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Cash: \$2.2 m (30 June 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%

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Pearl Croydon Open Pit Update **Amherst, in Central Victoria**

- **Community engagement process continuing**
- **State Government Approval expected shortly**
- **All approvals to commence pit mining expected before the end of the year**

The Directors of Octagonal Resources Limited (ASX: ORS) (“**Octagonal**” or “**Company**”) are pleased to provide an update on the approvals process to commence open pit mining at the Pearl Croydon Gold Deposit near Amherst in Central Victoria.

The Pearl Croydon Deposit contains an Inferred Mineral Resource of 570,000 tonnes grading 2.9 g/t Au for 53,000 ounces of gold (Figure 1 and Table 1).

Octagonal is continuing to provide information to the local community on its planned mining activities at the Pearl Croydon Deposit and today placed an advertisement in the local newspaper, the Maryborough Advertiser. This advertisement provides a summary of an Information Brochure that is available on the Company’s web site: www.octagonalresources.com.au and is attached to this announcement.

The advertisement will run for two weeks and coincides with information posted to local residents this week. Octagonal will address any queries or concerns from local resident and hold a Community Information Evening in Maryborough during October (date and location to be confirmed and advertised in the Maryborough Advertiser).

The Company has also approached a number of local service providers and suppliers to set up accounts in anticipation of the commencement of mining.

Octagonal expects the Work Plan to undertake open pit mining activities that was lodged with the Victorian Department of State Development, Business and Innovation (“DSDBI”) during July will be approved shortly. Upon approval of the Work Plan the Company will apply for a Planning Permit which, when granted, will allow for mining to commence. Octagonal has already met with the local shire on several occasions to discuss its planned mining activities and does not expect any significant issues or delays to the approval of the Planning Permit.

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:

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Pearl Croydon Project

The Pearl Croydon Gold Deposit is located on a granted mining licence 40 kilometres southwest of the Company's Porcupine Flat gold processing plant at Maldon and contains an Inferred Mineral Resource of 570,000 tonnes grading 2.9 g/t Au for 53,000 ounces of gold (Figure 1 and Table 1).

During February 2013 a conceptual open pit optimisation study completed on the deposit revealed that there is the potential to develop up to eight open pits in the area (Figure 2), 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 (Table 2).

As the Pearl Croydon 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.

Table 1. Pearl Croydon Mineral Resource Estimate (July 2010)					
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			570,559	2.9	53,364

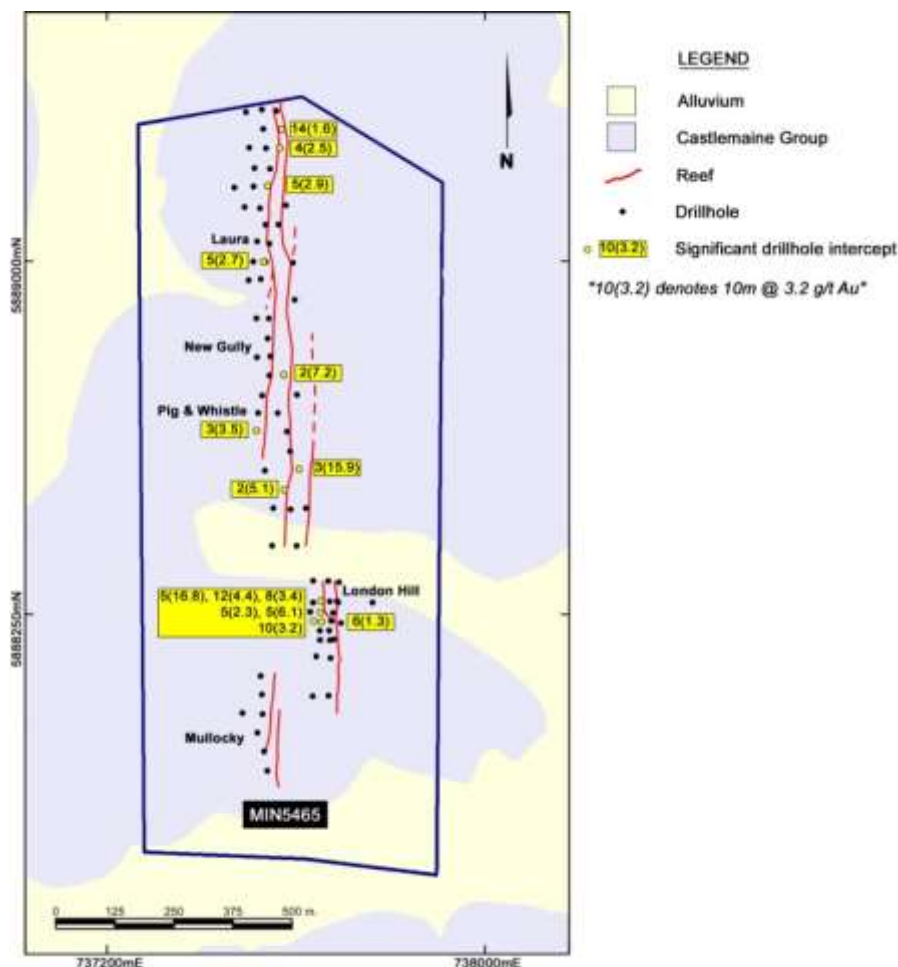


Figure 1. Pearl Croydon: Drill hole location plan

At present most of the Pearl Croydon Deposit has been drilled 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 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 3).

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

Table 2. Pearl Croydon: Open Pit Optimisation Summary	
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 @ A\$1,500/oz (\$)	22,712,000 - 48,400,000
Cash Surplus (\$)	6,898,000 - 20,649,000

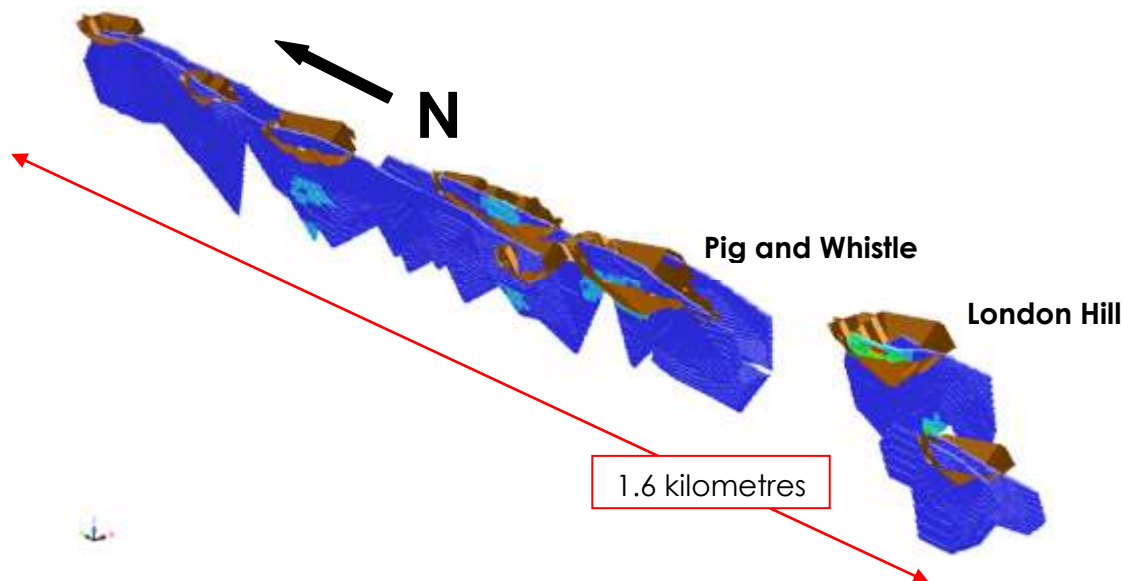


Figure 2. Pearl Croydon: Whittle pit shells generated from open pit optimisation study

Table 3. 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 @ A\$1,500/oz (\$)	6,060,000 - 14,113,000
Cash Surplus (\$)	2,703,000 - 7,968,000

Competent Persons Statement

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.

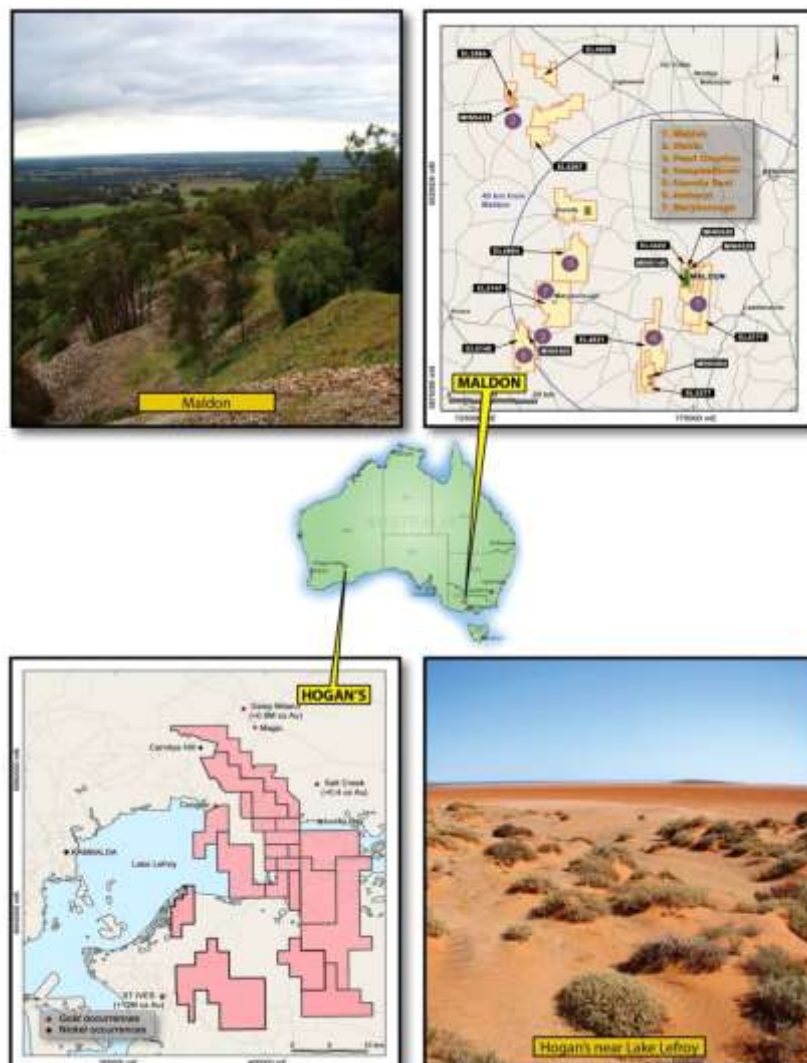
About Octagonal Resources

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 underground mining at the Alliance South Deposit in Maldon and has applied for regulatory approval to commence open pit mining at the Pearl Croydon Deposit.

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 and Salt Creek mines 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

Pearl Croydon Mining Operation – Information Brochure

Octagonal Resources Limited through its wholly owned subsidiary, Highlake Resources Pty Ltd, has recently lodged a Work Plan with the Victorian State Government to undertake open pit mining activity at the Pearl Croydon Gold Deposit that is located on mining licence MIN5465, 10 kilometres southwest of Maryborough (Figure 1).

The Pearl Croydon Deposit is located within the Maryborough State Forest, south of the Paddy's Ranges National Park, and contains a mineral resource of 571,000 tonnes grading 2.9g/t gold to contain 53,000 ounces of gold.

Octagonal will transport the ore to Maldon for treatment at the Porcupine Flat Gold Processing Plant.

Who are we?

Octagonal Resources Limited is an Australian owned and operated public company that is listed on the Australian Securities Exchange (ASX Ticker Code: ORS). The Company was established in late 2010 to develop a sustainable gold producing operation in Central Victoria centred around the Porcupine Flat Gold Processing Plant at Maldon.

What we do?

We are currently underground mining at the Alliance South Gold Deposit that is located beneath the town of Maldon and during 2013 we have also retreated tailings from the Kangaroo Flat Gold Mine near Bendigo and mined a 25,000 tonne open pit to 15 metres depth at the Black Reef near Wehla.

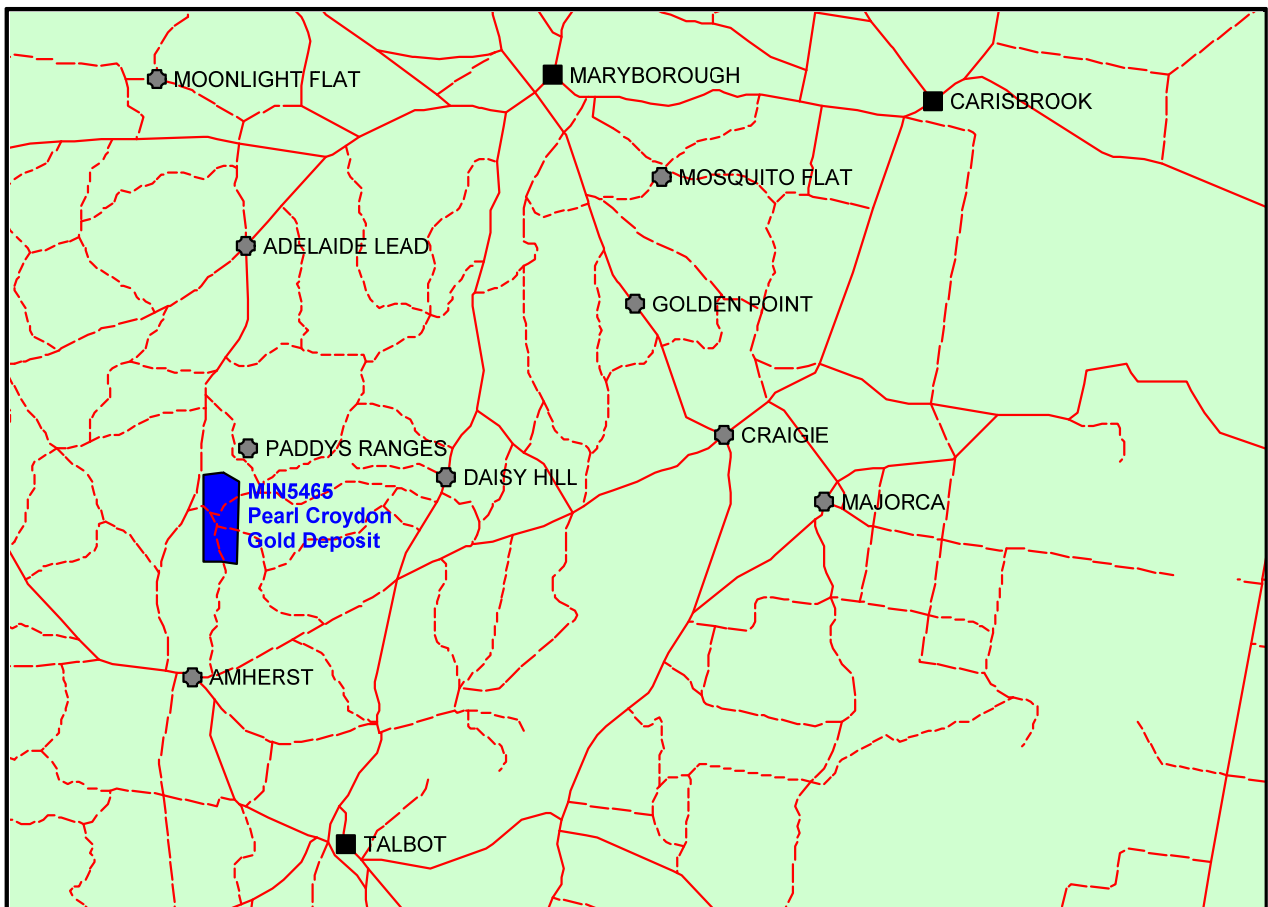


Figure 1. Location of the Pearl Croydon Gold Deposit

What is our planned mining activity?

The Work Plan that we lodged with the State Government to undertake open pit mining activity follows extensive investment in drilling to define gold resources. Modelling of the Pearl Croydon Deposit has indicated the potential to mine up to eight open pits within a 1,500 metre by 200 metre area with the largest individual pit being 250 metres long, 100 metres wide, and 60 metres deep.

Our initial Work Plan is to commence two open pits in the London Hill and Pig & Whistle areas of the Pearl Croydon Deposit that will be mined to 30 metres and 15 metres depth respectively (Figure 3). This mining is planned to be completed during 2014 and will remove approximately 23,000 tonnes of ore and 110,000 tonnes of waste. The ore will be transported to Maldon using 30 tonne truck and dog trailers (the same as used for grain carting; Figure 2) via Possum Gully Road and Old Avoca Road to Maryborough, then Carisbrook, Baringhup and Maldon. The waste rock will be stockpiled onsite during mining and then used to fill in the open pits at the completion of mining.

Mining will be completed on a day shift only and haulage of ore to Maldon will occur during day shift on weekdays only. Approximately 2,000 tonnes of ore will be carted to Maldon per month averaging 4 truck movements per day.

What is a Work Plan?

A Work Plan is the primary document that describes activities to be undertaken on a mine site. It is intended to provide guidance to operational staff at the mine as well as informing other readers such as Council or Government officers to facilitate decisions and approvals.

A Work Plan is one of the key regulatory documents for mining under the Mineral Resources (Sustainable Development) Act 1990. All mining licensees must have an approved Work Plan in order to do any work other than low impact exploration. In addition, the Work Plan provides information to allow for the calculation of the Rehabilitation Bond for a mining licence.

Information provided in a Work Plan must include geological information, location and regional plans, site plan (or development plan), processing methods, rehabilitation plan, environmental management plan, occupational health and safety plan, and community engagement plan.



Figure 2. Example of ore being loaded onto road trucks (Black Reef Mine)

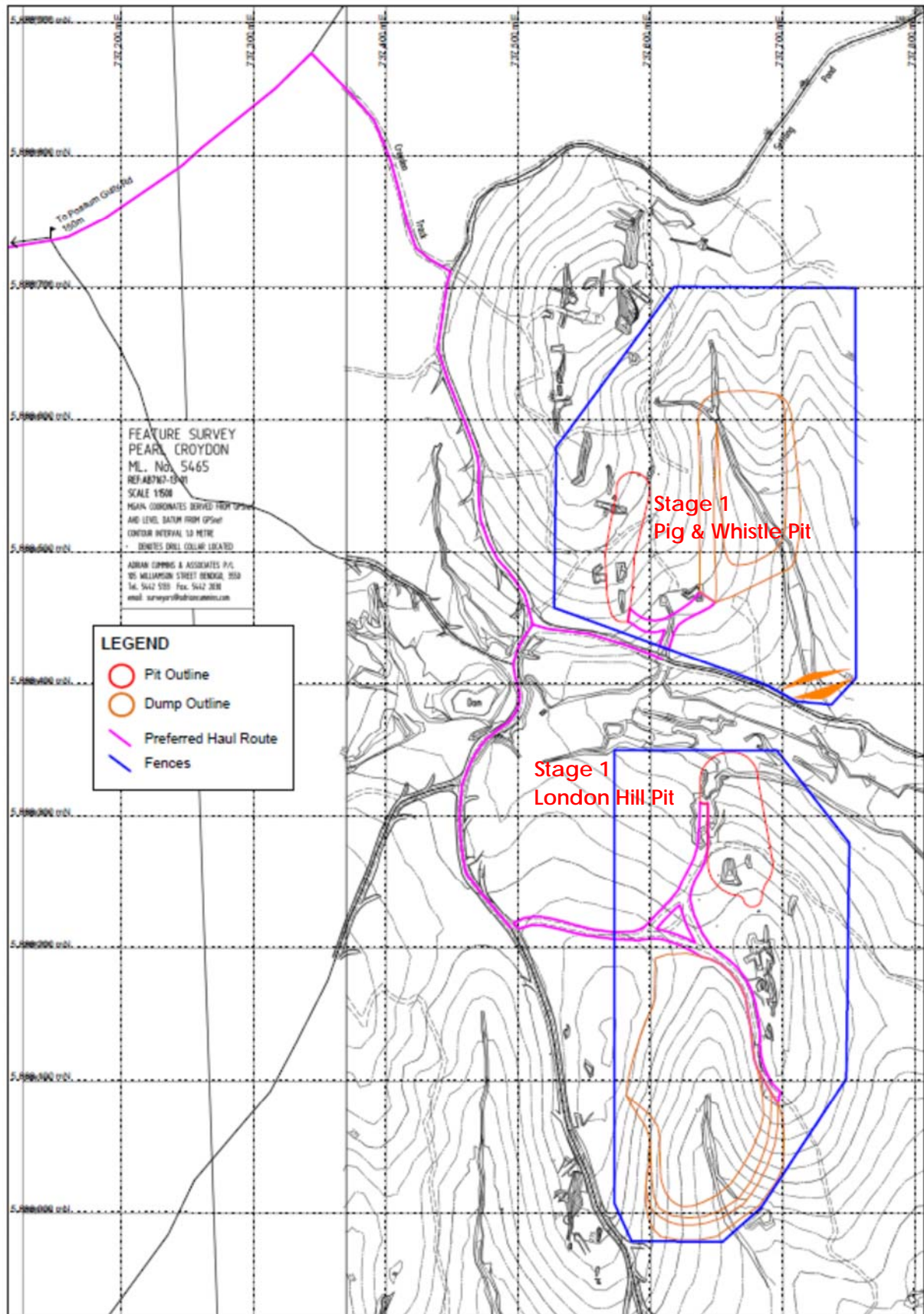


Figure 3. Pearl Croydon Stage 1 open pit mine site layout

What did we do before lodging the Work Plan?

Prior to lodging the Work Plan we consulted with various State and Local government representatives including the Department of Environment and Primary Industries, Parks Victoria, Heritage Victoria, and the Central Goldfields Shire Council. We also completed an Ecological Assessment and Aboriginal Cultural Heritage Study of the proposed mining area.

The Ecological Assessment was completed to describe the flora, fauna and habitat values, assess the conservation significance of the habitat, map the extent, type and condition of the native vegetation, map any threatened species onsite, and consider vegetation offset requirements. This work determined that mining should be allowed to proceed if 2.6 Habitat Hectares of Medium Conservation Significance Box-Ironbark Forest is purchased to compensate for the 4.5 hectares that is planned to be cleared.

The Dja Dja Wurrung people are the traditional owners of the land on which our proposed mining activity will occur. The Aboriginal Cultural Heritage Study completed over the planned mining area determined that it is not located within an area of cultural heritage sensitivity and that according to the Aboriginal Heritage Act 2006 and Aboriginal Heritage Regulations 2007 the preparation of Cultural Heritage Management Plan is not required for mining to commence.

Once the Work Plan is approved what do we do before mining commences?

Prior to any ground disturbing activity we will lodge with the State Government an environmental bond of approximately \$300,000 to cover 100% of the cost of rehabilitation at the mine site.

Before commencing mining we will erect a fence around the mine site and rake and stockpile all surface litter (leaves, twigs, etc.) from the area to be disturbed. Tree cutting will be kept to a minimum and timber harvesting will be completed in consultation with the Forest Manager. Seeds will be collected from trees and retained for rehabilitation and unusable timber will be stockpiled (Figure 5). The surface soil will then be scraped and stockpiled (Figure 4) before removal and stockpiling of subsoil (Figure 6). Barrier mesh will be erected around preserved areas of vegetation (Figure 5) and silt mesh will be installed as necessary to prevent erosion (Figure 7).



Figure 4. Example of stockpiled soil with mine waste dump in background (Black Reef Mine)



Figure 5. Example of barrier mesh protecting vegetation with unusable timber stockpiled (Black Reef Mine)



Figure 6. Example of an excavator removing subsoil to create a bund wall around the open pit (Black Reef Mine)



Figure 7. Example of silt mesh preventing erosion, unusable timber stockpiled, & perimeter fence (Black Reef Mine)

What happens while we are mining?

Open pit mining is completed in accordance with safety precautions in the Trenching Operations Code of Practice.

Mining equipment will consist of one excavator of suitable capacity, one loader, and two articulated rear dump trucks with other ancillary fleet brought in as required (Figure 8). The excavator will carefully remove oxidised ore and waste zones separately with the waste being stockpiled ready for later backfilling.

During mining we will manage road maintenance within the State Forest in consultation with the Forest Manager. The Central Goldfields Shire Council will manage road maintenance along Possum Gully Road and Old Avoca Road, but we will pay for any additional maintenance costs arising from the increased size and volume of traffic on these roads.



Figure 8. Example of open pit mining at the Black Reef Mine, near Wehla

What do we do after we have finished mining?

Once mining is complete we will remove all of the fixed and mobile plant, equipment and machinery from the mine site and rehabilitate the mine area. The perimeter fence will remain to assist native vegetation to re-establish.

Rehabilitation will initially consist of backfilling and contouring the open pits to a natural surface. Firstly with waste rock, then stockpiled subsoil, and finally stockpiled topsoil. The stockpiled surface litter and timber will then be spread over the top soil. Any compacted areas will also be ripped to aid revegetation and a mix of seed of the local native species of trees and shrubs approximating the percentage of those species already in the mine area will be spread over the disturbed areas.

We will monitor the rehabilitation on a regular basis, plant additional trees as necessary, eradicate weeds, and control erosion (Figures 9 and 10).

When the mine site has been rehabilitated and re-vegetation established to the satisfaction of the Forest Manager the perimeter fence will be removed and management of the site returned to Parks Victoria.



Figure 9. Example of our open pit mine rehabilitation (Eaglehawk Pit Mine Site, Maldon)



Figure 10. Example of our erosion control measures (Eaglehawk Pit Mine Site, Maldon)



Figure 11. Porcupine Flat Gold Processing Plant in Maldon

What is our commitment to the environment, health and safety, and the community?

We recognize that the success of our operations is intrinsically linked with the aspirations and concerns of the people affected by them. Our activities are not only regulated by local, state, and federal authorities, but also the broader community within which we operate. Our social licence to operate comes from establishing and maintaining positive relationships with our employees, business partners, government authorities, suppliers, shareholders, and neighbours.

Environment

Our exploration and mining activities are designed to minimize ground disturbance and to prevent the destruction of flora, fauna, and sites of Aboriginal and European cultural heritage. Where ground disturbing activities do occur we lodge an environmental bond with the State Government to cover the full cost of rehabilitation before work commences. This bond is returned to the Company upon satisfactory completion of rehabilitation.

Our mining and ore processing operations are performed in accordance with an Environmental Management Plan that is designed to demonstrate regulatory compliance in the areas of environment and community such as water, dust, noise, and vibration. Monitoring of these features is reported quarterly to an Environmental Review Committee that is made up of Regulators (EPA, DEPI, DSE, etc.), special interest groups, and community members who review and ensure the environmental and community compliance and performance of the operation.

We will establish an Environmental Review Committee to oversee the environmental compliance of the Pearl Croydon mining operation and will invite nominees for Community Representatives towards the end of the year.

Health & Safety

The health and safety of our employees, contractors, and the community is managed through our Safety Management System and regulated by WorkSafe Victoria. The identification and control of hazards forms the foundation of our Safety Management System. Hazards are identified, risks assessed, and critical controls implemented and audited. This System is further supported by well-developed systems, procedures, supervision, instruction, and training.

The Community

We conduct our business in a manner that seeks to provide economic return to the local communities within which we operate. Where possible we recruit employees locally, or employ residential staff, and use local contractors and suppliers. This ensures that most of the money that we spend on employment and goods and services flows directly into the local economy.

We also recognise that tourism is an important industry in Central Victoria for attracting business and creating employment, so we provide support for community events in the areas that we operate.

Communication of our current and planned mining activities is disseminated into the community through our staff and contractors and at the quarterly Environmental Review Committee meetings. We actively identify and engage key stake holders to discuss our planned mining activities and hold an annual open day where we invite the community to visit and inspect our gold processing operations at Maldon. We intend to extend this open day to include the Pearl Croydon mining operation once mining commences.

For further information about our planned mining activities please phone us at the Maldon Gold Operation during business hours on (03) 5475 2977 or email info@octagonalresources.com.au