

1 December 2011

No. of Pages: 5

ASX CODE: ORS

Market Cap.: \$13.0 m (\$0.13 p/s)

Shares on issue: 100,048,002

Cash: \$7.56 m (30 September 2011)

DIRECTORS

Ian Gandel, Chairman

Anthony Gray, Managing Director

Ian Pamensky, Director

MAJOR SHAREHOLDERS

Alliance Resources – 22.0%

Abbotsleigh – 15.2%

Newmont – 8.0%

PRINCIPAL OFFICE

Octagonal Resources Limited

ABN 38 147 300 418

Suite 3, 51 – 55 City Road

Southbank VIC 3006

T +61 3 9697 9088

F +61 3 9697 9089

E info@octagonalresources.com.au

W www.octagonalresources.com.au

Infill and Extensional RC Drilling Commences at Specimen Reef, Dunolly East

- **Reverse circulation drilling has commenced at the Specimen Reef in Central Victoria**
- **Drilling program to better define reef structure and gold grade distribution over 460 metres strike length and to 60 metres depth**
- **Test area where drilling in July 2011 intersected:**
 - ▶ **3 metres grading 22.8 g/t Au from 41 metres**
 - ▶ **7 metres grading 4.8 g/t Au from 24 metres**
 - ▶ **4 metres grading 2.9 g/t Au from 46 metres**
 - ▶ **5 metres grading 2.3 g/t Au from 23 metres**
 - ▶ **9 metres grading 2.1 g/t Au from 6 metres**
- **2,200 metre drilling program to test reef with 20 metre by 20 metre spaced grid**
- **Potential for near surface gold mineralisation amenable to open pit mining**

The Directors of Octagonal Resources Limited (ASX: ORS) (“**Octagonal**” or “**Company**”) are pleased to announce that infill and extensional Reverse Circulation (“RC”) drilling has commenced at the Specimen Reef at Dunolly East in Central Victoria (Figure 1).

The Dunolly East Project is located 30 kilometres to the west of the Company’s Porcupine Flat gold processing plant at Maldon. The Specimen Reef is the most advanced exploration target in the Dunolly East area. It overlies two parallel quartz reefs (Specimen Reef and Doctor’s Reef) that can be traced over greater than 1,000 metres strike length. Both reefs occur as discrete medium to wide quartz veins with associated stock work stringer vein zone envelopes. The Specimen Reef is characterised by a strongly developed stringer zone up to 7 metres wide with massive veins greater than 0.5 metres wide.

Between 1994 and 1996 Goldsbrough NL drilled seventeen RC holes at the Specimen Reef. This drilling returned significant results including 2 metre @ 4.6 g/t Au from 6 metres in SP3, 4 metres @ 7.8 g/t Au from 13 metres in SP4, and 1 metre @ 8.3 g/t Au from 24 metres in SP61.

In July 2011 Octagonal completed a 14 hole RC drilling program, totalling 573 metres, in the area of holes SP3, SP61, and SP4 to test for near surface gold mineralisation that could potentially provide short term feed to the Porcupine Flat gold processing plant.

This drilling program intersected wide zones of quartz reef with significant assay results extending over 240 metres strike length and to 30 metres depth including; **3 metres grading 22.8 g/t Au from 41 metres in SRRC02, 4 metres grading 2.9 g/t Au from 46 metres in SRRC04, 7 metres grading 4.8 g/t Au from 24 metres in SRRC05, 5 metres grading 2.3 g/t Au from 23 metres in SRRC07, and 9 metres grading 2.1 g/t Au from 6 metres in SRRC11.**

Figure 2 illustrates a long-section displaying the distribution of drilling results intersected during July with respect to historic drilling. Significantly, all of the gold mineralisation intersected in the July drilling program is unconstrained by drilling to the north, south, and down dip.

The purpose of the current RC drilling program is to assess the extent of near-surface gold mineralisation at the Specimen Reef and to provide sufficient drilling data to support a mining licence application. This drilling program will consist of approximately 38 holes, totalling 2,200 metres, and will infill and extend the previous RC drilling over 460 metres strike length and to a depth of 60 vertical metres using a 20 metre by 20 metre spaced grid (Figure 1).

The drilling program will take between two and three weeks to complete and assay results will be announced when they become available.

Additional information relating to Octagonal and its various exploration and mining 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

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.

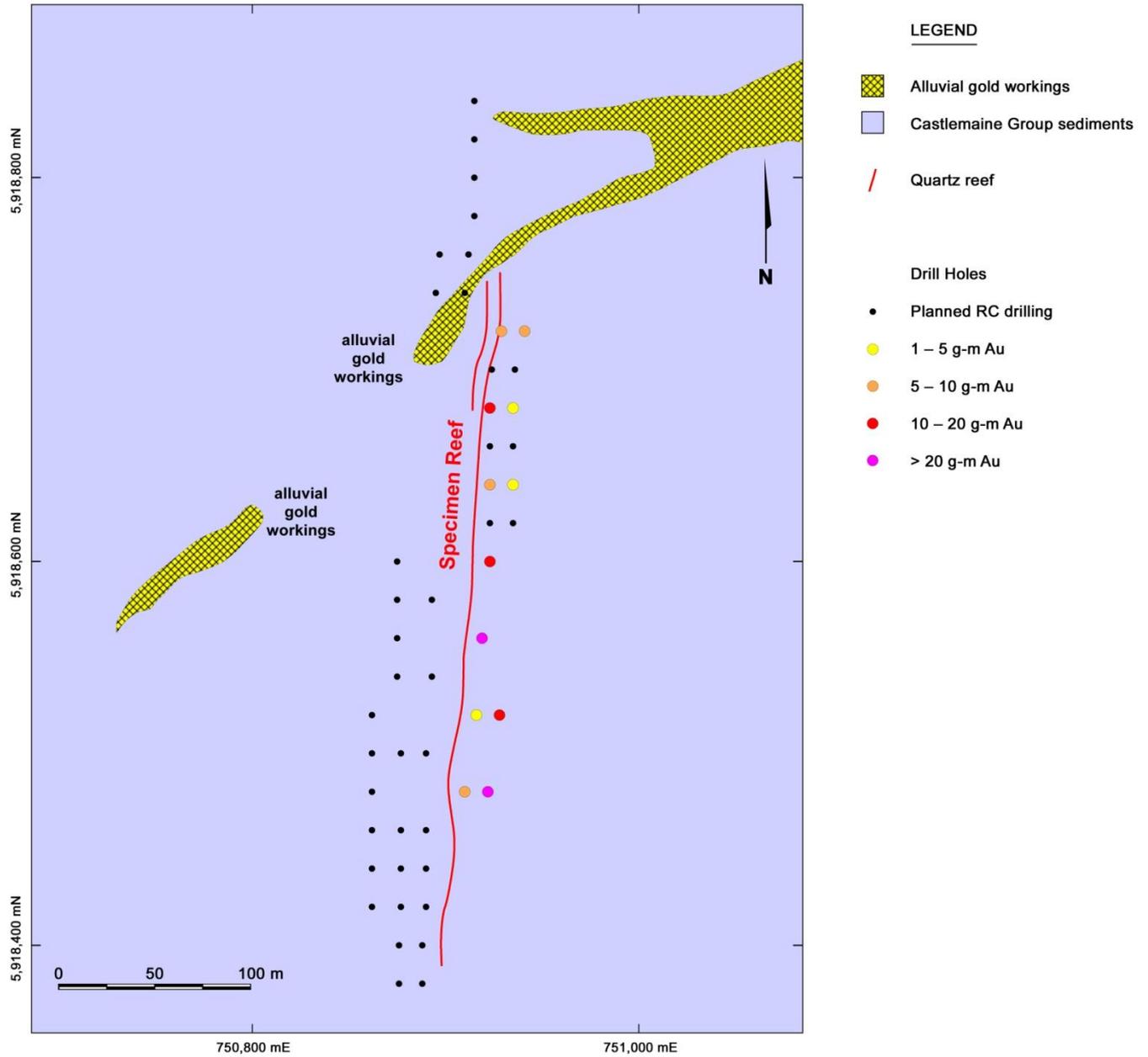


Figure 1. Specimen Reef: Planned RC drill hole location plan with July 2011 drilling

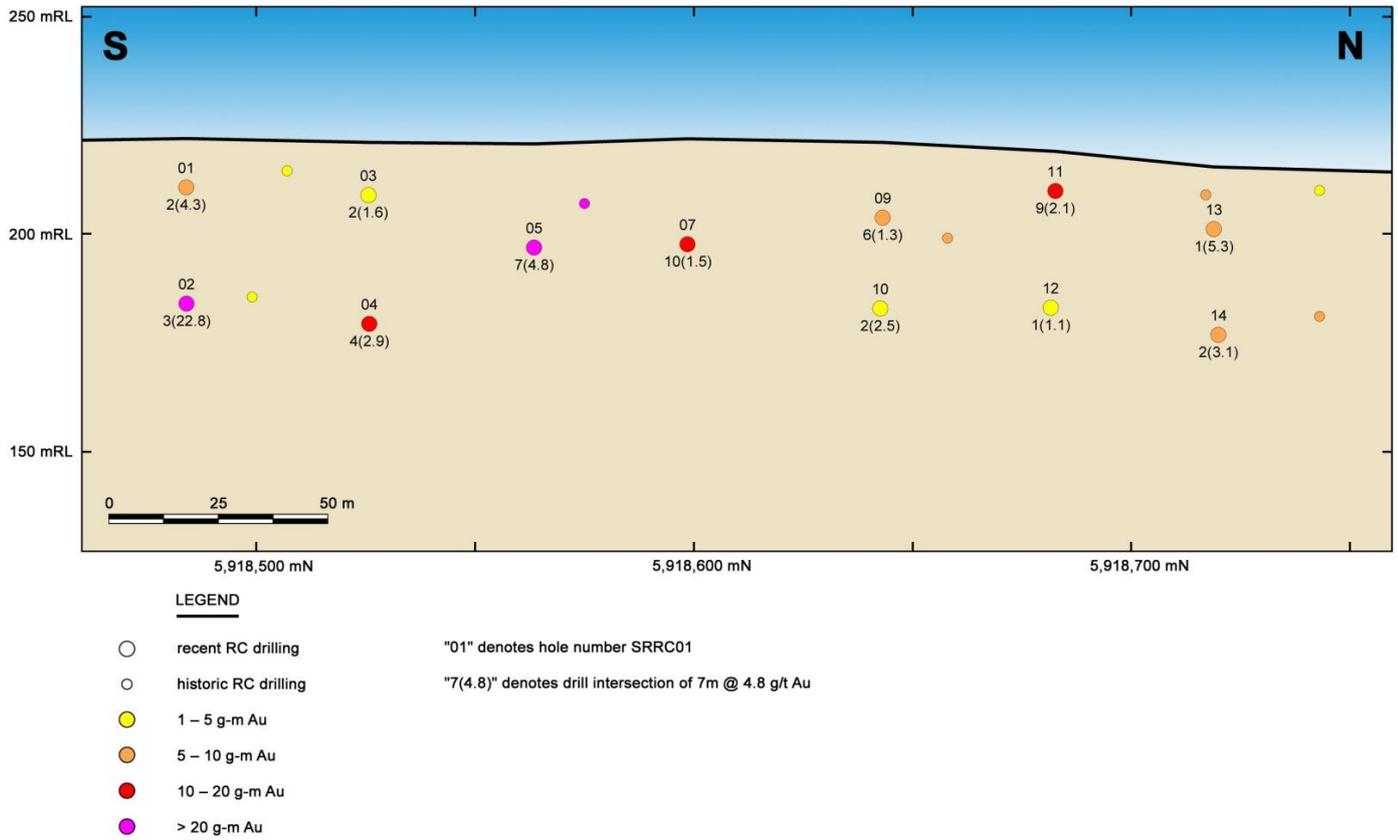


Figure 2. Specimen Reef: Long-section of July 2011 RC drilling results with historic drilling

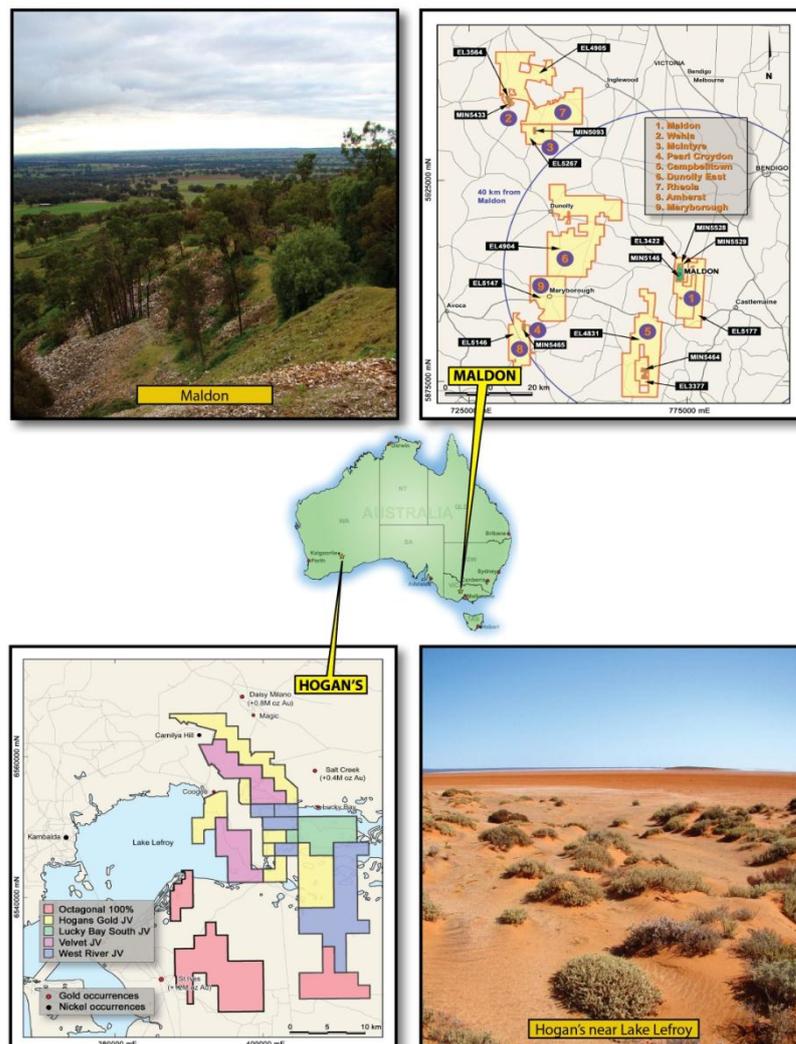
About Octagonal Resources

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 recently refurbished and operation ready CIL gold processing plant, 235,000 ounces of inferred gold resources and a decline that extends to the undeveloped underground resources. Octagonal commenced underground gold mining operations at Maldon during 2011.

In Western Australia Octagonal is earning an 80% interest in the Hogan's Project by exploring for gold 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 Mine and Integra Mining at the Salt Creek Mine and Lucky Bay Prospect. Octagonal is exploring priority exploration target areas that display the potential to host a major gold 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