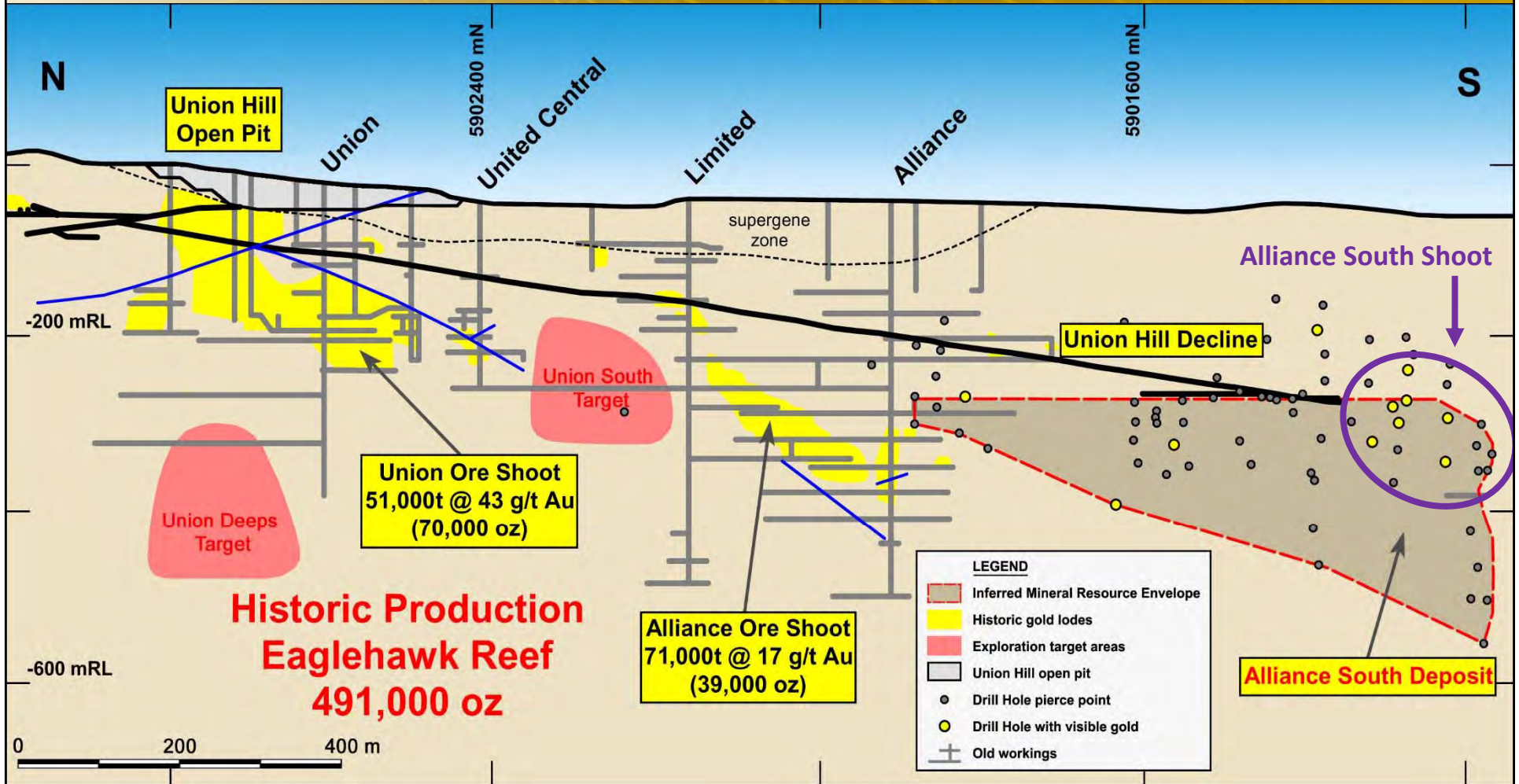
Structural position of Alliance South Shoot

Structural position of Union Shoot & Alliance Shoot

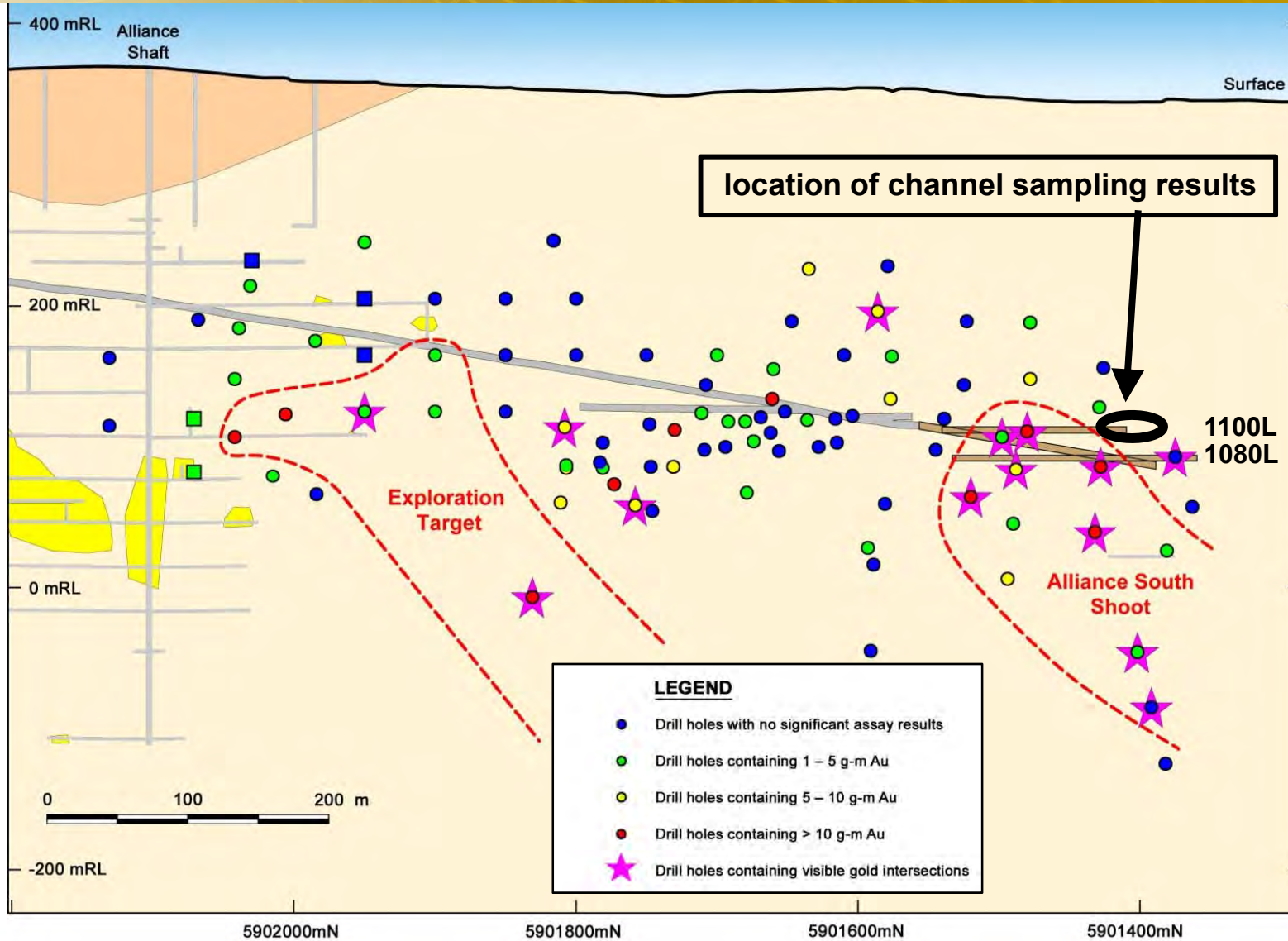


Central Maldon Shear Zone: Cross Section

Alliance South Deposit



Eaglehawk Reef: Long Section

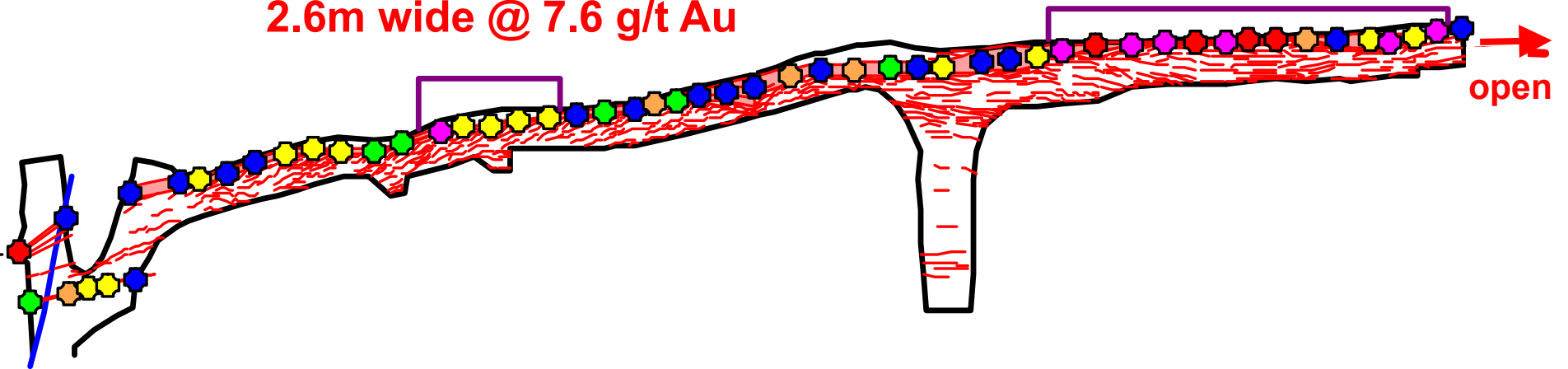


Alliance South: Long-Section



**13.5m strike length
2.6m wide @ 7.6 g/t Au**

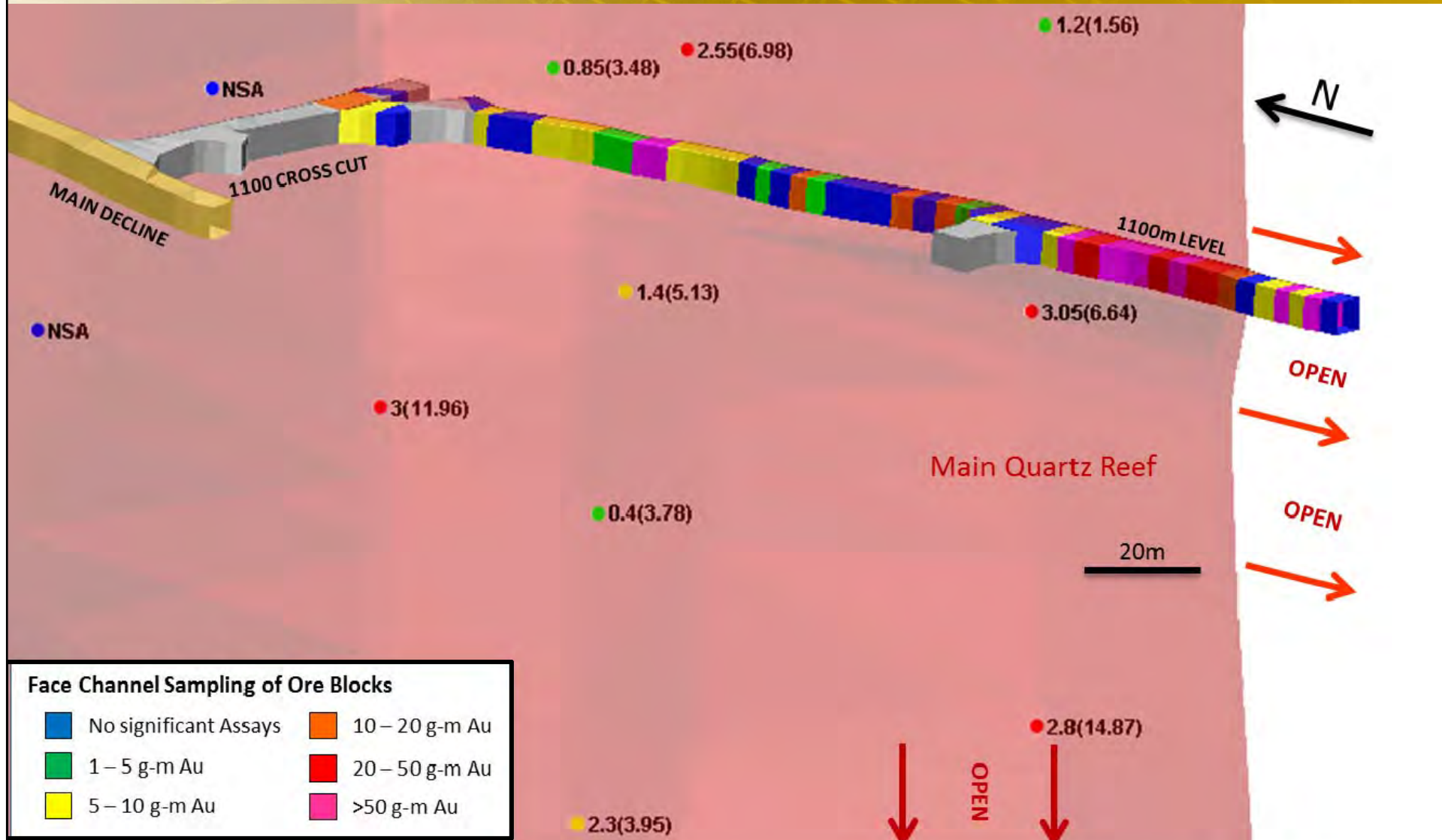
**38m strike length
3.7m wide @ 18.8 g/t Au
(inc. 9.5m strike length
3.2m wide @ 32.1 g/t Au)**



LEGEND	
●	NSA
●	1 - 5 g-m Au
●	5 - 10 g-m Au
●	10 - 20 g-m Au
●	20 - 50 g-m Au
●	> 50 g-m Au

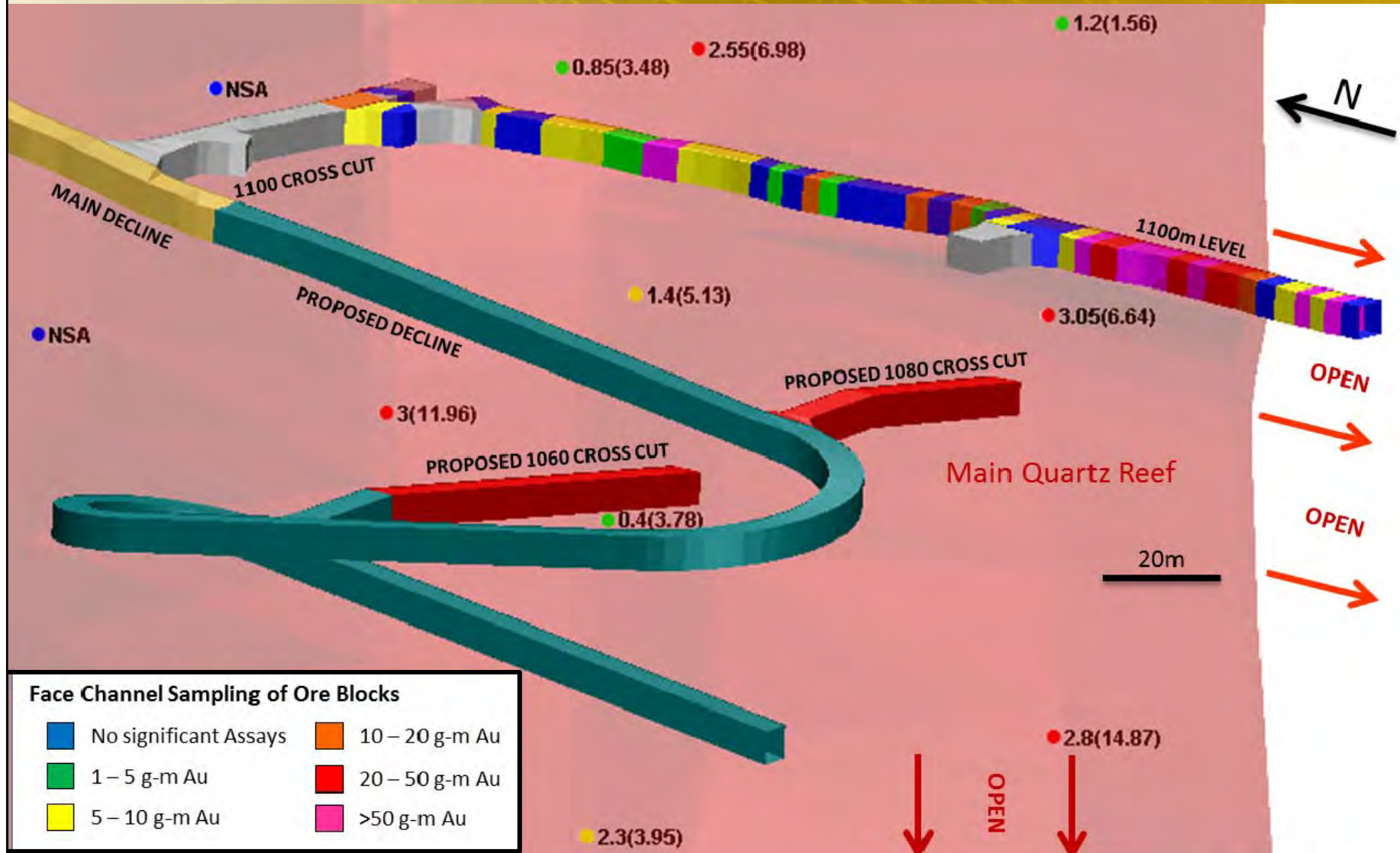
20 metres
scale

Alliance South Mining



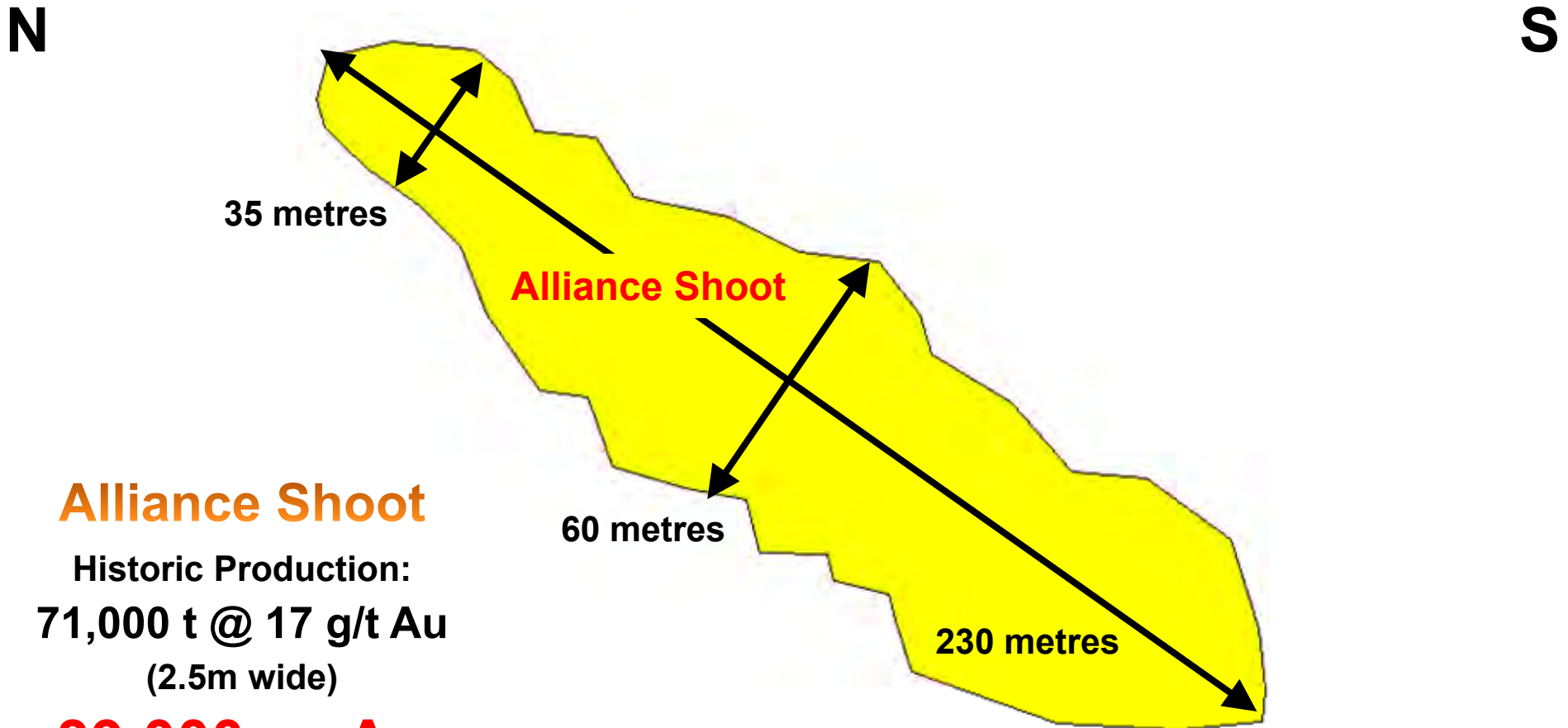
Alliance South: 3D view of 1100 level channel sampling with drill holes

Alliance South Mining



Alliance South: 3D view of planned mine development

Size of Historic Alliance Shoot



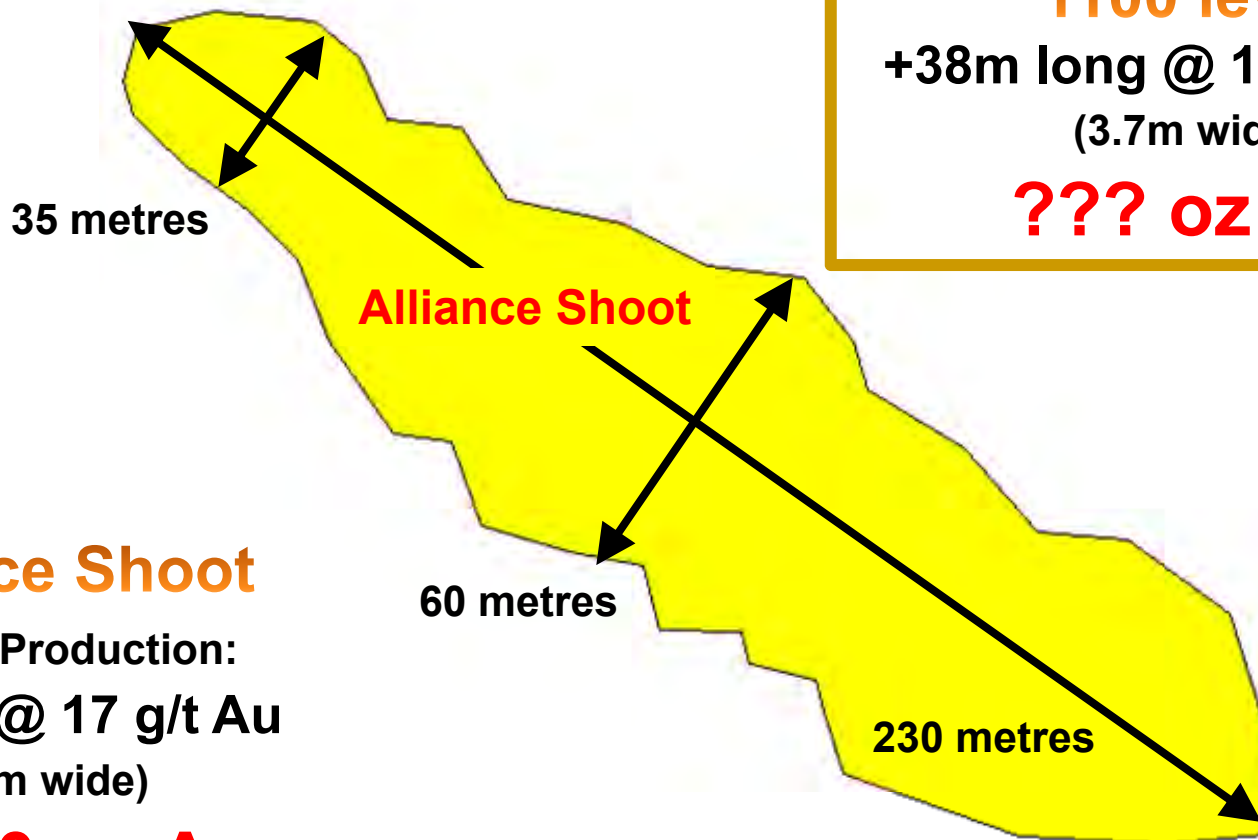
Alliance Shoot
Historic Production:
71,000 t @ 17 g/t Au
(2.5m wide)

39,000 oz Au

Size Potential of Alliance South Shoot ???

N

S



1100 level
+38m long @ 18.8 g/t Au
(3.7m wide)
??? oz Au

Alliance Shoot

Historic Production:
71,000 t @ 17 g/t Au
(2.5m wide)



39,000 oz Au

3D Model

7 Additional Underground Mining Targets Identified

N

4 kilometres

-  supergene gold
-  ore shoot
-  quartz reef
-  structure only
-  granite

5 reefs each producing over 100,000 oz Au

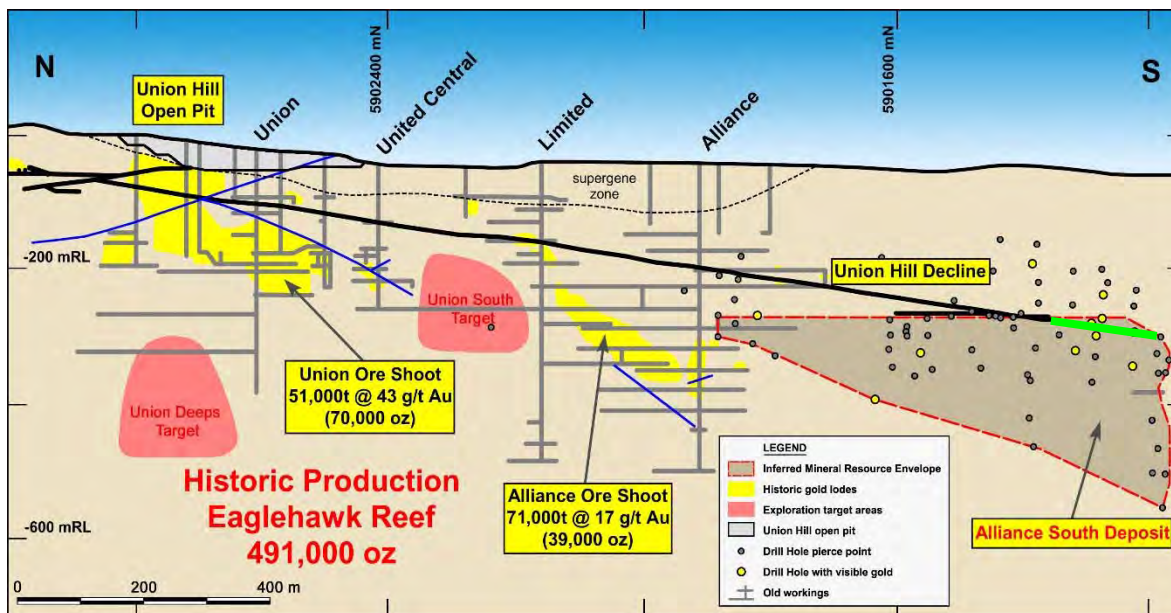
3D Model of Central Maldon Shear Zone

Maldon Underground Targets

EAGLEHAWK REEF

Historic production: 491,000 oz

Three Exploration Targets



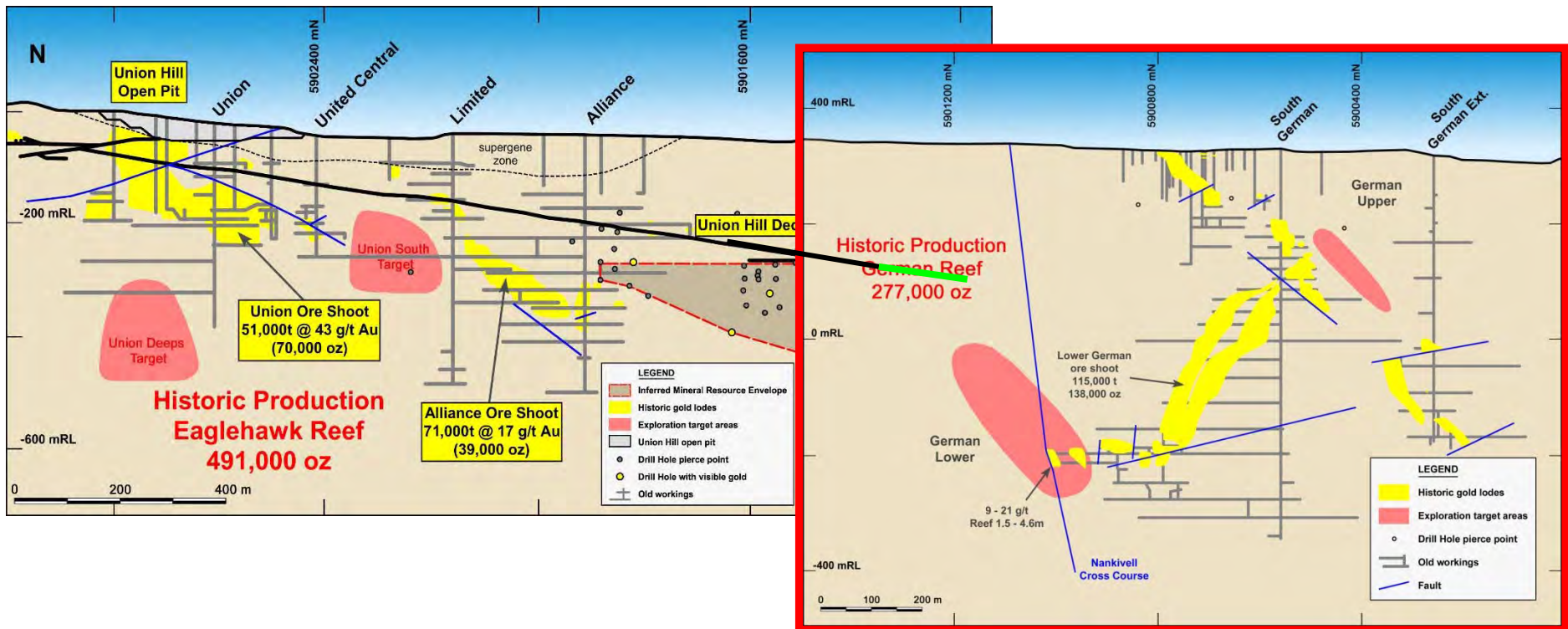
- ▶ Alliance South Target
- ▶ Union South Target
- ▶ Union Deeps Target

Maldon Underground Targets



GERMAN REEF

Historic production: 277,000 oz
Two Exploration Targets



same scale
Long-Section

▶ 200 metres west of development

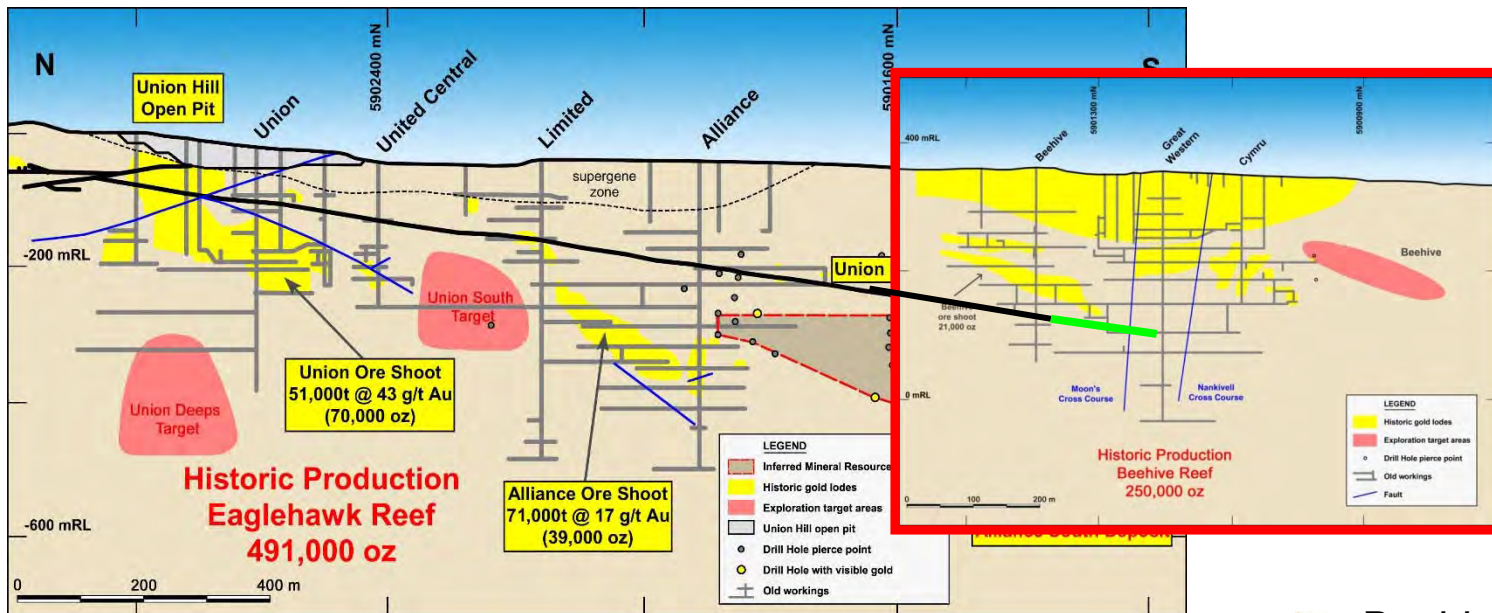


Maldon Underground Targets



BEEHIVE REEF

Historic production: 250,000 oz
One Exploration Target



- ▶ Beehive South Target
- ▶ 250 metres west of development

same scale
Long-Section

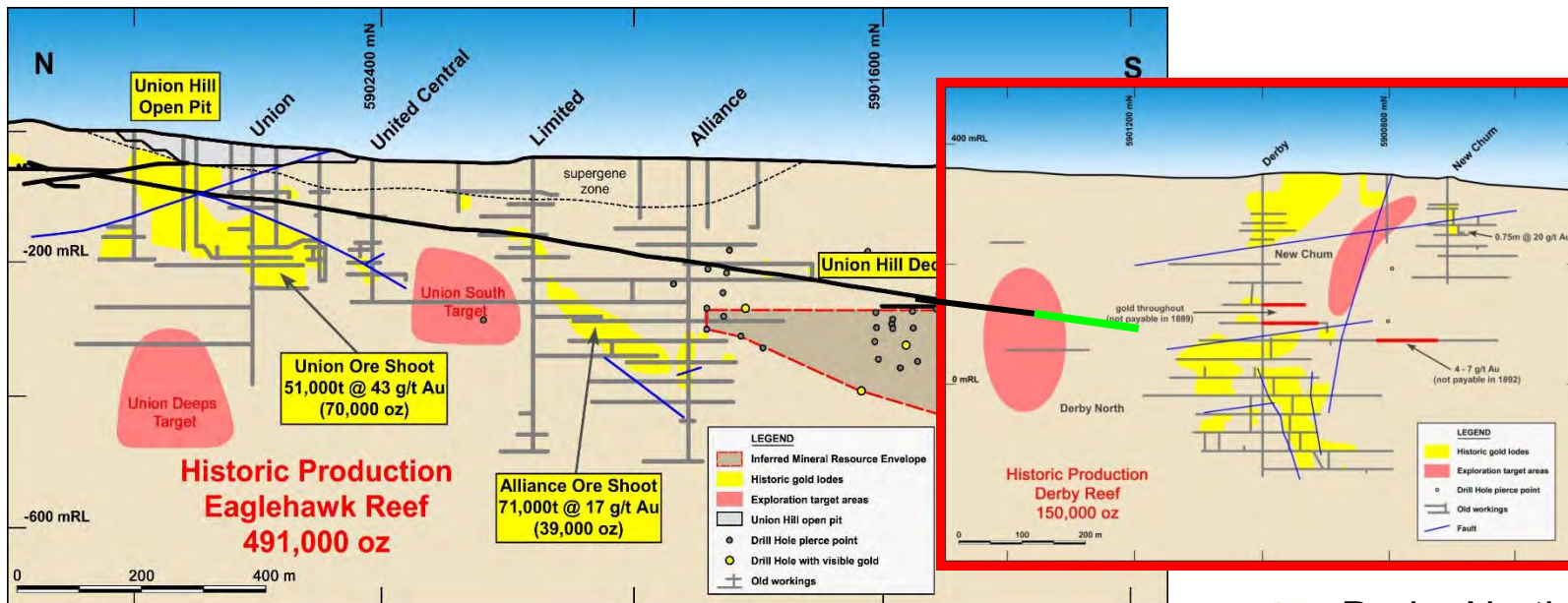
Maldon Underground Targets



VICTORIA & DERBY REEF

Historic production: 150,000 oz

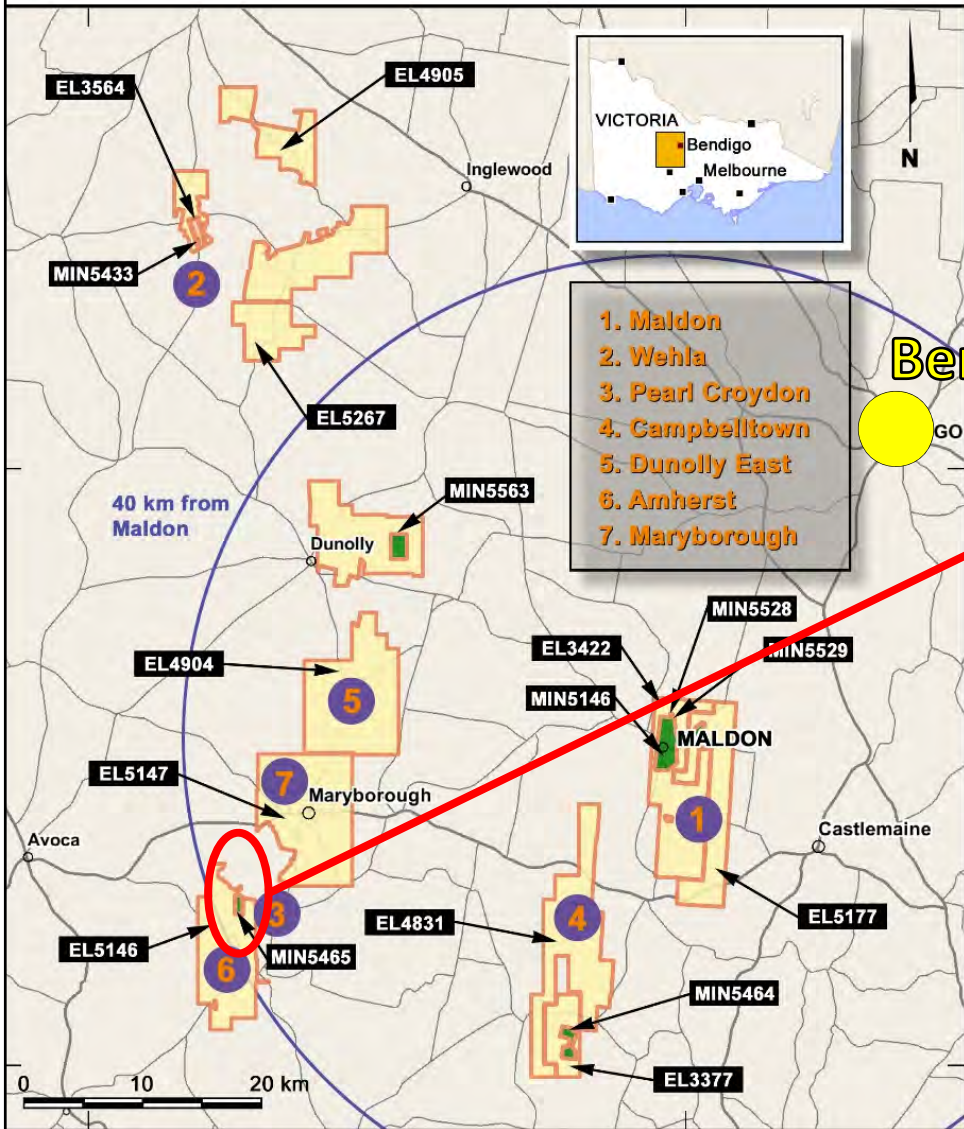
Two Exploration Targets



- ▶ Derby North Target
- ▶ New Chum Target
- ▶ 400 metres west of development

same scale
Long-Section

Victorian Gold Operation



Pearl Croydon

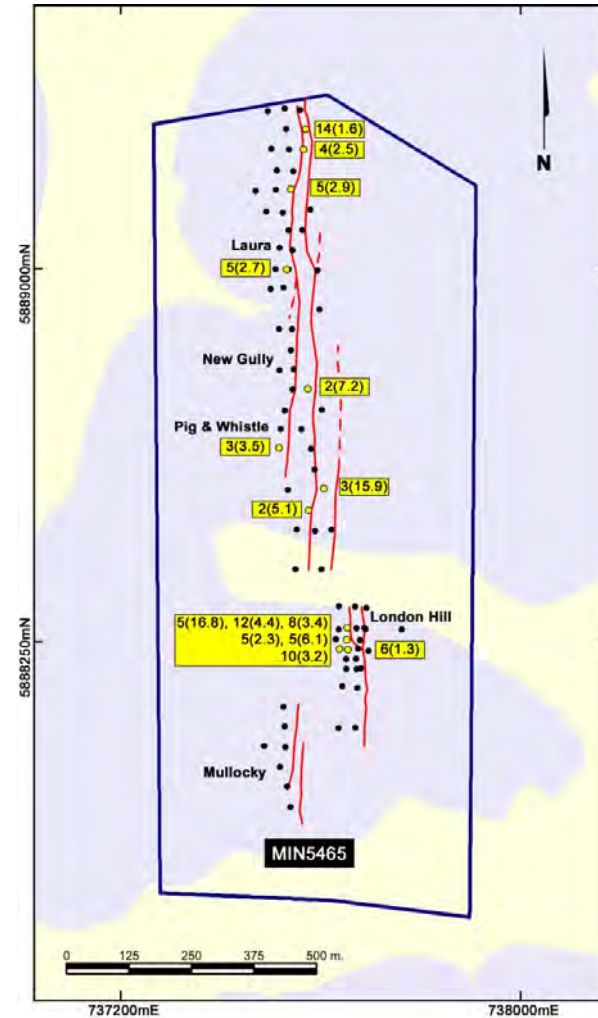
- 53,000oz near-surface resource ¹
- Open pit mine starting March 2014

1: Refer to ASX Announcement dated 20 January 2014

PEARL CROYDON RESOURCE UPGRADE

Inferred Resource: 570,000 tonnes
grading 2.9 g/t Au for 53,000 ounces¹

- ▶ 40 kilometres from Maldon
- ▶ 1,600 metre line of reef
- ▶ Broad spaced drilling
- ▶ Significant results:
 - 2m @ 7.2 g/t Au
 - 3m @ 15.9 g/t Au
 - 5m @ 16.8 g/t Au
 - 5m @ 6.1 g/t Au
 - 10m @ 3.2 g/t Au



1: Refer to ASX Announcement dated 20 January 2014

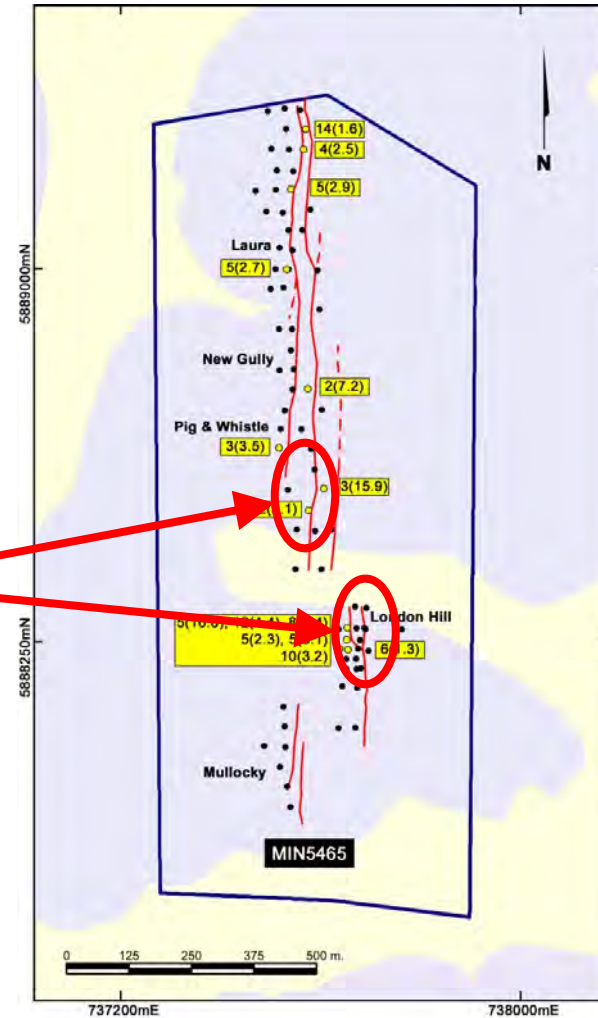
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2m @ 7.2 g/t Au
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5m @ 6.1 g/t Au
10m @ 3.2 g/t Au

initial mining areas



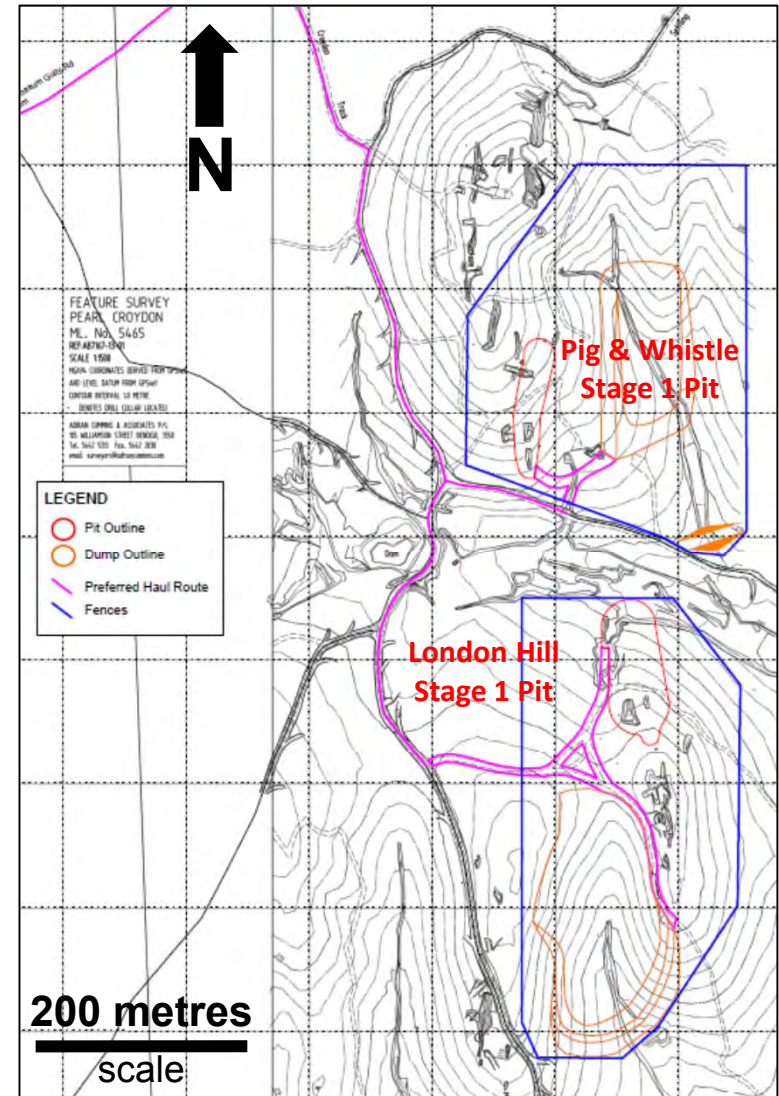
1: Refer to ASX Announcement dated 20 January 2014

Pearl Croydon - Stage 1 Pits

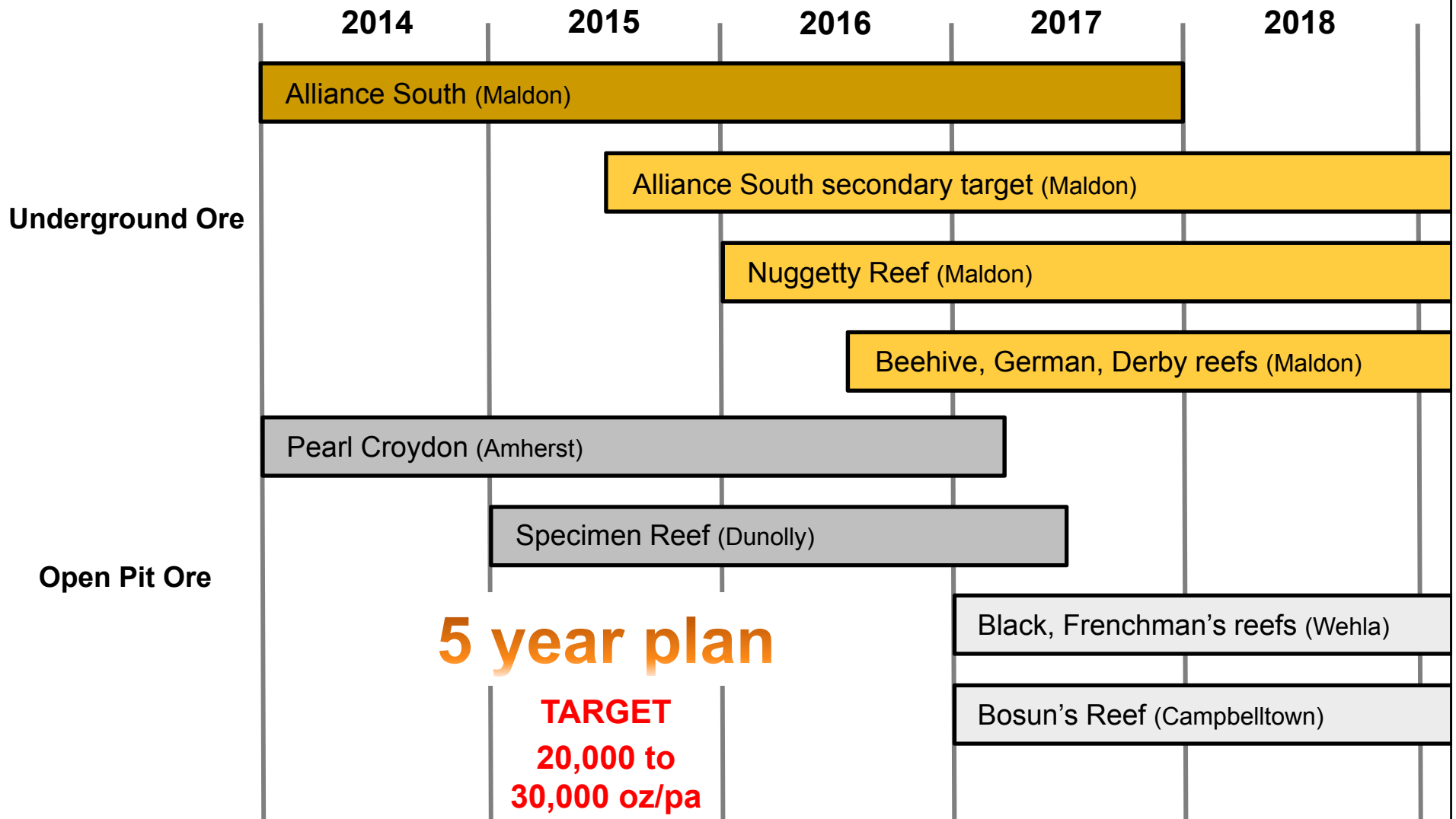


Stage 1 Open Pits

- ▶ Flora & fauna survey **complete**
- ▶ Mine design and site layout **complete**
- ▶ Heritage survey **complete**
- ▶ Work Plan **approved** by State Government
- ▶ Community engagement **ongoing**
- ▶ Planning Permit **acquired**
- ▶ Mining contract tender process **complete**
- ▶ **Mining expected to start March 2014**
- ▶ Then upgrade remaining resource areas with infill drilling for final pit design and mining



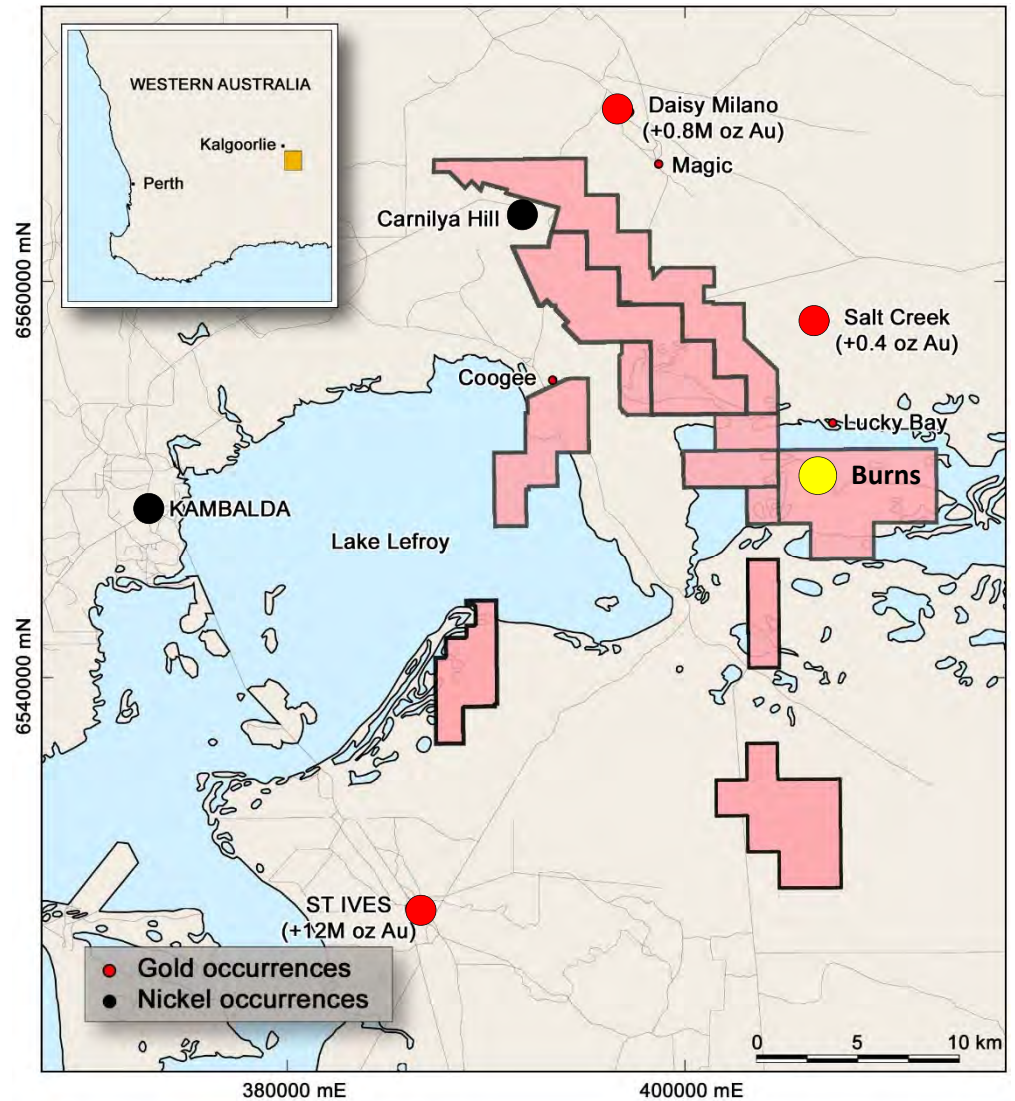
Ore Sources & Project Pipeline



Hogan's Project - WA

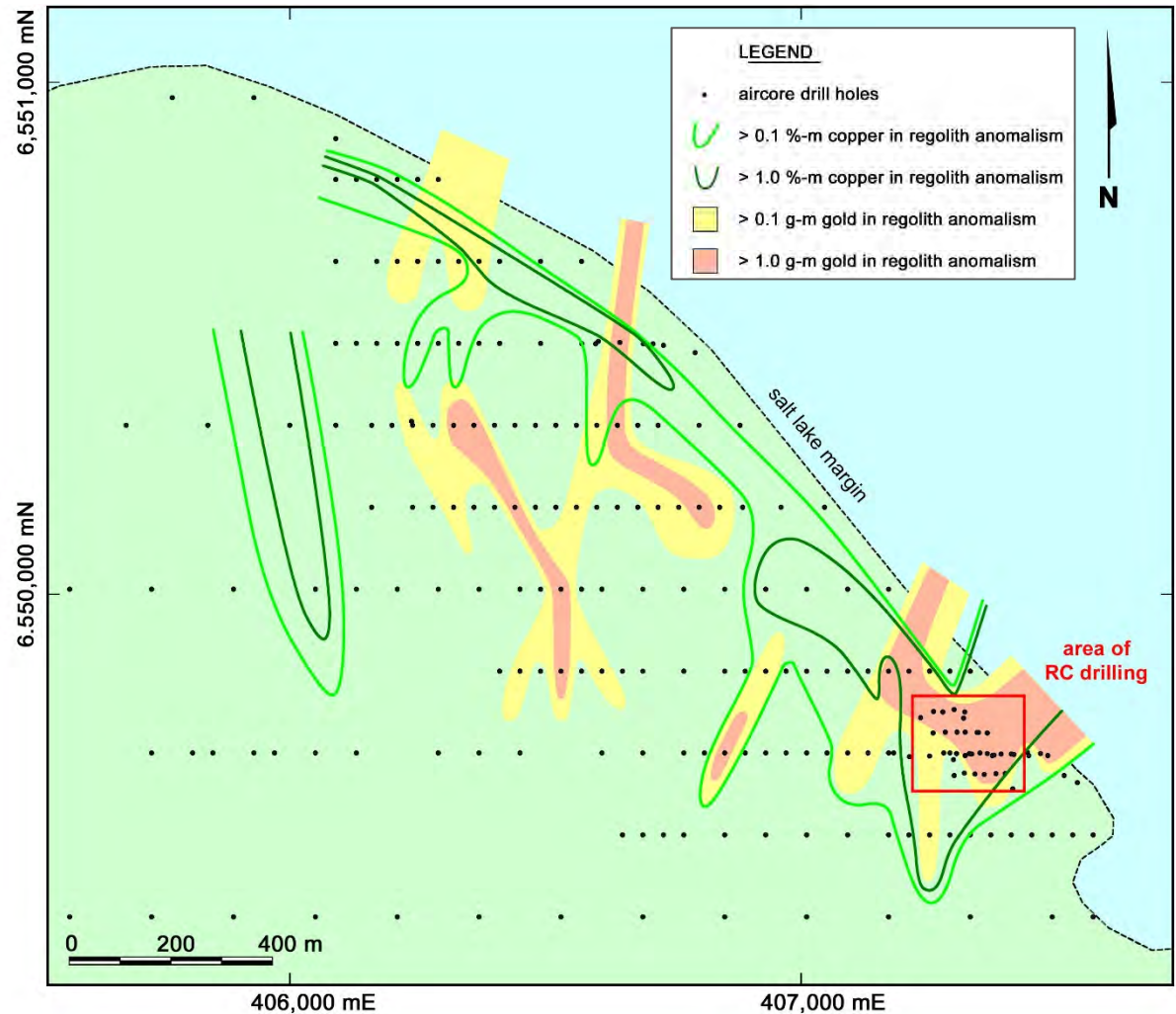


- ▶ Emerging gold producing district
- ▶ Surrounded by:
 - + 12 million oz St Ives Goldfield,
 - + 0.8 million oz Daisy Milano Mine,
 - + 0.4 million oz Salt Creek Mine
- ▶ 43,000 metres drilled (2011 – 2012)
- ▶ **Focus on Burns Cu-Au Prospect**



Burns Prospect

- ▶ Aircore drilling defines:
 - 1 square kilometre area of gold anomalism
 - 2 kilometre long zone of copper anomalism
- ▶ RC drilling only tests 120 metre by 180 metre area
- ▶ **Potential for large deposit**

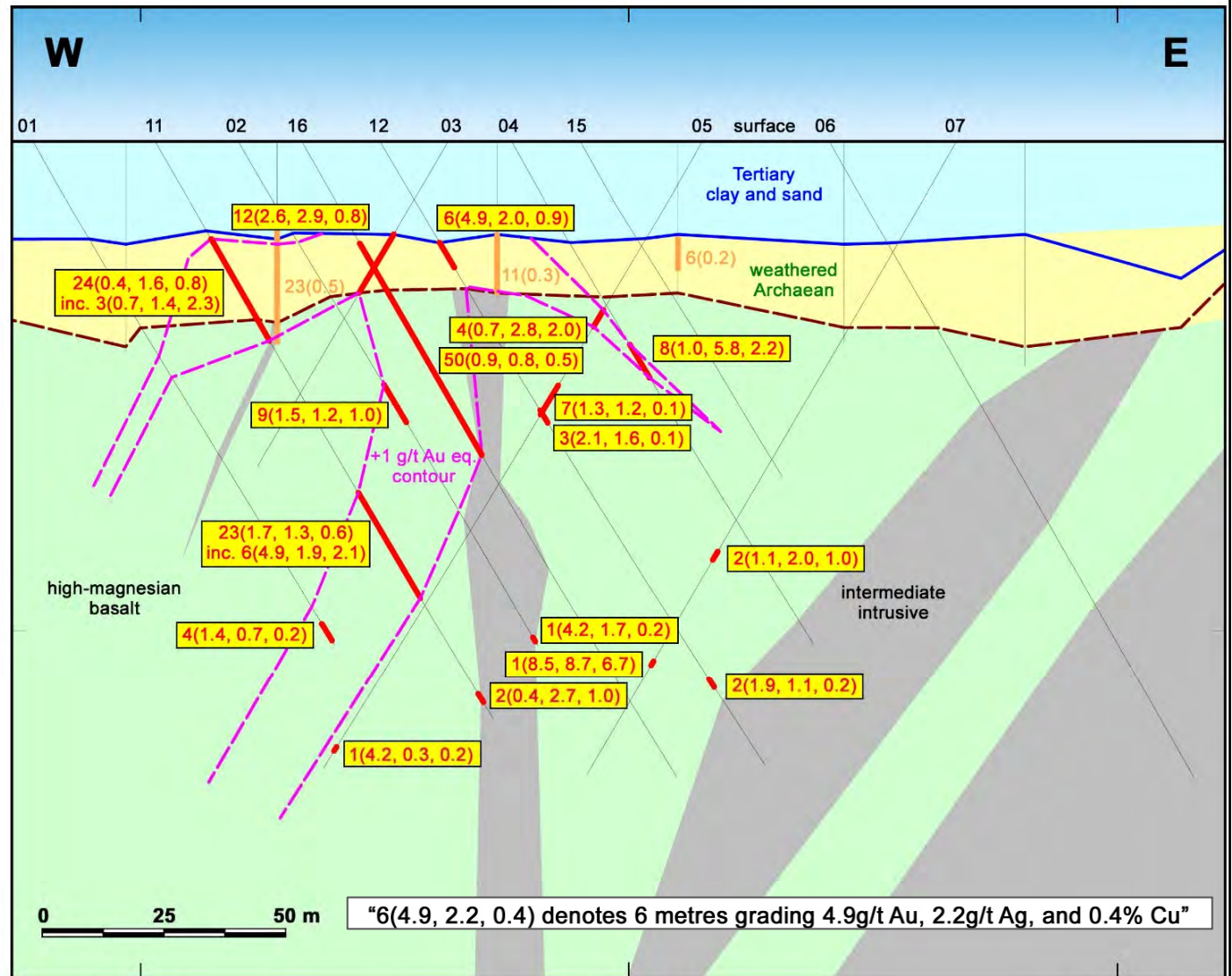


Burns Prospect



► Significant results:

- 9 (1.5, 1.2, 1.0) 400 mRL
- 6 (4.9, 2.2, 0.4)
- 12 (0.8, 4.5, 1.7)**
- 4 (0.7, 2.8, 2.0)
- 1 (8.5, 8.7, 6.7)
- 32 (1.7, 1.3, 0.6)**
- inc. 6 (4.9, 2.0, 0.9)
- 50 (0.9, 0.8, 0.5)**
- 12 (1.5, 0.5, 0.5)**
- 9 (1.0, 1.6, 0.7) 300 mRL
- 3 (16.1, 4.5, 0.5)
- 19 (0.5, 3.0, 1.0)**
- 9 (1.0, 3.1, 1.5)
- 12 (1.3, 2.0, 0.8)**



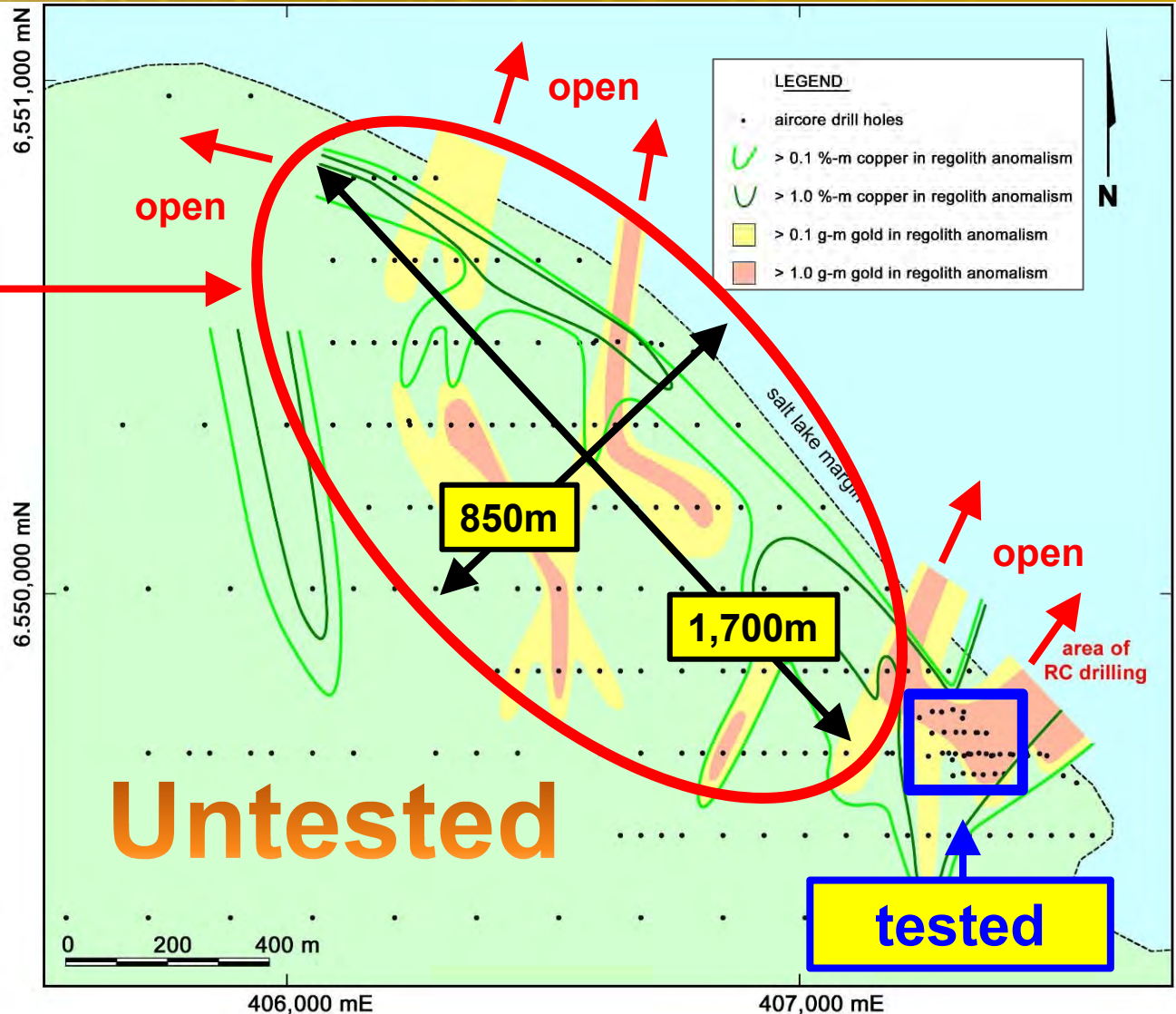
6549690mN Cross-Section



Burns Prospect

**area with no
bedrock drilling**

▶ Large area of copper & gold in regolith anomaly untested by RC or diamond drilling



Summary - Value Proposition



Company – structure and experience

- ▶ 106 m shares on issue, \$1.3 m cash, \$1.1 m debt (31 Dec. 2013) (no options)
- ▶ Non-renounceable rights issue, 63.6 m shares @ 5.0c to raise \$3.2 m
- ▶ Re-capitalised company with no debt and \$3.4 m cash
- ▶ Enterprise Value (post rights issue): \$5.1 m @ 5.0c
- ▶ Experienced board and management

Victoria – cash flow

- ▶ +\$35 m sunk capital in 150,000 tpa CIL gold processing plant and 2 kilometre decline to underground deposit
- ▶ Underground mining has intersected high-grade gold
- ▶ Approval to commence open pit mining at 53,000 oz¹ deposit
- ▶ Targeting 20,000 - 30,000 oz pa low cost high grade gold production
- ▶ Strong project pipeline

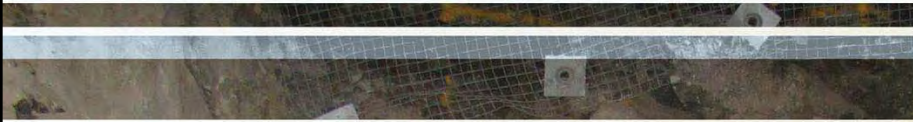
Western Australia – growth

- ▶ Discovered large area of copper and gold
- ▶ Potential for major multi-commodity deposit



Octagonal
Resources Limited

ASX Code: ORS



Thank you

Photo: Diamond Drilling at Maldon

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