

30 APRIL 2013

No. of Pages: 24

ASX CODE: ORS

Market Cap.: \$10.2m (\$0.096 p/s)

Shares on issue: 106,048,002

Cash: \$2.4m (31 March 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 – 8.9%

PRINCIPAL OFFICE

Octagonal Resources Limited

ABN 38 147 300 418

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QUARTERLY REPORT - FOR THE PERIOD ENDED **31 MARCH 2013**

DETAILS OF ANNOUNCEMENT

- Quarterly Activity Report for the period ending 31 March 2013 (18 pages)
- Appendix 5B for the period ending 31 March 2013 (5 pages)

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

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Quarterly Report for the period ended 31 March 2013

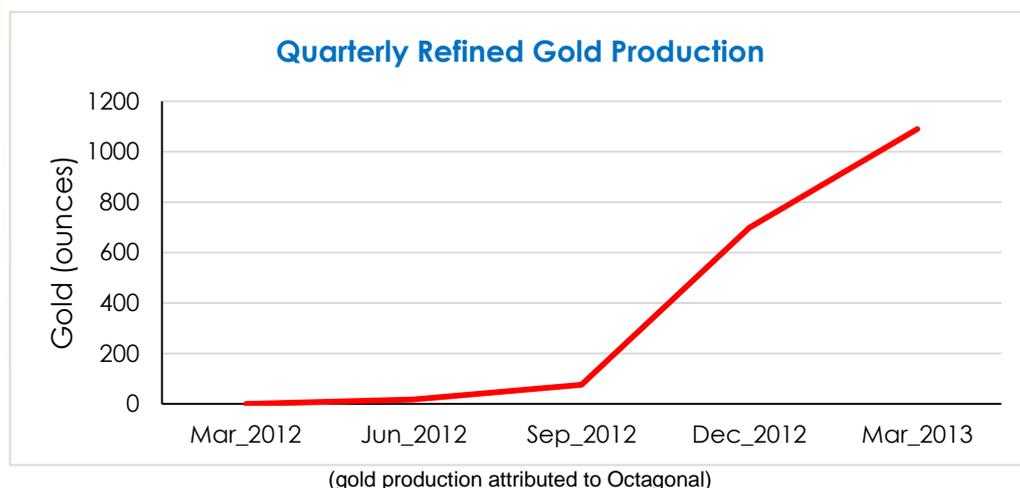
Highlights

Victoria

- ▶ **Processing of tailings from the Kangaroo Flat Gold Mine continued with over \$2.7 million in revenue generated from the sale of gold and ore processing fees**
- ▶ **Average recovered gold grade from tailings maintained at 6.5 g/t Au and continues to exceed expectations**
- ▶ **Development work at the Union Hill Decline advanced through Moon's Cross-Course and is progressing to access the Alliance South Gold Deposit (Maldon)**
- ▶ **Conceptual open pit optimisation study on the Pearl Croydon Deposit defines an initial mining target of between 135,000 and 219,000 tonnes grading between 3.7g/t and 4.9g/t Au and containing between 15,000 and 32,000 oz Au**
- ▶ **Exploration licences granted over the Amherst and Maryborough goldfields**

Western Australia

- ▶ **Niton XRF analysis of aircore drill samples at the Burns Prospect has identified thick zones of copper anomalism extending over 2 kilometres strike length (Hogan's Project)**
- ▶ **Copper anomalies define discrete target area for surface geophysics**



Summary

During the March quarter Octagonal's activities in Victoria continued to focus on gold production from re-processing tailings from the Kangaroo Flat Gold Mine near Bendigo while work continued on extending the Union Hill Decline at Maldon to access the Alliance South Shoot.

In August 2012 Octagonal entered into an agreement with Unity Mining Limited (ASX: UML) ("Unity") to re-process flotation concentrate tailings from the Kangaroo Flat Gold Mine near Bendigo at the Porcupine Flat Gold Processing Plant at Maldon. Under the agreement Octagonal manage and pay for 50% of the costs associated with the removal and re-processing of tailings and pay to Unity 50% of the revenue from gold produced.

During the quarter 11,017 dry tonnes of tailings were processed to recover an average gold grade of 6.5 g/t Au. 2,183 ounces of refined gold was produced and 2,014 ounces sold achieving an average gold price of A\$1,557/oz.

\$1,250,000 from the proceeds of gold sales was attributed to Unity.

A further 391 ounces of gold was produced and unsold at the end of the quarter. 195.5 ounces of this gold is attributed to each of Octagonal and Unity.

Based on current tailings grades and ore processing rates it is estimated that the remaining tailings at the Kangaroo Flat Gold Mine will provide feed to the Maldon mill until mid / late May.

Subsequent to the reporting period the Company recommenced mining of the Black Reef open pit in early April to ensure that ore is available for processing after the Kangaroo Flat tailings.

Development of the Union Hill Decline at Maldon was advanced through the difficult ground conditions associated with Moon's Cross-course. The decline was advanced 22.5 metres and the ground support regime has reverted back to bolts and mesh. The Company expects to intersect the Alliance South Shoot during June.

A conceptual open pit optimisation study completed on the Pearl Croydon Deposit (Inferred Resource: 570,000 tonnes grading 2.9g/t Au for 53,000 ounces of gold) has defined an initial mining target of between 135,000 and 219,000 tonnes grading between 3.7g/t and 4.9g/t Au and containing between 15,000 and 32,000 ounces of gold to produce a cash surplus of between \$6.9 and \$20.1 million in 12 to 18 months. A Work Plan is currently being compiled to gain regulatory approval to mine this deposit.

22 RC holes, totalling 898 metres, were drilled at Frenchman's Reef near Wehla. The Company is currently awaiting the return of assay results from this drilling program.

Exploration Licence Applications EL5146 and EL5147 that overlie the Amherst and Maryborough goldfields were granted during the quarter.

In Western Australia 1,186 composite aircore drill sample pulps from the Burns Prospect were analysed for copper using a Niton Portable XRF Analyser. 105 samples returned greater than 0.1% Cu and 18 samples returned greater than 0.5% Cu (peak result: 3.1% Cu). These results define two discrete copper anomalies, the most significant of which extends over two kilometres strike length, and provide discrete target areas for surface geophysics.

Work planned for the June 2013 quarter includes:

- ▶ Continued development of the Union Hill Decline to access and mine the Alliance South Shoot (Maldon) in Victoria;
- ▶ Continue processing third party ore at the Porcupine Flat Gold Processing Plant (Maldon) in Victoria;
- ▶ Re-commence trial open pit mining at Black Reef (Wehla) in Victoria; and
- ▶ Continue to advance work towards obtaining regulatory approval to mine the Pearl Croydon Deposit (Amherst) in Victoria.

Safety & Environment

Maldon Gold Operation - Victoria (100% Octagonal)

No medically treated injuries (MTI) or lost time injuries (LTIs) were recorded during the reporting period. There were no reportable environmental incidents during the December quarter.

Hogan's Project – Western Australia (100% Octagonal)

No MTIs or LTIs were recorded during the reporting period. There were no reportable environmental incidents during the quarter.

Maldon Gold Operation - Victoria (100% Octagonal)

Background

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 150,000 tonne per annum CIL gold processing plant, 245,000 ounces of inferred open pit and underground gold resources and a decline that extends to the undeveloped underground resources. Octagonal is currently processing third party ore while the Company brings its own underground and open pit mines into production.

Operations

Union Hill Mine, Maldon (100% Octagonal)

During February development of the Union Hill Decline was advanced through the difficult ground conditions associated with a cross-cutting fault known as Moon's Cross-Course and normal decline development has re-commenced. A total of 22.5 metres of decline development was achieved with 16 metres advanced during March.

Now that developed has advanced through Moon's Cross-Course the Company will extend the Union Hill Decline 180 metres to the south and develop two levels in the upper area of the Alliance South Shoot to determine the reef grade, assess ground conditions, and determine the most appropriate mining technique for an ongoing operation (Figure 2). At the end of the quarter 5 metres of decline development and 70 metres of drive development was required to intersect the Alliance South Shoot.

Octagonal intends to continue underground mine development on a single shift basis until the grade and ground conditions of the Alliance South Shoot have been determined before deciding if a second mining shift is warranted. The Company currently expects to intersect the Alliance South Shoot during June.

The Alliance South Deposit is hosted within the Eaglehawk Reef at the southern end of the Central Maldon Shear Zone. The deposit contains an Inferred Mineral Resources of 473,000 tonnes grading 12 g/t gold for 182,000 ounces of gold (Figure 2 and Table 1).

Table 1.

Alliance South Mineral Resource Estimate (October 2009)

Deposit	Location	Estimated Gold Resource and Category								
		Measured			Indicated			Inferred		
		'000t	Au g/t	'000oz	'000t	Au g/t	'000oz	'000t	Au g/t	'000oz
Alliance South	West Zone							287	12	110
	East Zone							186	12	72
Total								473	12	182



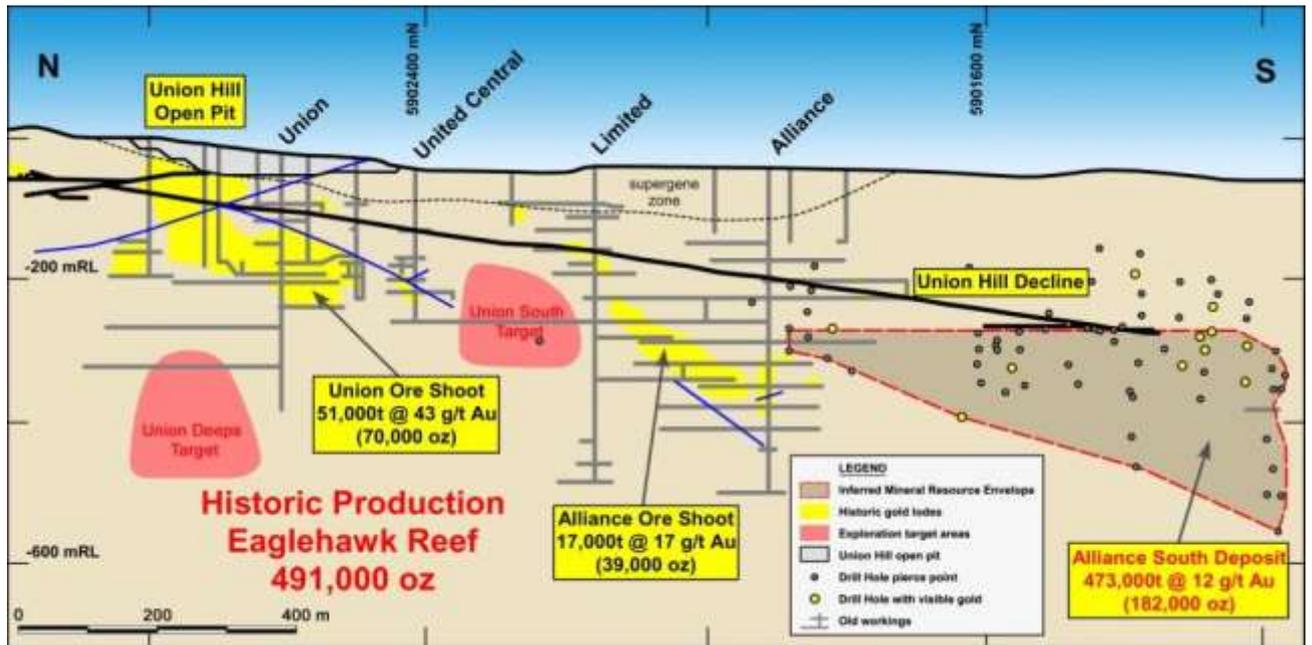


Figure 1: Eaglehawk Reef with the Union and Alliance shoots and the Alliance South Deposit

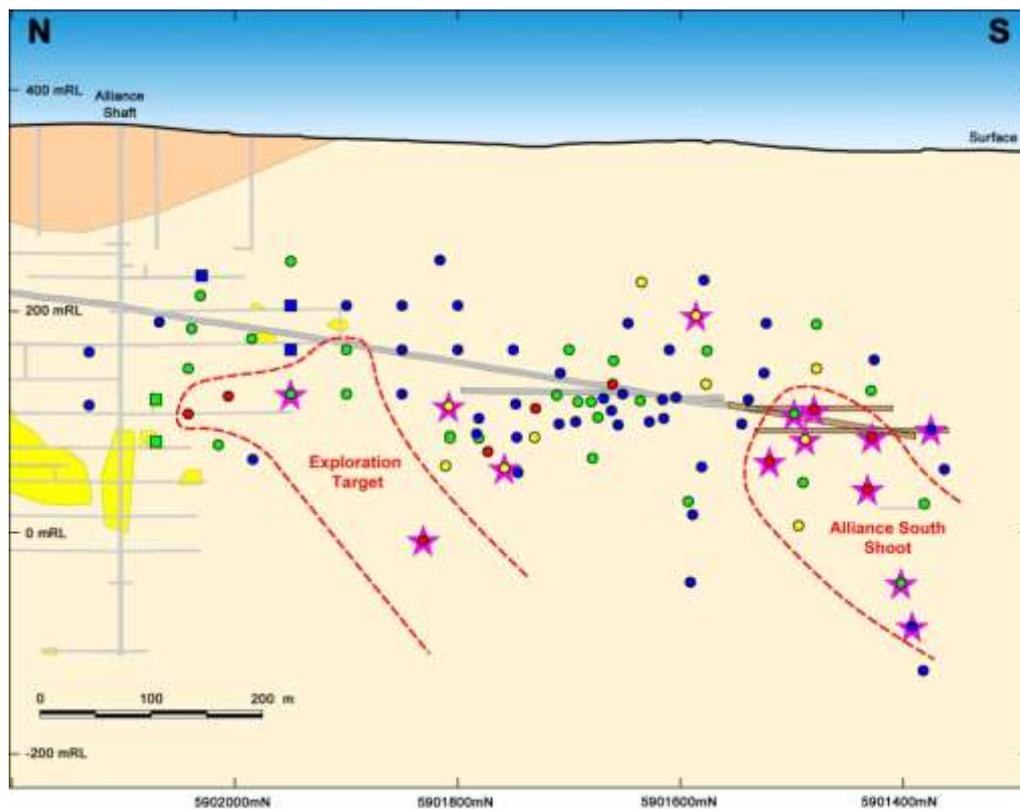


Figure 2: Eaglehawk Reef: Longsection showing position of Union Hill decline relative to the Alliance South Shoot, secondary exploration target, and planned mining development

Black Reef Mine, Wehla (100% Octagonal)

In July 2012 Octagonal received regulatory approval to mine a 200,000 tonne trial open pit at Black Reef, Wehla, in an area where a costean returned 14 metres grading 4.6 g/t gold and drilling intersected 5 metres grading 35.4 g/t gold and 5 metres grading 14.9 g/t gold.

The objective of mining this open pit is to better understand the structural controls and “nugget effect” on the distribution of gold mineralization within the Wehla Goldfield to help with the interpretation of drilling results and hopefully justify a larger open pit mining operation in the area.

Subsequent to the reporting period, mining activity recommenced at Black Reef in early April to ensure that ore is available for processing upon the completion of processing Kangaroo Flat tailings.

Porcupine Flat Gold Processing Plant, Maldon (100% Octagonal)

During the quarter Octagonal continued to process third party ore from the Kangaroo Flat Gold Mine.

In August 2012 Octagonal entered into an agreement with Unity Mining Limited (ASX: UML) (“**Unity**”) to re-process tailings from the Kangaroo Flat Gold Mine near Bendigo.

The Kangaroo Flat Gold Mine, which is owned by Unity Mining Limited, produced gold from the Bendigo Goldfield between 2006 and 2011 using a gravity and flotation gold processing plant. The tailings produced from the flotation circuit is composed of quartz, sulphide, and gold, with gold grades varying between 10g/t Au and 18g/t Au. Much of this gold is refractory (gold associated with sulphides and not easily liberated), however metallurgical test work completed by Octagonal on these tailings indicated that the Porcupine Flat Gold Processing Plant (which uses a slightly different process) will be able to recover between 3g/t Au and 6g/t Au.

Under the terms of this agreement Octagonal will remove, and re-process all of the flotation concentrate tailings at the Kangaroo Flat Gold Mine.

In consideration for re-processing the tailings, Octagonal will:

- Manage and pay for 50% of all costs associated with the excavation and transport of tailings to Maldon, re-processing of tailings at Maldon, and transportation, refining and sale of gold produced, and
- Pay to Unity 50% of the gold produced from the re-processing of the tailings.

During the quarter over \$2.7 million dollars in revenue was generated under this agreement from the sale of refined gold produced and ore processing fees.

11,017 dry tonnes of tailings were processed to recover an average gold grade of 6.5g/t Au. 2,183 ounces of refined gold was produced and 2,014 ounces sold achieving an average gold price of A\$1,557/oz.

\$1,250,000 from the proceeds of gold sales was attributed to Unity.

A further 391 ounces of gold was produced and unsold at the end of the quarter. 195.5 ounces of this gold is attributed to each of Octagonal and Unity.

The recovered average gold grade of 6.5g/t Au is the same as that recovered during the previous quarter and continues to exceed the Company’s expectations.

Based on current tailings grades and ore processing rates it is estimated that processing of the Kangaroo Flat tailings will conclude during mid to late May.



Excavator in Kangaroo Flat tailings dam

Exploration

Pearl Croydon Open Pit Optimisation Study (100% Octagonal)

The Pearl Croydon Gold Deposit is located 40 kilometres southwest of Maldon and contains near-surface gold that Octagonal intends to mine and process at the Company's Porcupine Flat Gold Processing Facility at Maldon.

The deposit lies within a 1,600 metre by 300 metre north trending corridor of fault hosted, steep dipping, quartz reefs that have been historically worked by open pit and underground mining methods (Figure 3).

Between 1997 and 2003 81 RC holes were drilled at Pearl Croydon using predominantly 40 metre spaced traverses to define an Inferred Mineral Resource of 570,000 tonnes grading 2.9 g/t Au for 53,000 ounces of gold (Table 2).

In October 2012 Mining Licence MIN5465 that overlies the deposit was granted and paves the way for the commencement of mining.

Deposit	Reef	Resource Category	Tonnes	Gold Grade (g/t)	Gold (ounces)
Pearl Croydon North	West Reef	Inferred	142,444	2.3	10,702
	Central Reef	Inferred	293,010	2.4	22,812
	East Reef	Inferred	20,072	4.6	2,949
	Sub Total	Inferred	455,526	2.5	36,463
London Hill	Main Reef	Inferred	49,612	4.4	6,957
	Hanging wall Reef	Inferred	27,515	4.1	3,665
	Sub Total	Inferred	77,128	4.3	10,622
Mullocky	West Reef	Inferred	13,693	2.7	1,188
	East Reef	Inferred	24,212	6.5	5,091
	Sub Total	Inferred	37,905	5.2	6,278
TOTAL		Inferred	570,559	2.9	53,364

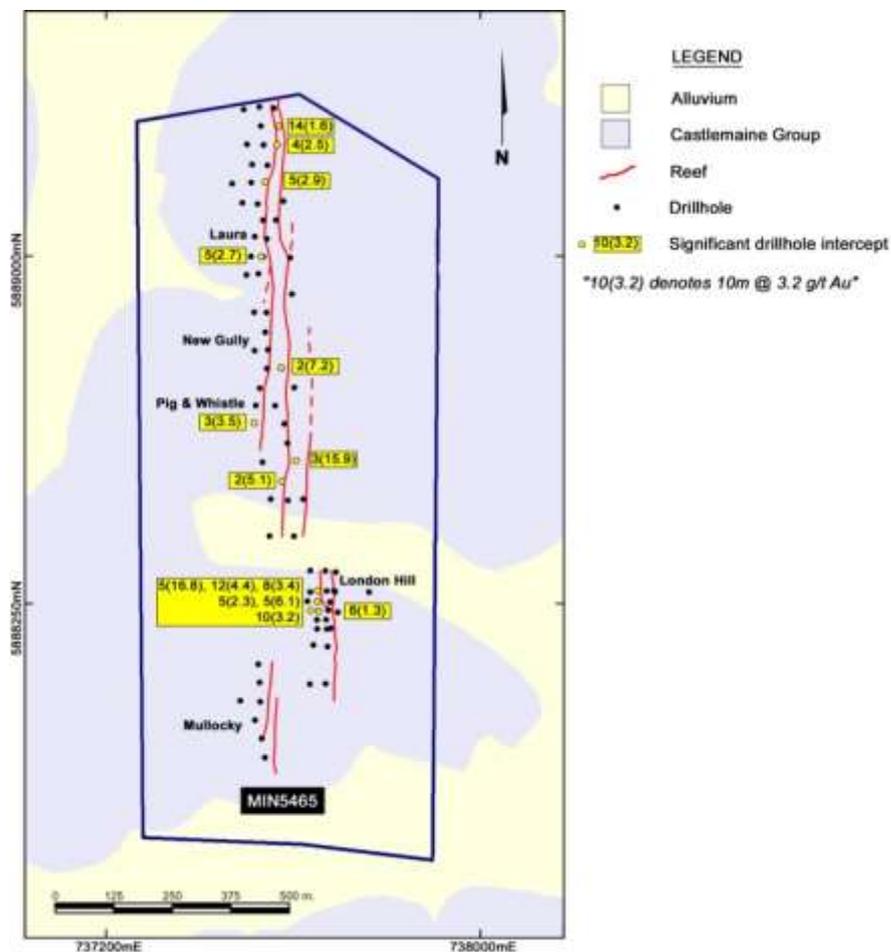


Figure 3. Pearl Croydon: Drill hole location plan

Following the grant of the Pearl Croydon mining licence, Octagonal engaged Mining One Pty Ltd to complete a conceptual open pit optimisation study of the Pearl Croydon Deposit to estimate likely production volumes and grades and help with the planning of future exploration and mining activities.

The open pit optimisation study was completed using Whittle Four X mining software and is based on the Inferred Mineral Resource of 570,000 tonnes grading 2.9 g/t Au for 53,000 ounces of gold. As this resource is in the Inferred category it must be upgraded to the Indicated resource category before mining Reserves can be estimated. To reflect this underlying geological uncertainty open pit mining targets reported in this announcement are provided in ranges.

The open pit optimisation study was completed based on the following key development concept and mining and ore processing assumptions:

- Mined ore transported to the Porcupine Flat Gold Processing Plant at Maldon for processing.
- Gold price: A\$1,500 per ounce.
- Overall 45 degree pit wall angles.
- Mining dilution 10%.
- Process throughput using existing mill capacity of 150,000 tonnes per annum.
- Processing tailings grade between 0.2 g/t Au and 0.3 g/t Au.

The results of the open pit optimisation study are listed in Table 3

Parameter	Value
Ore Tonnes (t)	135,000 - 219,000
Au grade (g/t)	3.7 - 4.9
Waste Tonnes (t)	1,350,000 - 2,730,000
Strip Ratio	10.0 - 12.7
Gold Produced (oz)	15,100 - 32,300
Mining Cost (\$)	6,733,000 - 13,026,000
Transport & Processing Cost (\$)	9,081,000 - 14,725,000
Gold Revenue (\$)	22,712,000 - 48,400,000
Cash Surplus (\$)	6,898,000 - 20,649,000

Results from this study reveal that there is the potential to develop up to eight open pits in the Pearl Croydon area (Figure 4), ranging in depth between 30 and 60 metres to mine 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.

At present most of the Pearl Croydon Deposit has been drill defined using 40 metre spaced traverses, however the higher grade London Hill area has already been defined using 20 metre spaced traverses and represents an immediate open pit mining target.

The open pit optimisation study revealed that the London Hill area of Pearl Croydon may contain 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 (Table 4).

Octagonal's objective is to bring the Pearl Croydon Deposit into production in the shortest possible time frame. To achieve this, the Company will seek regulatory approval to mine an open pit in the London Hill area and at the same time complete drilling elsewhere at the deposit to upgrade the resource and calculate mining reserves.

During the quarter a detailed topographic survey of the mine area was commenced and flora and fauna and heritage surveys have been scheduled to commence during the June quarter.

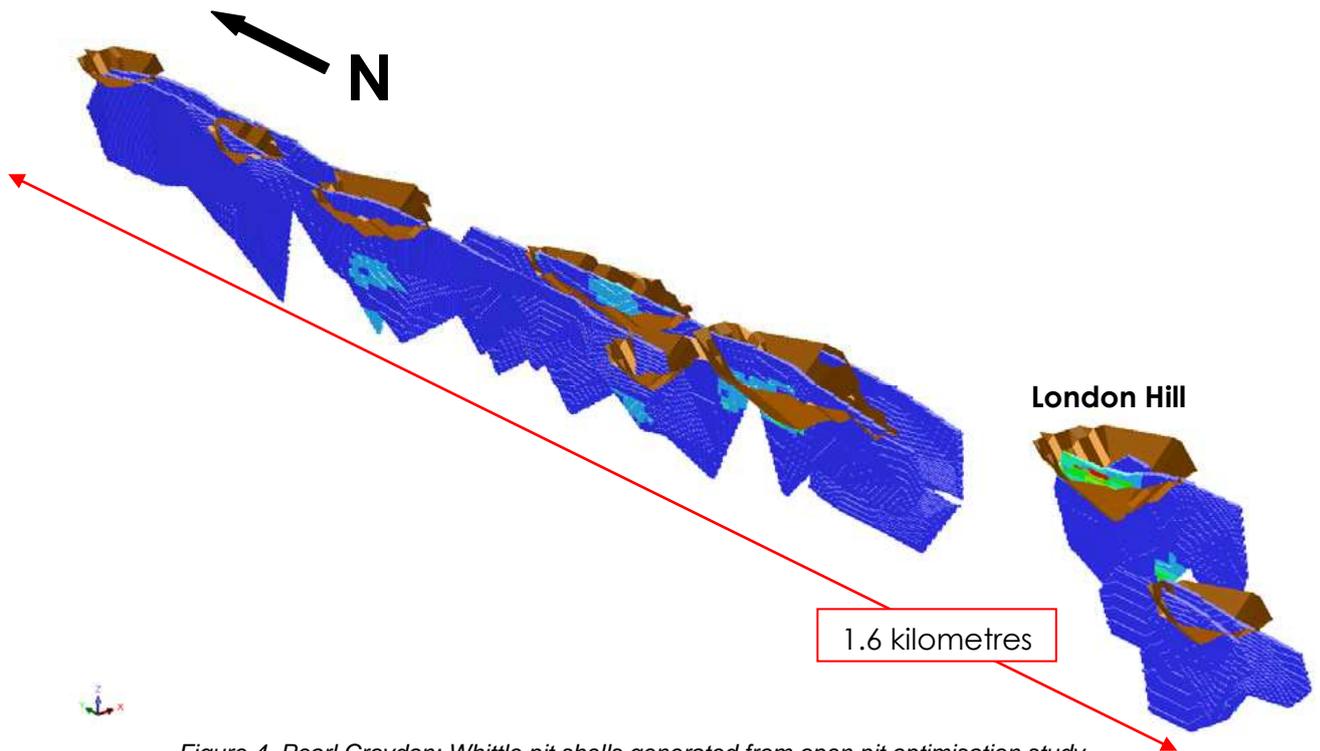


Figure 4. Pearl Croydon: Whittle pit shells generated from open pit optimisation study

Table 4.	
London Hill: Open Pit Optimisation Summary	
Parameter	Value
Ore Tonnes (t)	26,500 - 44,500
Au grade (g/t)	4.7 - 7.1
Waste Tonnes (t)	328,000 - 679,000
Strip Ratio	12.4 - 15.5
Gold Produced (oz)	4,000 - 9,400
Mining Cost (\$)	1,569,000 - 3,139,000
Transport & Processing Cost (\$)	1,788,000 - 3,006,000
Gold Revenue (\$)	6,060,000 - 14,113,000
Cash Surplus (\$)	2,703,000 - 7,968,000



Exploration Manager (David Haines) with Managing Director (Anthony Gray) at lease peg for the Pearl Croydon mining licence

Frenchman's Reef Reverse Circulation Drilling (100% Octagonal)

During March a 22 hole Reverse Circulation (RC) drilling program was completed at Frenchman's Reef.

Frenchman's Reef is located within the Wehla Goldfield, 60 kilometres northwest of Octagonal's Porcupine Flat gold processing plant at Maldon, and 1,100 metres to the north of the Company's Black Reef open pit.

The Wehla Goldfield historically produced around 100,000 ounces of high-grade gold from a two kilometre long line of reef however the structural controls and nugget effect on the distribution of gold are not well understood.

Octagonal is currently resolving these issues by mining a trial open pit at Black Reef in an area where a costean returned 14 metres @ 4.6 g/t Au and drilling intersected 5 metres @ 35.4 g/t Au and 5 metres @ 14.9 g/t Au. It is anticipated that the information gained from this mining will help interpret drilling results and justify a larger open pit operation in the Wehla Goldfield.

The Frenchman's Reef historic mine workings extend over 200 metres strike length and consists of a 0.5 to 2.5 metre thick quartz reef with spurry veins dominant to the east. The reef dips steeply to the west and is located in the eastern limb of a syncline that plunges moderately to the north.

During 2009 Matrix Gold Pty Ltd drilled three diamond holes at the Frenchman's Reef. This drilling returned significant results including 4 metres @ 25.0 g/t Au from 16 metres in MD103 and 2 metres @ 4.5 g/t Au from 30 metres in MD105.

The aim of the recent drilling program was to assess the potential for the Frenchman's Reef to host near-surface gold amenable to open pit mining. 22 RC holes, totalling 898 metres, were drilled to intersect the reef over a 210 metre strike length and to 30 vertical metres depth using a 20 metre by 20 metre spaced grid (Figure 5).

The Company is awaiting the return of assay results from this drilling program

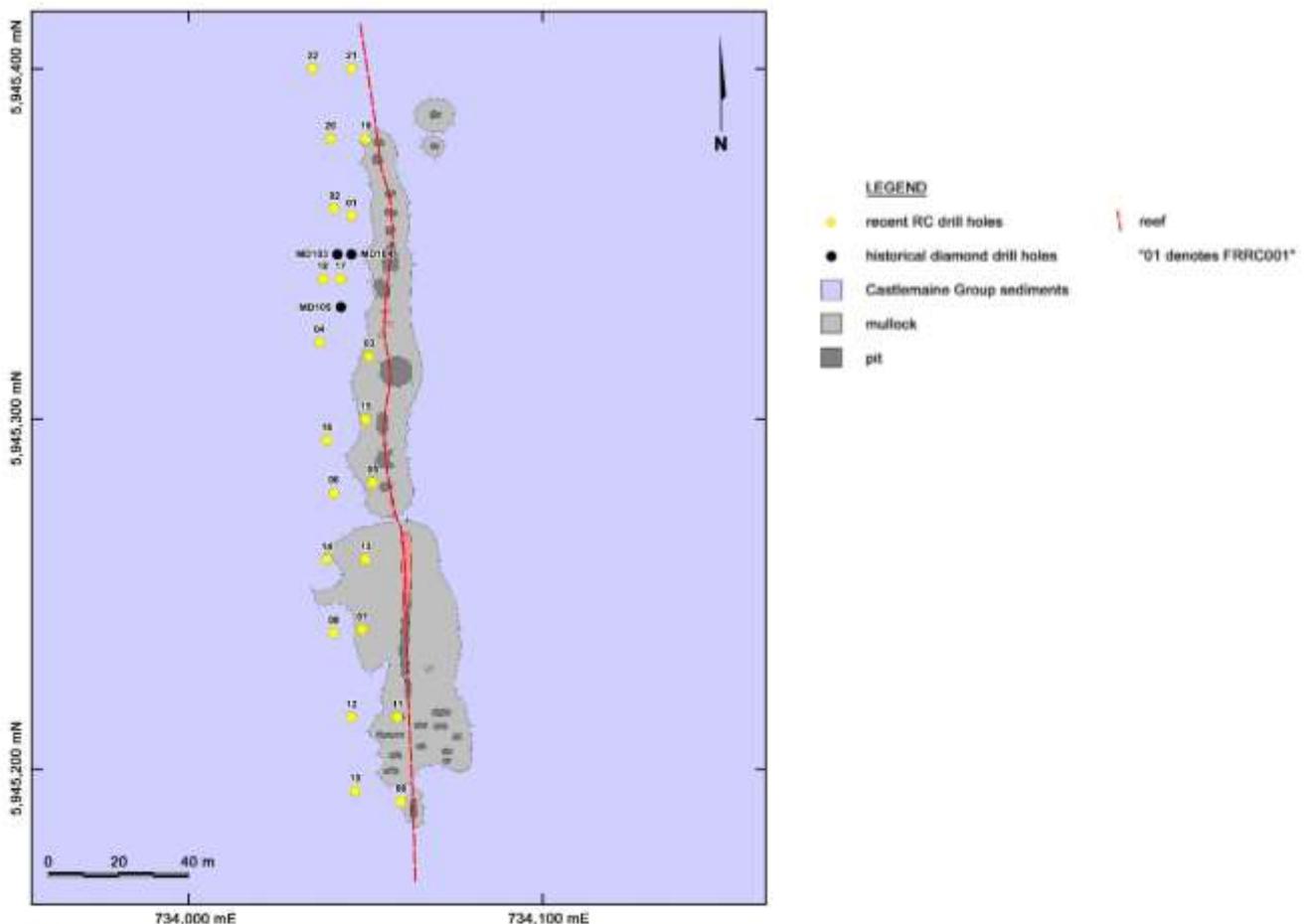


Figure 5. Frenchman's Reef: Drill hole location plan

Tenements

Exploration Licence Applications EL5146 and EL5147 that overlie the Amherst and Maryborough goldfields in Central Victoria were granted by the Department of Primary Industries.

During October 2011 Octagonal entered into a Sale and Purchase Agreement with Fiddlers Creek Gold Mining Company Pty Ltd to acquire 100% equity in exploration licence applications EL5146 and EL5147. Now that the tenements have been granted the Company has paid \$15,000 in settlement of this transaction.

EL5146 and EL5147 are both located within 50 kilometres, and viable cartage distance of the Maldon Gold Processing Plant.

EL 5146 - Amherst (100% Octagonal)

Exploration licence EL 5146 covers 5,487 hectares and overlies most of the historic Amherst Goldfield (Figure 6). The tenement also surrounds the Company's Pearl Croydon deposit (Inferred Resource: 570,000 tonnes grading 2.9 g/t Au for 53,000 ounces of gold) (Table 2 and Figure 3). Available production figures for reef gold mine production within EL 5146, although incomplete, totals 20,990 tonnes grading 23.8 g/t Au for 16,070 ounces of gold and illustrates the high grade nature of gold hosted within the exploration licence area.

The main historic producers within EL 5146 were the Whitehorse Reef, Church Hill Reef, and the All Nations Reef.

Previous exploration at the Whitehorse Reef, consisting of trenching over a 450 metre strike length, returned a 25 metre zone that averaged of 3.1 g/t gold (including 2.5 metres grading 12.2 g/t Au). This prospect is a priority exploration target for the Company as it displays the potential to provide short term open pit ore for the Maldon Gold Processing Plant.

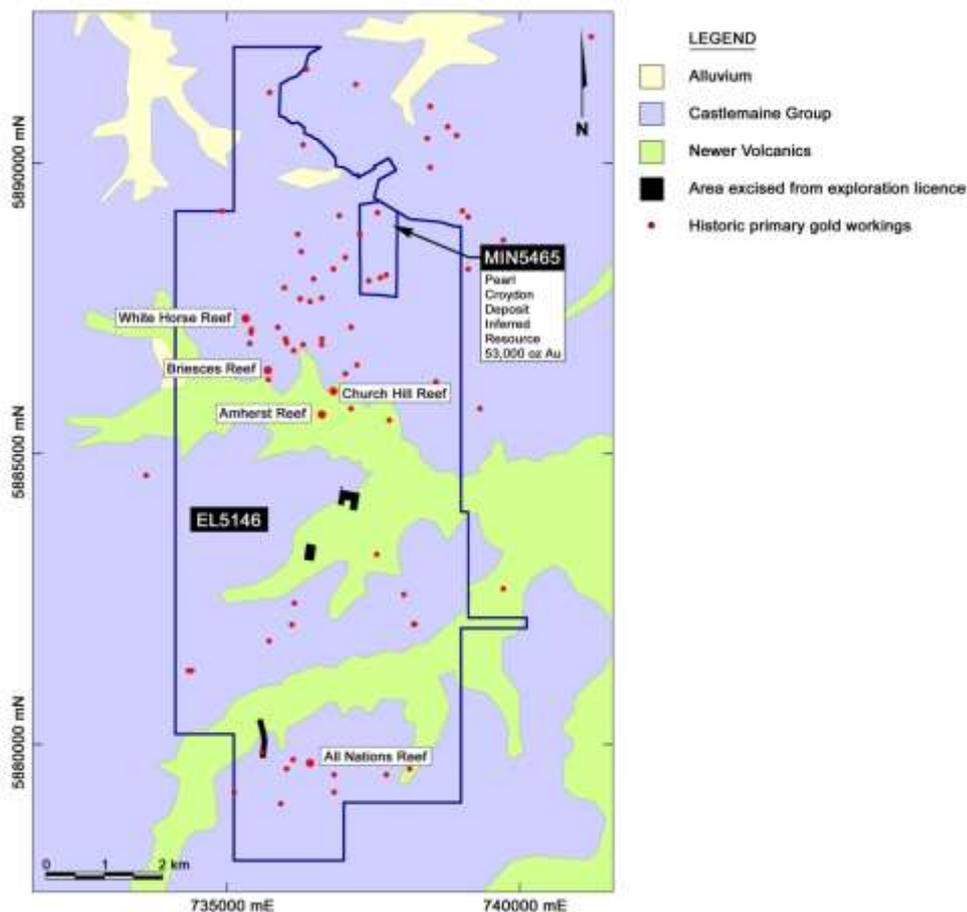


Figure 6. Amherst: Tenement and Prospect Location Plan

EL 5147 – Maryborough (100% Octagonal)

Exploration licence EL 5147 covers 7,894 hectares and overlies most of the historic Maryborough Goldfield (Figure 7). The Maryborough Goldfield has produced approximately 1 million ounces of gold with the majority sourced from alluvial and deep lead deposits. Only 180,000 ounces of gold has been produced from quartz reefs at an average grade of 13.1 g/t Au. The main historic reef hosted gold producers were the New Leviathan Mine, Judd and Barrie’s Mine, Mariners Reef, Princess Royal Reef, Bluchers Reef, and Old Leviathan Mine.

The disproportionate amount of gold produced from quartz reefs at Maryborough compared to alluvial and deep lead deposits suggests the potential for significant additional quartz reef hosted gold mineralisation in the Maryborough Goldfield. Modern exploration targeting reef hosted gold mineralisation is limited and Octagonal has identified the Leviathan Mine, Mariners Reef and Bluchers Reef as priority exploration target areas for drill testing.

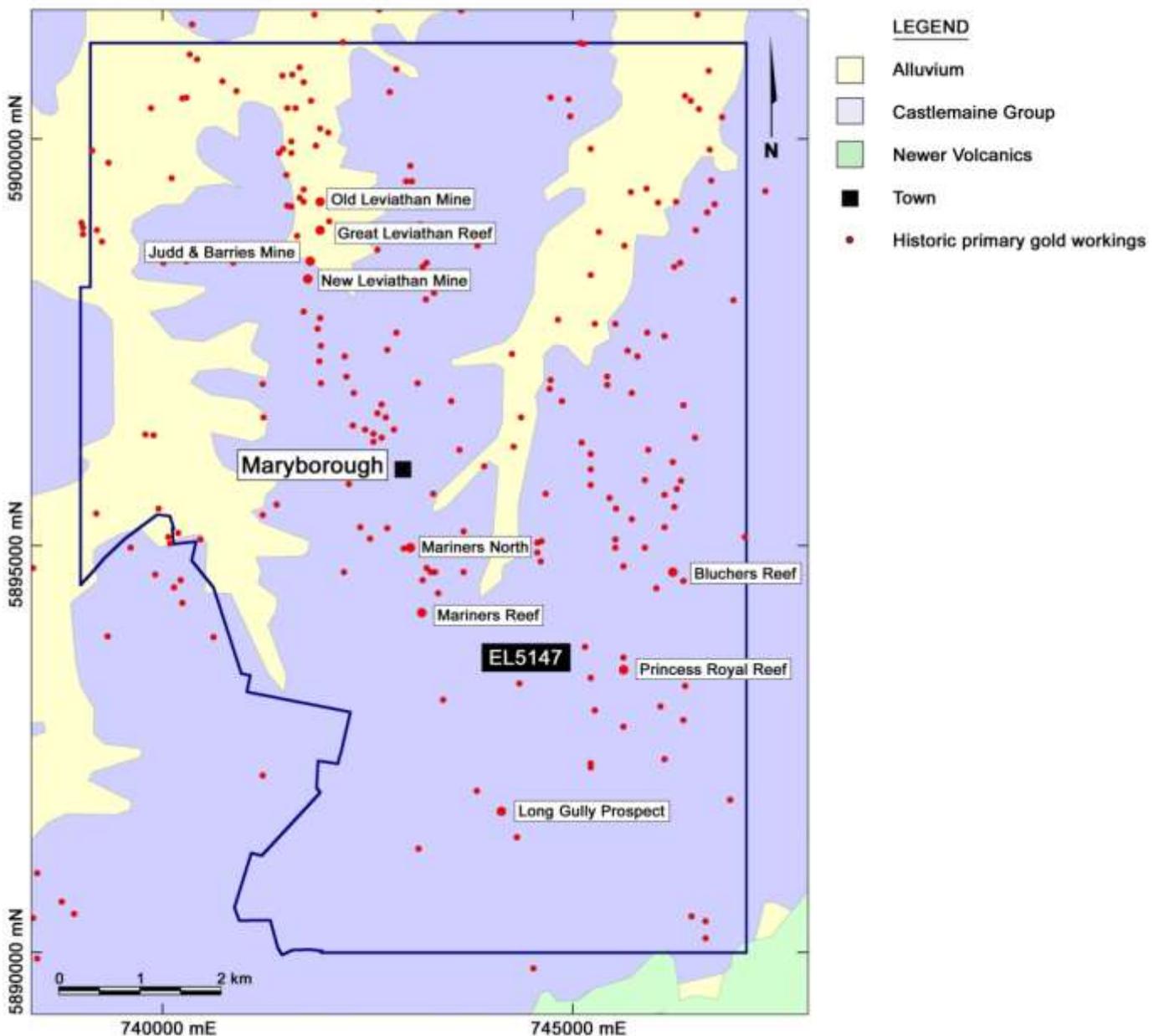


Figure 7. Maryborough: Tenement and Prospect Location Plan

Hogan's Project - Western Australia (100% Octagonal)

Background

In Western Australia Octagonal holds 100% equity in the Hogan's Project where it is exploring for gold and copper 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 Limited at the Daisy Milano Mine and Integra Mining Limited at the Salt Creek Mine and Lucky Bay Prospect.

Exploration

Copper Analysis of Aircore Drill Holes

During the quarter 1,186 composite aircore drill sample pulps from the Burns Prospect were analysed for copper using a Niton Portable XRF Analyser.

The Burn's Prospect was initially identified as a conceptual structural Archaean-style lode-gold target located beneath shallow transported cover and defined by a discrete granite intrusive with associated low magnetic and gravity signatures that intrudes a thrust package of mafic, intermediate and metasedimentary rocks. The granite has caused doming of the greenstone sequence, creation of dilational jogs associated with northwest trending structures, and localised lithological and structural complexity that forms ideal sites for the deposition of gold.

Between April and December 2011 Octagonal completed three phases of aircore drilling, totalling 272 holes, using a combination of 160 metre by 640 metre, 80 metre by 320 metre, and 40 metre by 160 metre spaced grids to ultimately define a one square kilometre area of gold in regolith (weathered Archaean rock) anomalism that is not constrained by drilling where it trends beneath salt lake cover. The aim of these drilling programs was to test for low level gold in regolith anomalism that can be used to vector towards a primary gold deposit and consequently all samples were only analysed for gold.

In January 2012 Octagonal completed its first bedrock RC drilling program at the Burns Prospect to test for the primary source of the gold in regolith anomalism and intersected a unique style of mineralisation with no shearing, little quartz veining, and gold associated with magnetite-biotite alteration in fractured high-magnesian basalt and intermediate intrusive rocks.

Recognising the unique style of mineralisation a selection of drill samples were sent off for multi-element analysis to help characterise the type of deposit. These samples returned broad zones of potentially economic copper. The Company subsequently drilled 33 RC holes during 2012 on four 40 metre spaced traverses with significant assay results including:

- ▶ **9 metres @ 1.5 g/t Au, 1.2 g/t Ag & 1.0 % Cu from 58 metres in OBURC002
inc. 2 metres @ 1.5 g/t Au, 2.7 g/t Ag & 4.2 % Cu from 65 metres**
- ▶ **6 metres @ 4.9 g/t Au, 2.2 g/t Ag & 0.4 % Cu from 23 metres in OBURC003**
- ▶ **12 metres @ 0.8 g/t Au, 4.5 g/t Ag & 1.7 % Cu from 48 metres in OBURC004
inc. 3 metres @ 2.1 g/t Au, 11.9 g/t Ag & 4.8 % Cu from 53 metres**
- ▶ **4 metres @ 0.7 g/t Au, 2.8 g/t Ag & 2.0 % Cu from 40 metres in OBURC005**
- ▶ **1 metre @ 8.5 g/t Au, 8.7 g/t Ag & 6.7 % Cu from 123 metres in OBURC007**
- ▶ **32 metres @ 1.7 g/t Au, 1.3 g/t Ag & 0.6 % Cu from 76 metres in OBURC011
inc. 6 metres @ 4.9 g/t Au, 1.9 g/t Ag & 2.1 % Cu from 83 metres**
- ▶ **6 metres @ 4.9 g/t Au, 2.0 g/t Ag & 0.9 % Cu from 24 metres in OBURC012**
- ▶ **50 metre @ 0.9 g/t Au, 0.8 g/t Ag & 0.5 % Cu from 24 metres in OBURC016**

- ▶ **12 metres @ 1.5 g/t Au, 0.5 g/t Ag & 0.5 % Cu from 27 metres in OBURC021**
- ▶ **19 metres @ 0.5 g/t Au, 3.0 g/t Ag & 1.0 % Cu from 44 metres in OBURC022**
- ▶ **9 metres @ 1.0 g/t Au, 1.6 g/t Ag & 0.7 % Cu from 28 metres in OBURC025**
- ▶ **3 metres @ 16.1 g/t Au, 4.5 g/t Ag & 0.5 % Cu from 35 metres in OBURC028**
- ▶ **9 metres @ 1.0 g/t Au, 3.1 g/t Ag & 1.5 % Cu from 115 metres in OBURC031**
- ▶ **12 metres @ 1.3 g/t Au, 2.0 g/t Ag & 0.8 % Cu from 163 metre in OBURC032**

As the samples collected from the original aircore drilling programs were only analysed for gold and RC drilling has indicated the potential for economic copper, all of the composite regolith sample pulps (dried, crushed, and pulverised drilling samples prepared by a laboratory for analysis) collected from aircore drilling at the Burns Prospect were re-analysed using a Niton XLt 500 Series Portable XRF Analyser for As, Co, Cu, Fe, Hg, Mn, Mo, Ni, Pb, Rb, Se, Sr, Th, U, Zn, and Zr (Analysis completed for 30 seconds using the Bulk Sample Mode – Standard Bulk Mode).

To confirm the accuracy and precision of the Niton Portable Analyser (average error limit: +/-0.02% Cu) 20% of samples returning greater than 0.1% Cu were sent to Inspectorate KalAssay (Perth Laboratory) for copper analysis using a Four Acid Digest with ICP-OES Finish. This quality control analysis revealed that the Niton Portable Analyser used routinely underestimated the copper content of samples by an average of 0.08% Cu (range: 0.02% Cu to 0.33% Cu) or 15% of the metal content (range: 7% to 20%).

A total of 1,186 composite sample pulps ranging in size from 1 to 4 metres width were analysed using the Niton Portable Analyser with 105 samples returning greater than 0.1% Cu and 18 samples returning greater than 0.5% Cu (peak result: 3.1% Cu).

Significant Niton assay results are listed in Table 5 and include:

- ▶ **21 metres @ 0.47% Cu from 20 metres to EOH in OBU022 (all of Archaean)**
- ▶ **14 metres @ 0.43% Cu from 20 metres to EOH in OBU083 (all of Archaean)**
- ▶ **4 metres @ 0.80% Cu from 44 metres in OBU088**
- ▶ **4 metres @ 0.59% Cu from 67 metres to EOH in OBU094 (all of Archaean)**
- ▶ **12 metres @ 0.39% Cu from 20 metres to EOH in OBU105 (all of Archaean)**
- ▶ **8 metres @ 0.64% Cu from 20 metres in OBU150**
- ▶ **10 metres @ 0.40% Cu from 64 metres to EOH in OBU161 (all of Archaean)**
- ▶ **23 metres @ 0.94% Cu from 20 metres to EOH in OBU170 (all of Archaean)
inc. 12 metres @ 1.53% Cu from 24 metres
inc. 4 metres @ 3.12% Cu from 24 metres**
- ▶ **8 metres @ 0.46% Cu from 24 metres to EOH in OBU171**
- ▶ **28 metres @ 0.16% Cu from 20 metres in OBU193**
- ▶ **15 metres @ 0.34% Cu from 16 metres to EOH in OBU233 (all of Archaean)**
- ▶ **11 metres @ 0.52% Cu from 28 metres to EOH in OBU254 (all of Archaean)**
- ▶ **18 metres @ 0.22% Cu from 20 metres to EOH in OBU256 (all of Archaean)**

These assay results define two discrete copper anomalies (Figure 8).

The most significant copper anomaly is hosted within high-magnesian basalt and intermediate intrusive rocks, trends to the northwest, extends over two kilometres strike length, is between 80 and 350 metres wide, is not constrained by drilling along its southeast margin, and is coincident with a high-magnetic trend and a gravity gradient.

Significantly;

1. The copper anomalism does not directly correlate with gold anomalism,
2. No significant lead or zinc anomalism was detected (these metals are often associated with porphyry and VMS styles of copper-gold mineralisation), and
3. The copper anomaly defines a discrete target for surface geophysical testing.

The second copper anomaly identified is defined by two 320 metre spaced drill holes and is located 600 metres to the west of the main anomaly. This anomaly extends over 700 metres strike length, is 160 metres wide, and is not constrained by drilling to the north. This anomaly is hosted within intermediate intrusive rocks, is not associated with gold anomalism, and defines a second discrete copper target for surface geophysics and infill aircore drilling.

Ground checking of all copper anomalous samples at Burns has revealed that the copper mineralisation is present as chalcocite with minor chrysocolla. This mineralogy explains why the copper was not initially observed in aircore drilling.

Copper oxide mineralisation often occurs as malachite [dark green] and azurite [dark blue]. These minerals are copper-carbonates and easily identified in drill chips.

Petrological analysis of the mineralisation at Burns has revealed that this deposit is carbonate-poor and consequently copper presents itself as the copper-silicate chrysocolla [light blue] or the secondary copper-sulphide chalcocite [dark grey]. Chalcocite is not easy to identify in weathered drill chips and is especially difficult to identify at the Burns Prospect where magnetite (that has a similar appearance) is also present as an alteration mineral.

The thickness, grade, and widespread distribution of copper in aircore drilling at the Burns Prospect is indicative of a large copper sulphide deposit. Prior to these results Octagonal was using low level gold in weathered rock anomalism to vector towards a primary gold deposit. This exploration technique, while effective, does not provide a discrete target for drill testing and requires a detailed understanding of gold mobility in the regolith.

Exploration for copper sulphide mineralisation can not only utilise copper in weathered rock anomalism to vector towards a primary copper deposit, but also surface geophysical techniques to detect for a conductive or chargeable anomaly that may be indicative of massive or disseminated primary copper sulphides. The use of surface geophysics as an exploration tool is significantly more efficient than using regolith anomalism because discrete targets can be identified for drill testing.

Octagonal now intends to use surface geophysical techniques at the Burns Prospect to test for conductive or chargeable anomalies indicative of primary copper sulphide mineralisation for targeted diamond drilling in the second half of 2013.



Aircore drilling at the Burns Prospect

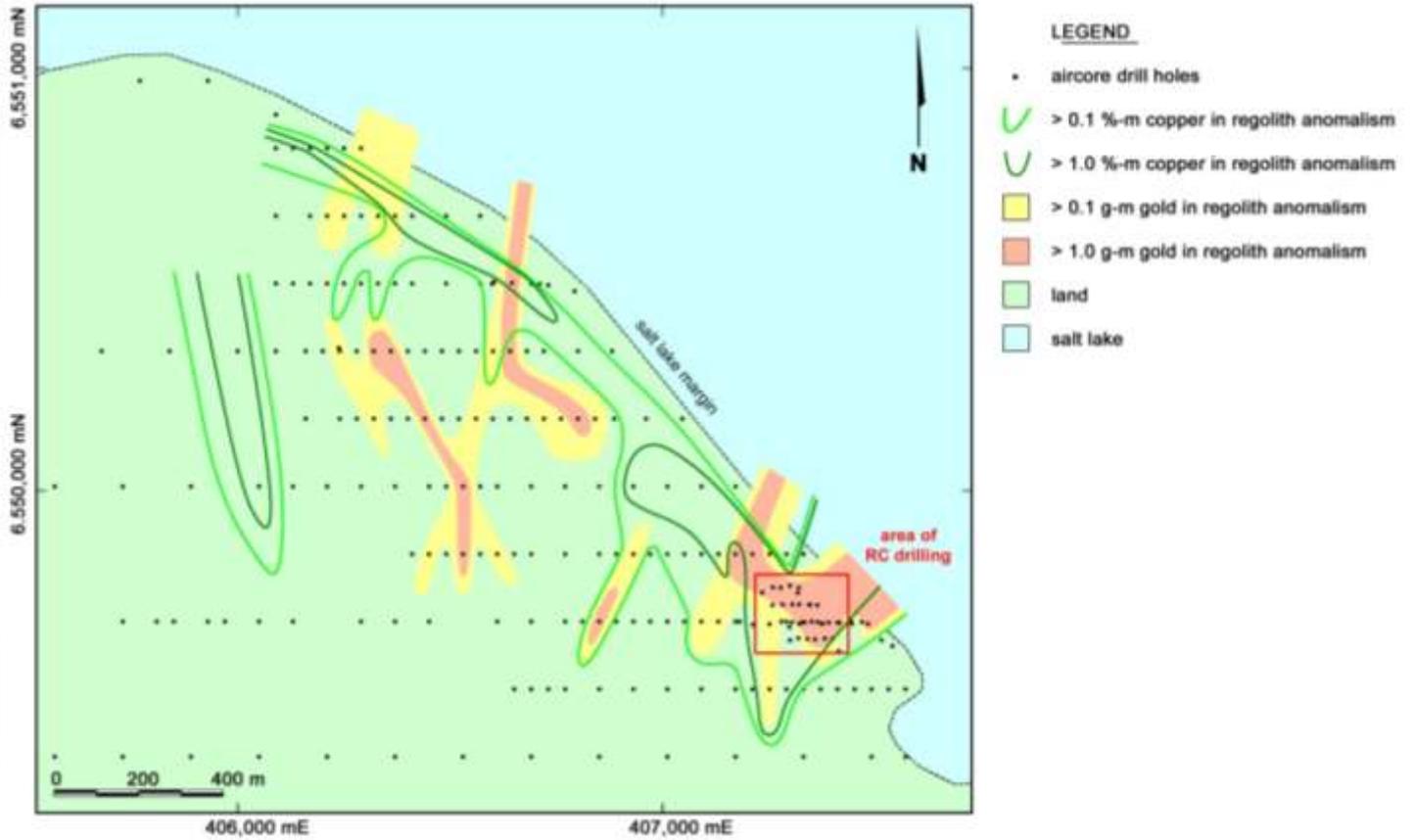


Figure 8. Burns Prospect: Location of gold and copper anomalism in aircore drilling with respect to previous bedrock RC drilling



Analysis of aircore drilling pulp samples using a Niton XLt 500 Series Portable XRF Analyser

Table 5.					
Burns Prospect: Significant Copper in Aircore Drilling Results					
Hole ID	From (m)	To (m)	Interval (m)	Cu (%)	Comments
OBU009	72	84	12	0.14	
OBU019	64	65	1	0.10	to EOH.
OBU021	28	32	4	0.22	to EOH.
OBU022	20	41	21	0.47	to EOH. All of Archaean.
OBU082	32	33	1	0.10	
OBU083	20	34	14	0.43	to EOH. All of Archaean.
OBU088	44	48	4	0.80	
OBU094	67	71	4	0.59	to EOH. All of Archaean.
OBU105	20	32	12	0.39	to EOH. All of Archaean.
inc.	24	25	1	1.03	
OBU106	44	45	1	0.16	
OBU108	72	76	4	0.10	to EOH.
OBU110	20	24	4	0.18	
OBU114	32	40	8	0.14	
OBU150	20	28	8	0.64	
OBU160	72	84	12	0.13	
OBU161	64	74	10	0.40	to EOH. All of Archaean.
OBU168	28	32	4	0.17	
OBU169	28	33	5	0.22	to EOH. All of Archaean.
OBU170	20	43	23	0.94	to EOH. All of Archaean.
inc.	24	36	12	1.53	
inc.	24	28	4	3.12	
OBU171	24	32	8	0.46	to EOH.
OBU172	36	40	4	0.10	
OBU181	44	48	4	0.11	
OBU185	40	52	12	0.12	
OBU193	20	48	28	0.16	
OBU204	70	74	4	0.13	
OBU205	60	65	5	0.13	to EOH. All of Archaean.
OBU206	48	52	4	0.13	
OBU207	36	40	4	0.20	to EOH. All of Archaean.
OBU208	24	31	7	0.21	to EOH. All of Archaean.
OBU209	32	47	15	0.15	to EOH.
OBU221	76	80	4	0.12	
OBU225	72	73	1	0.12	to EOH.
OBU226	72	74	2	0.17	to EOH.
OBU230	48	56	8	0.14	to EOH.
OBU232	20	24	4	0.15	
OBU233	16	31	15	0.34	to EOH. All of Archaean.
OBU234	20	23	3	0.20	to EOH.
OBU252	56	58	2	0.16	to EOH.
OBU253	44	50	6	0.17	to EOH. All of Archaean.
OBU254	28	39	11	0.52	to EOH. All of Archaean.
OBU256	20	38	18	0.22	to EOH. All of Archaean.
OBU266	36	40	4	0.11	
OBU284	40	44	4	0.22	to EOH. All of Archaean.
OBU285	44	52	8	0.31	

Notes:

1. One to four metre composite scoop sample pulps routinely analysed.
2. Sample pulps produced by Inspectorate KalAssay (Kalgoorlie Laboratory) when preparing samples for gold analysis.
3. Analysis completed using a Niton XLt 500 Series Portable XRF Analyser. Analysis completed for 30 seconds using the Bulk Sample – Standard Bulk Mode. Analysis completed for As, Co, Cu, Fe, Hg, Mn, Mo, Ni, Pb, Rb, Se, Sr, Th, U, Zn, Zr.
4. 20% of samples returning greater than 0.1% Cu sent to Inspectorate KalAssay (Kalgoorlie Laboratory) for copper analysis using a Four Acid Digest with ICP-OES Finish to confirm the accuracy and precision of the Niton Analyser (average copper error: +/- 0.02%Cu). Niton Analyser shown to routinely underestimate copper grades by an average of 0.08% Cu (range: 0.02% Cu to 0.33% Cu) or 15% of the metal content (range: 7% to 20%).
5. "inc." denotes "including" and "EOH" denotes "end of hole".

Corporate

Processing of third party ore produced 1,092 ounces of refined gold attributable to Octagonal. 1,007 ounces was sold during the quarter achieving an average gold price of A\$1,557/oz. 195.5 ounces of gold was unsold at the end of the quarter.

Revenue of \$1,467,000 was generated from gold sales and ore processing fees.

At 31 March 2013 Octagonal had cash reserves of \$2.4 million (unaudited) and 106,048,002 ordinary shares on issue.

Mr Ian Pamensky resigned as a Director on 17 January 2013 and was replaced by Mr Bob Tolliday.

35,748,000 fully paid ordinary shares were released from escrow on 5 January 2013 increasing the total number of quoted securities to 106,048,002.

Additional information relating to Octagonal and its various mining and exploration 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



Safety training session with underground miners at Union Hill

Competent Persons Statements

The information in this report relating to Mineral Resources for the Alliance South Deposit are based on information evaluated by Mr TG Summons who is a Member of The Australian Institute of Geoscientists (MAIG) and Mr MV McKeown who is a Fellow the Australasian Institute of Mining and Metallurgy (FAusIMM). These people have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and are each qualified to act as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Summons is an associate of Mining One Pty Ltd, and Mr McKeown is an employee of Mining One Pty Ltd and they consent to the inclusion in the report of the Mineral Resource in the form and context in which it appears.

All other 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.

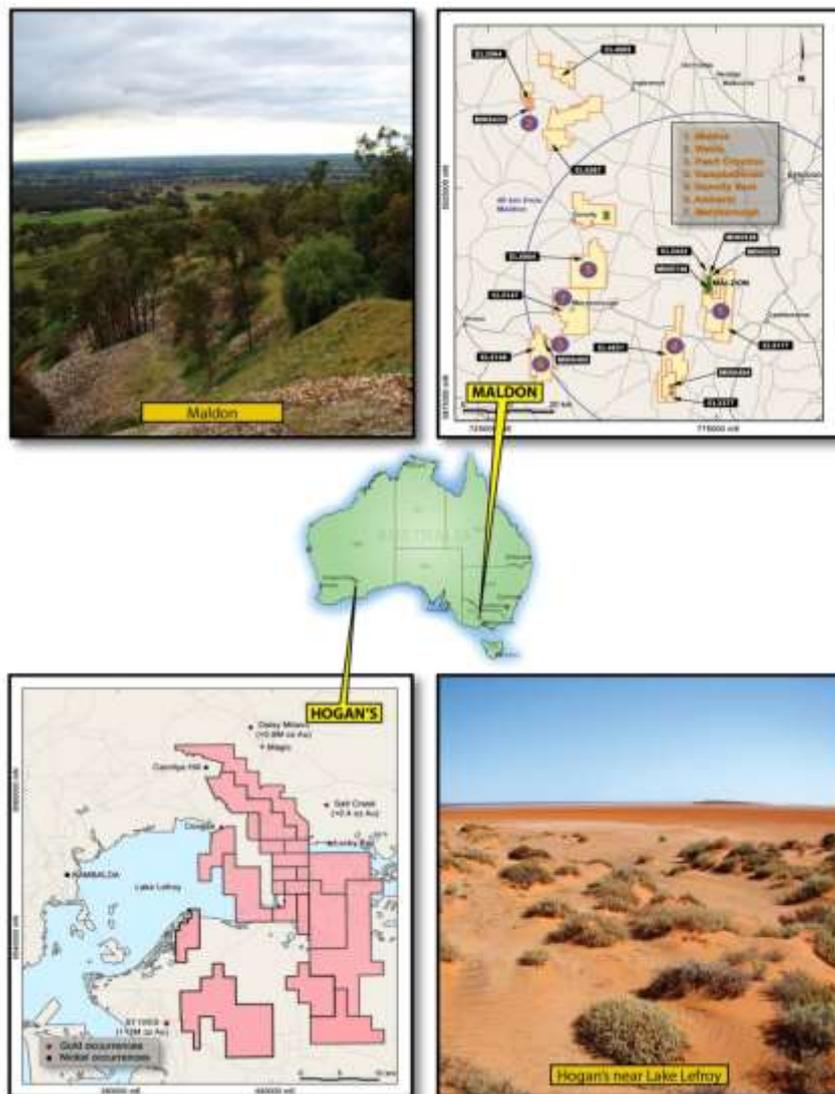
About Octagonal Resources

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 150,000 tpa CIL gold processing plant, 245,000 ounces of inferred gold resources and a decline that extends to the undeveloped underground resources. Octagonal is currently processing third party ore while it brings its own underground and open pit mines into production.

In Western Australia Octagonal holds 100% interest in the Hogan's Project where it is exploring for gold and copper 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 or copper 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

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97,1/7/98,30/9/2001.

Name of entity

OCTAGONAL RESOURCES LIMITED

ABN

38 147 300 418

Quarter ended ("current quarter")

31 March 2013

Consolidated statement of cash flows

		Current quarter	Year to date
		\$A'000	\$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	2,375	3,989
1.2	Payments for (a) exploration and evaluation	(259)	(823)
	(b) development	(297)	(1,091)
	(c) production ⁽ⁱ⁾	(909)	(1,920)
	(d) administration	(422)	(957)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	18	53
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (GST paid/recouped)	21	162
Net Operating Cash Flows		527	(587)
Cash flows related to investing activities			
1.8	Payment for purchases of:(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(62)	(169)
1.9	Proceeds from sale of: (a) prospects	-	10
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (Refund of security deposit)	-	-
Net investing cash flows		(62)	(159)
1.13	Total operating and investing cash flows (carried forward)	465	(746)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13 Total operating and investing cash flows (brought forward)	465	(746)
Cash flows related to financing activities		
1.14 Proceeds from issues of shares, options, etc.	-	-
1.15 Proceeds from sale of forfeited shares	-	-
1.16 Proceeds from borrowings	-	-
1.17 Repayment of borrowings	-	-
1.18 Dividends paid	-	-
1.19 Other (Cost of Capital Raising/Prospectus)	-	-
Net financing cash flows	-	-
Net (decrease) increase in cash held	465	(746)
1.20 Cash at beginning of quarter/year to date	1955	3,166
1.21 Exchange rate adjustments to item 1.20	-	-
1.22 Cash at end of quarter	2,420	2,420

Notes:

- i. Includes payments for the Maldon Processing Plant and general site expenditure.

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	203
1.24 Aggregate amount of loans to the parties included in item 1.10	NIL

- 1.25 Explanation necessary for an understanding of the transactions

All transactions involving Directors and associates were on normal commercial terms. These payments represent Director fees, Director consulting fees, re-imbursments of expenses and payments in terms of a management service agreement with a Director related entity.

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

NIL

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

NIL

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	NIL	NIL
3.2 Credit standby arrangements	NIL	NIL

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	93
4.2 Development	555
4.3 Production	579
4.4 Administration	480
Total	1,707

Notes:

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,477	1,012
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details) – Term Deposit	943	943
Total: cash at end of quarter (item 1.22)	2,420	1,955

Notes:

Appendix 5B
Mining exploration entity quarterly report

Changes in interests in mining tenements

	Tenement reference	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

Notes:

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities <i>(description)</i>	N/A		
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	+Ordinary securities	106,048,002	Fully paid	Fully paid
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs			
7.5	+Convertible debt securities <i>(description)</i>	N/A		
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

				Exercise price A\$	Expiry date
7.7	Options/ Performance Rights <i>(description and conversion factor)</i>	<i>(Unlisted Performance Rights)</i> 817,190	Nil	Nil	20 December 2013
7.8	Issued during quarter	N/A			
7.9	Exercised during quarter	N/A			
7.10	Expired during quarter	N/A			
7.11	Debentures <i>(totals only)</i>	N/A			
7.12	Unsecured notes <i>(totals only)</i>	N/A			

Compliance statement

- 1 This statement has been prepared under accounting policies, which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does ~~/does not*~~ *(delete one)* give a true and fair view of the matters disclosed.

Sign here:



Date: 30 April 2013

Company Secretary

Print name:

BOB TOLLIDAY

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedents, which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** the issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.