

**12 JUNE 2013**

No. of Pages: 33

**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**

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## **COMPANY PRESENTATION**

Please find attached a copy of a Company presentation to be made by the MD, Mr Anthony Gray at the Gold Coast Resources Showcase June 2013 held on the Gold Coast, QLD today.

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](http://www.octagonalresources.com.au)



**Octagonal**  
Resources Limited

ABN: 38 147 300 418

ASX Code: ORS

## Gold Coast Resources Showcase June 2013

“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 presentation that relates to mineral resources and exploration results are based on information compiled by Mr Anthony Gray who is a Member of the Australian Institute of Geoscientists. Any statement herein, direct or implied, as to a potential gold deposit is conceptual in nature and a reference to the targeted gold potential and not to any JORC compliant Mineral Resource. Mr Gray is a full time employee of Octagonal Resources Limited, and has sufficient experience which is relevant to the style of mineralisation under consideration to qualify as a Competent Person as defined in the 2004 edition of the JORC Code. Mr Gray has given his consent to the inclusion in this presentation of the matters based on the information in the form and context in which it appears.

The information in this presentation that relates to exploration 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.



## Regular gold production since November 2012



# Investment Highlights

## Advanced portfolio of Victorian gold projects:

- ▶ Junior Australian gold company with a cash flow
- ▶ Targeting sustained production of ~30,000 oz pa low cost high grade gold
- ▶ 150,000 tpa CIL gold processing plant at Maldon
- ▶ JORC-compliant Inferred Resources totalling 245,000 oz of gold <sup>1</sup>
- ▶ 1,900 metre decline developed to access 182,000 oz underground resource <sup>1</sup>
- ▶ Mining trial open pit at Wehla to justify larger open pit mining operation
- ▶ Ore processing agreement with A1 Gold Mine

## Emerging Western Australian gold district:

- ▶ 520 km<sup>2</sup> landholding surrounded by +12 million oz St Ives Goldfield, +0.8 million oz Daisy Milano Mine and +0.4 million oz Salt Creek Mine
- ▶ Targeting plus million ounce gold deposits
- ▶ Significant gold and copper discovered at the Burns Prospect





# Company Overview

## ASX Code: ORS

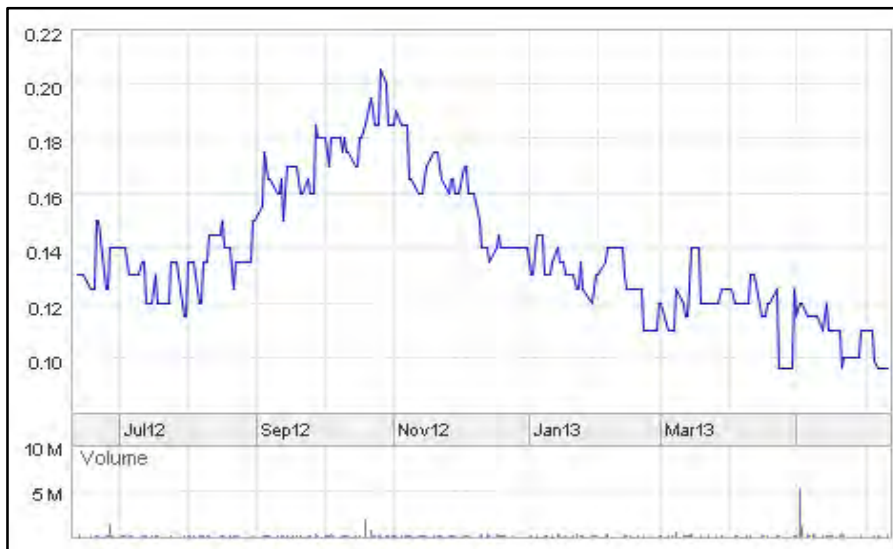
ASX Listed	5 January 2011
Ordinary Shares	106.0 million
Options	0
Market Cap. (\$0.096)	\$10.2 million
Cash	\$2.4 million (31 Mar. 2013)
Debt	\$0
Range (since listing)	\$0.096 - \$0.25
Average Daily Volume	146,000 shares

## Directors

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

## Major Shareholders

Major Shareholders	Shares	%
Alliance Resources Limited	22 million	20.8
Abbotsleigh Pty Ltd (Ian Gandel)	19.9 million	18.7
JP Morgan Nominees	9.4 million	8.9
<b>Top 20 Shareholders</b>	<b>70.3 million</b>	<b>66.3</b>
<b>TOTAL SHARES</b>	<b>106,048,002</b>	<b>100</b>



Main Street, Maldon

# Company Performance

## Equity Raising

- ▶ December 2010: \$12 million at \$0.25 per share (IPO)

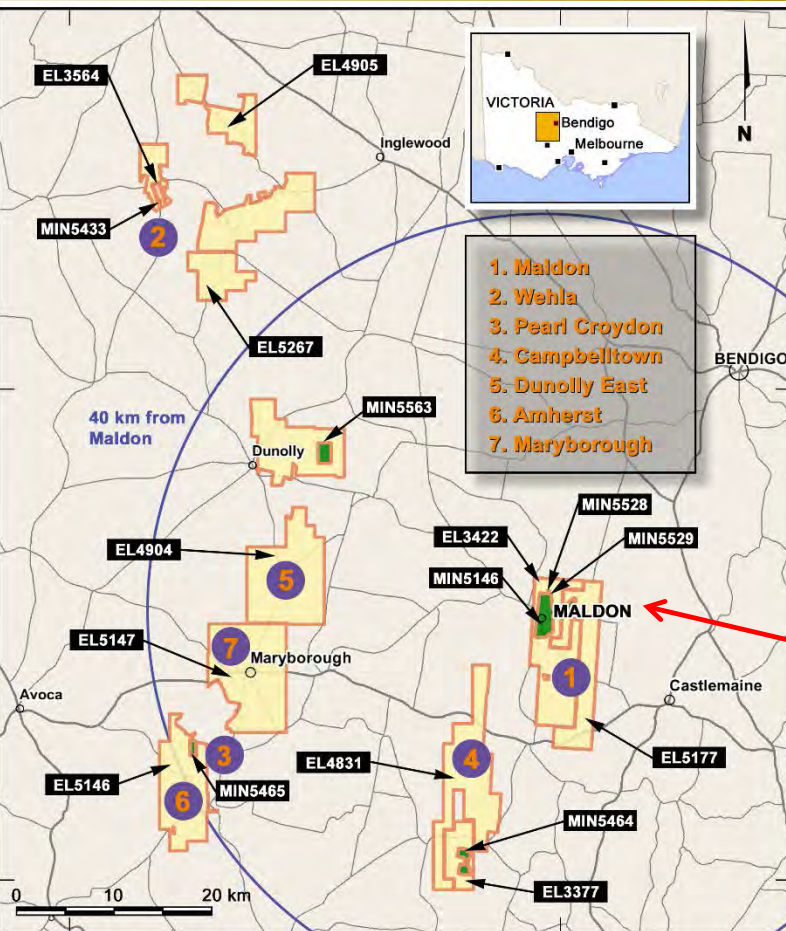
## Short Term Objectives in Prospectus

- ▶ Commence underground mining from the Alliance South Shoot at Maldon  
**Acquired underground mining fleet → commenced developing as owner operator**
- ▶ Mine open pit at Black Reef (Wehla) to determine viability of a larger open pit operation  
**Regulatory approvals received → open pit mining commenced**
- ▶ Define at least 250,000 tonnes of open pit resources in Central Victoria  
**114,000 tonne initial resource defined at Specimen Reef (Dunolly)**
- ▶ Undertake aggressive exploration at Hogan's in WA to test for a major gold deposit  
**Gravity survey, 43,000m of aircore drilling and 4,750m of RC drilling**





# Victorian Gold Operation



Bendigo Zone  
25M oz primary

## Victorian Primary Gold

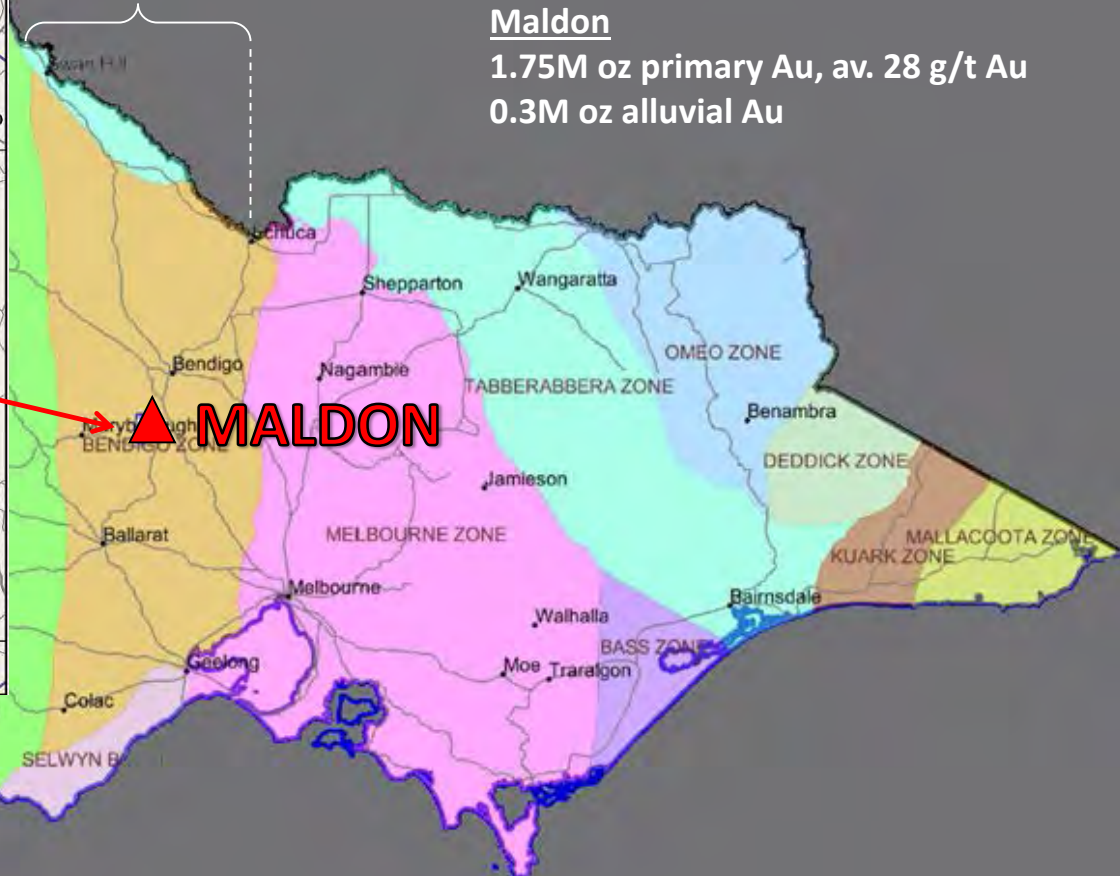
Total production: 80M oz

Primary production: 35M oz

### Maldon

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

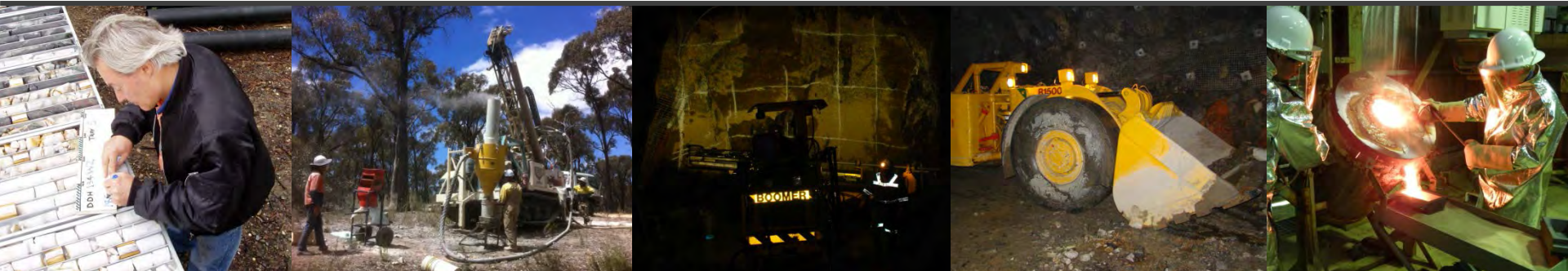
0.3M oz alluvial Au





## 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



## Maldon Gold Processing Plant

- ▶ 150,000 tpa CIL gold mill
- ▶ Replacement cost +\$15 m
- ▶ Low processing costs
- ▶ No water or power issues



## Union Hill Decline

- ▶ 1,900 metre long 4 metre by 4.5 metre decline
- ▶ Construction cost +\$20 m
- ▶ Completely dewatered
- ▶ Less than \$0.5 m in development costs to commence mining





# Ore Sources & Project Pipeline

2013

2014

2015+

\$ \$ \$

**Octagonal  
Underground Ore**



Alliance South  
(Maldon)



Nuggetty Reef  
(Maldon)

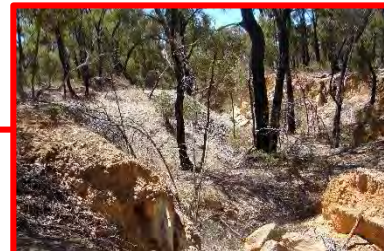


Central Maldon Shear Zone  
(Maldon)

**Octagonal  
Open Pit Ore**



Black Reef  
(Wehla)



Pearl Croydon  
(Amherst)



Specimen Reef  
(Dunolly)

**Ore Processing  
Agreements**



Kangaroo Flat tailings  
(Bendigo)



A1 Gold Mine  
(Woods Point)



Maldon Gold  
Processing Plant  
(Maldon)

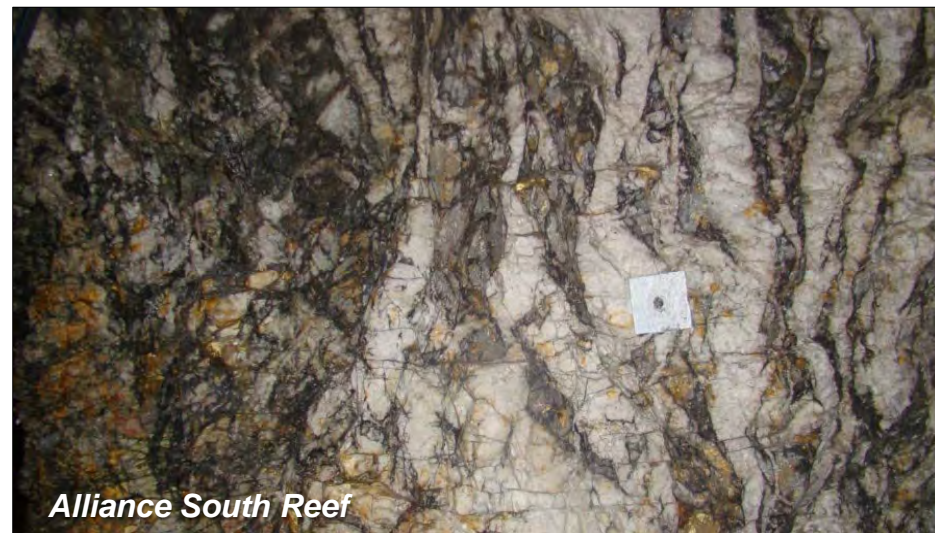


## ALLIANCE SOUTH - MALDON

**Inferred Resource: 473,000 tonnes grading 12.0 g/t Au for 182,000 ounces<sup>1</sup>**



*Portal of Union Hill Decline*



*Alliance South Reef*

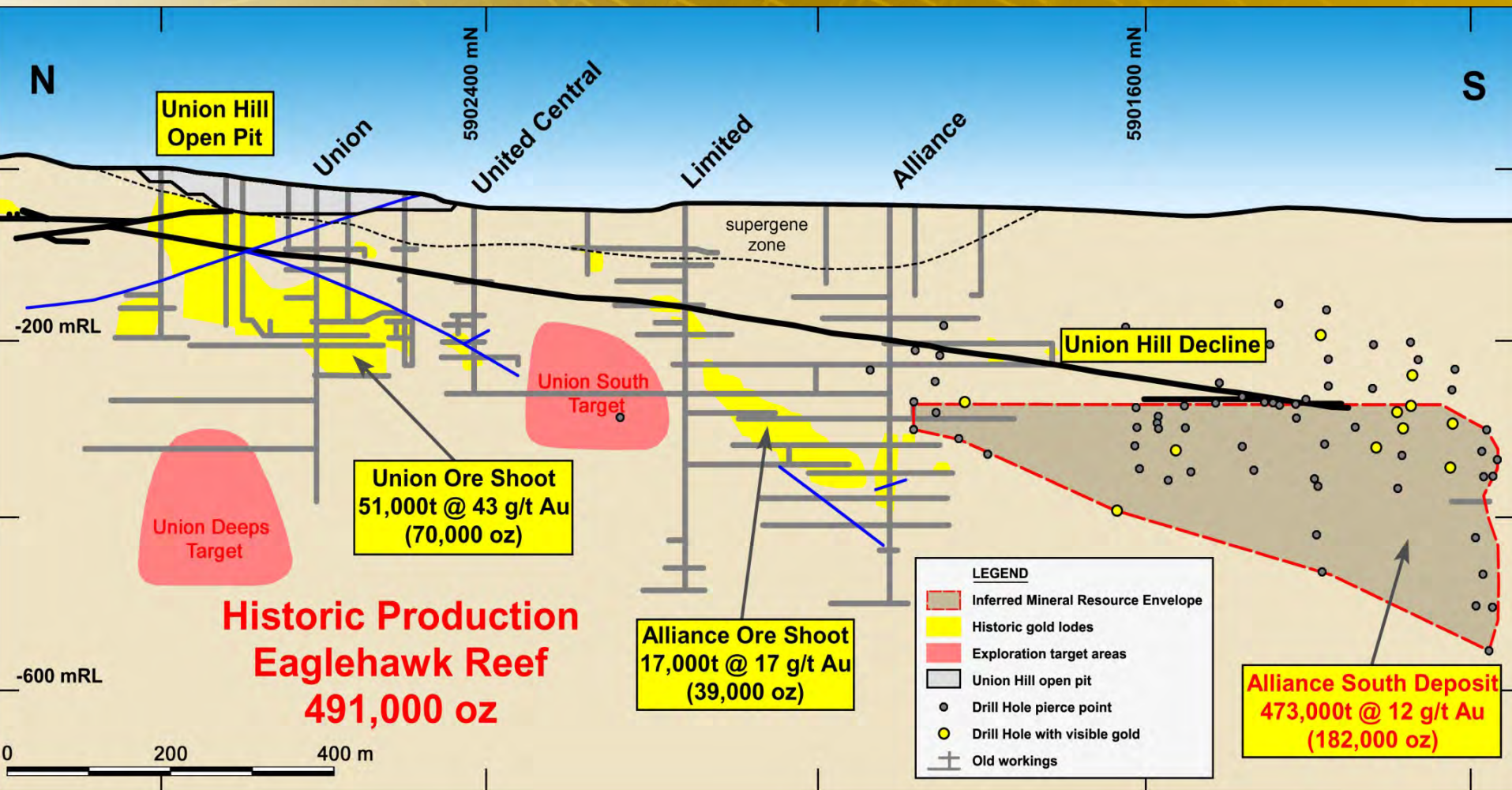
1: Refer to slide 32 – JORC Resource Inventory



# Alliance South Deposit

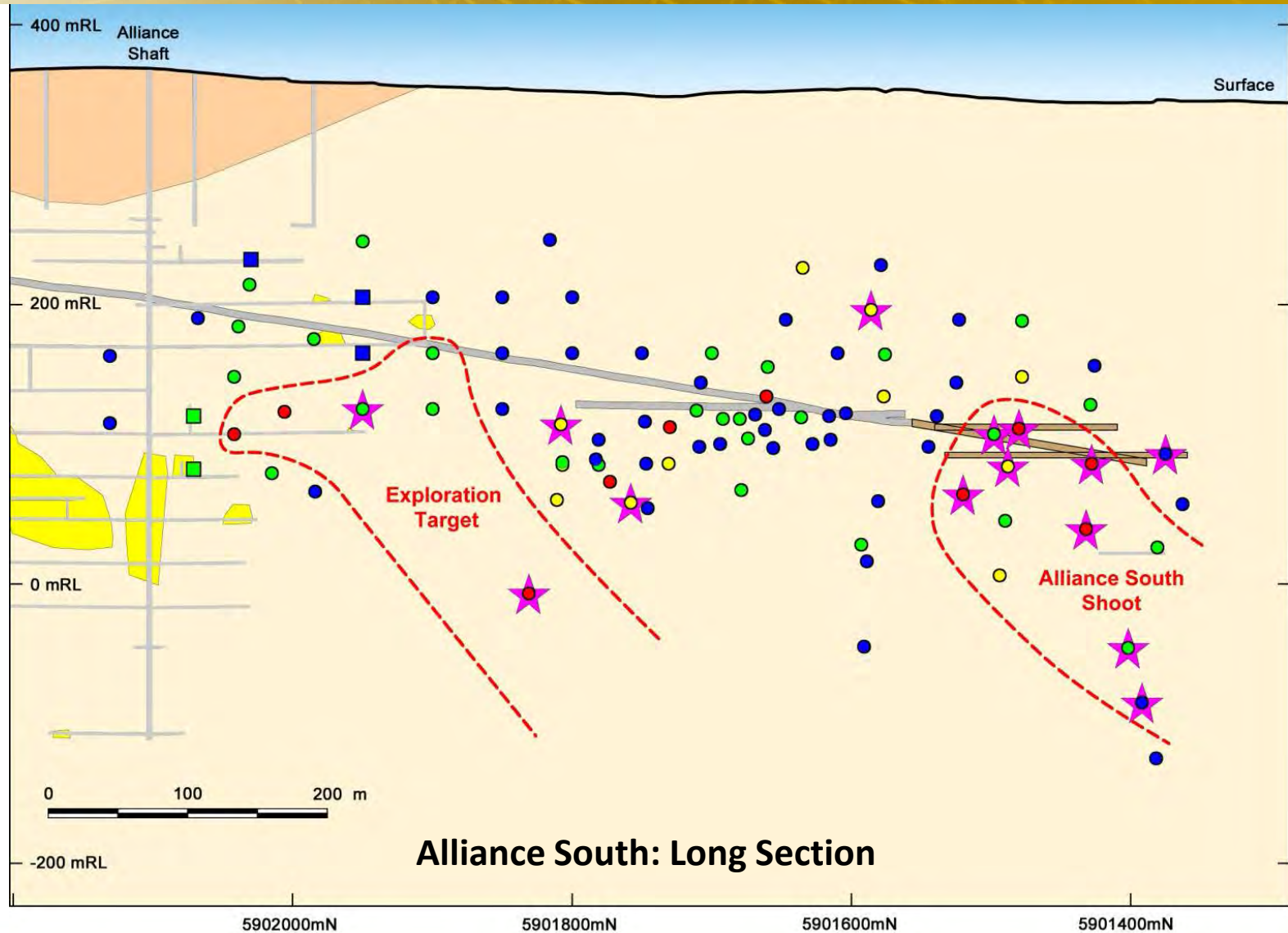


Octagonal  
Resources Limited



Eaglehawk Reef: Long Section

# Alliance South Mining





# 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

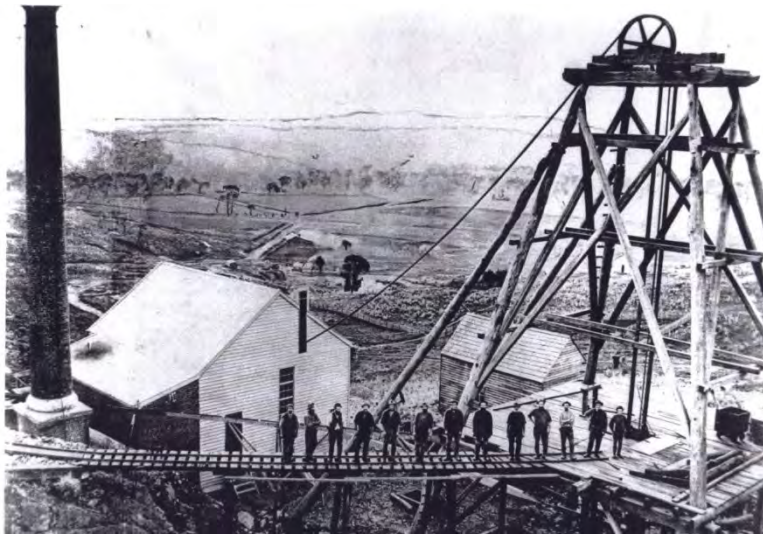
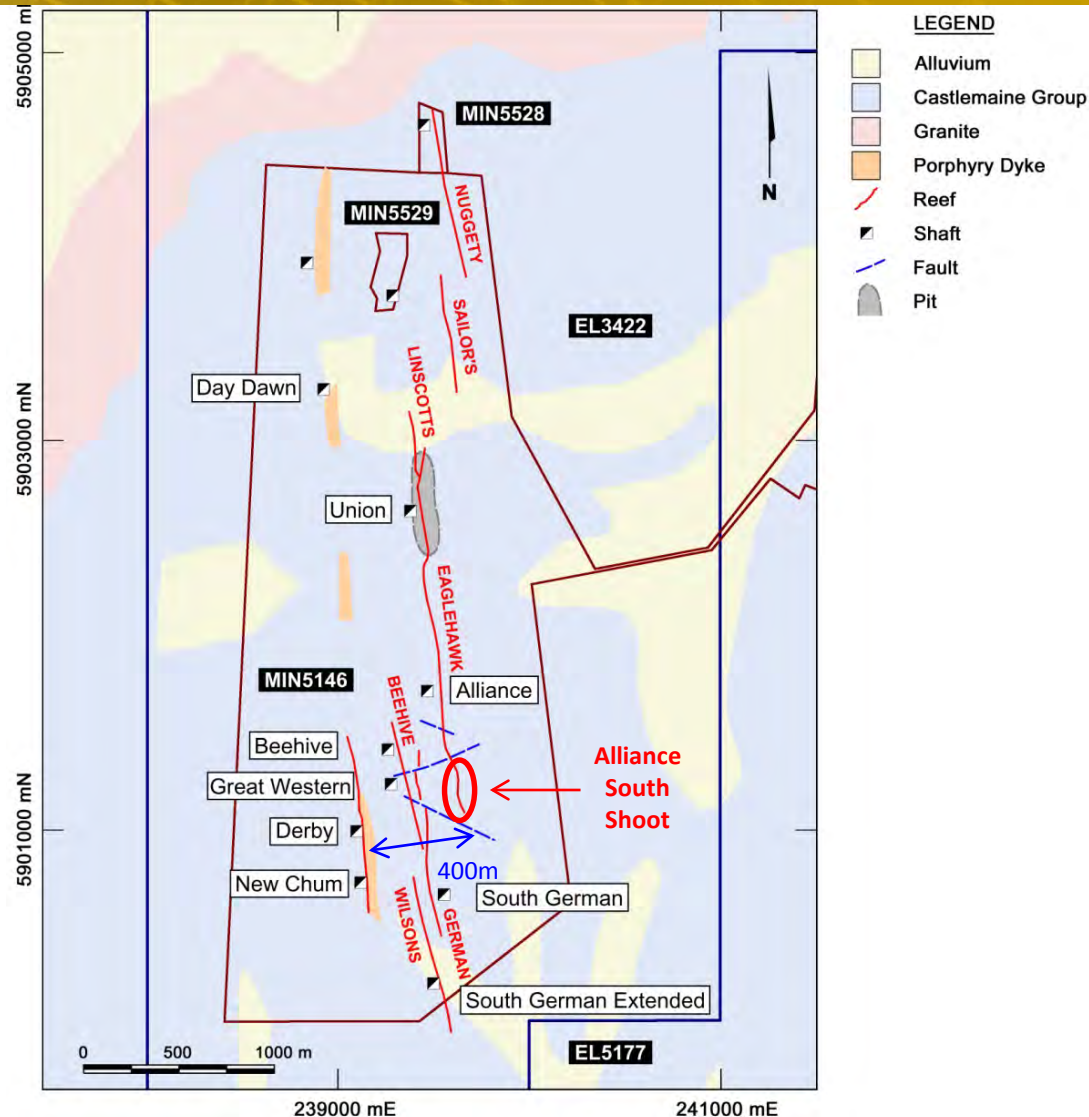


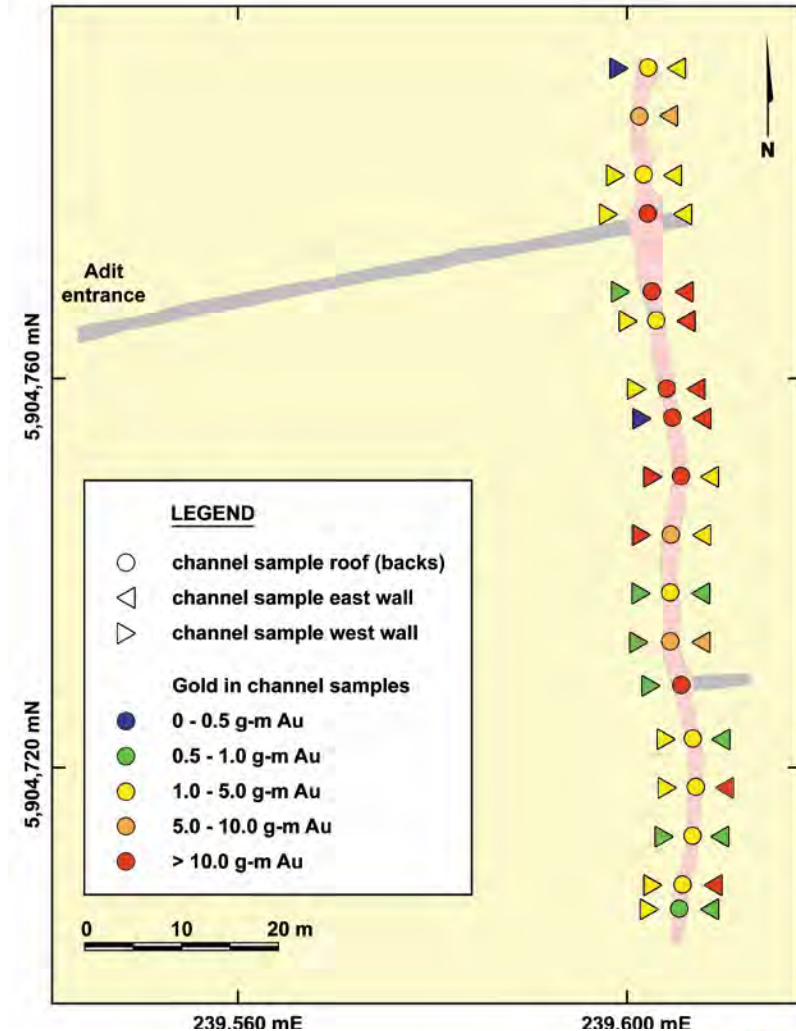
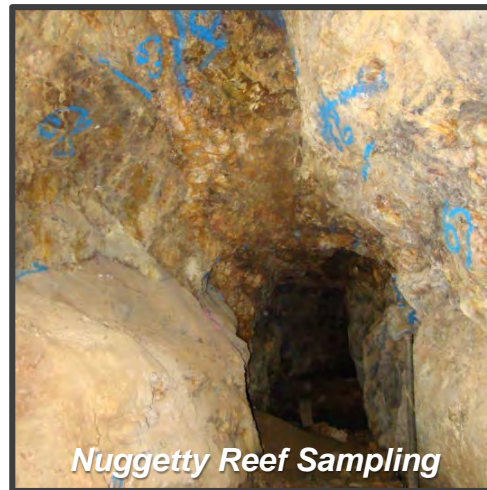
Photo: Nuggetty Alliance Shaft



# Nuggetty Reef Mine

**Historic Production (1856 - 1866) 50,000t @ 187g/t Au for 301,000oz Au**

- ▶ 2.5 kilometres from Maldon
- ▶ Potential for significant remnant ore
- ▶ Accessed by 60 metre adit
- ▶ Channel sampling results:
  - 92m @ 4.8g/t Au roof (backs)  
inc. 33m @ 8.2g/t Au (backs)
  - 92m @ 4.1g/t Au walls  
inc. 20m @ 8.9g/t Au (east wall)  
inc. 12m @ 11.1g/t Au (west wall)

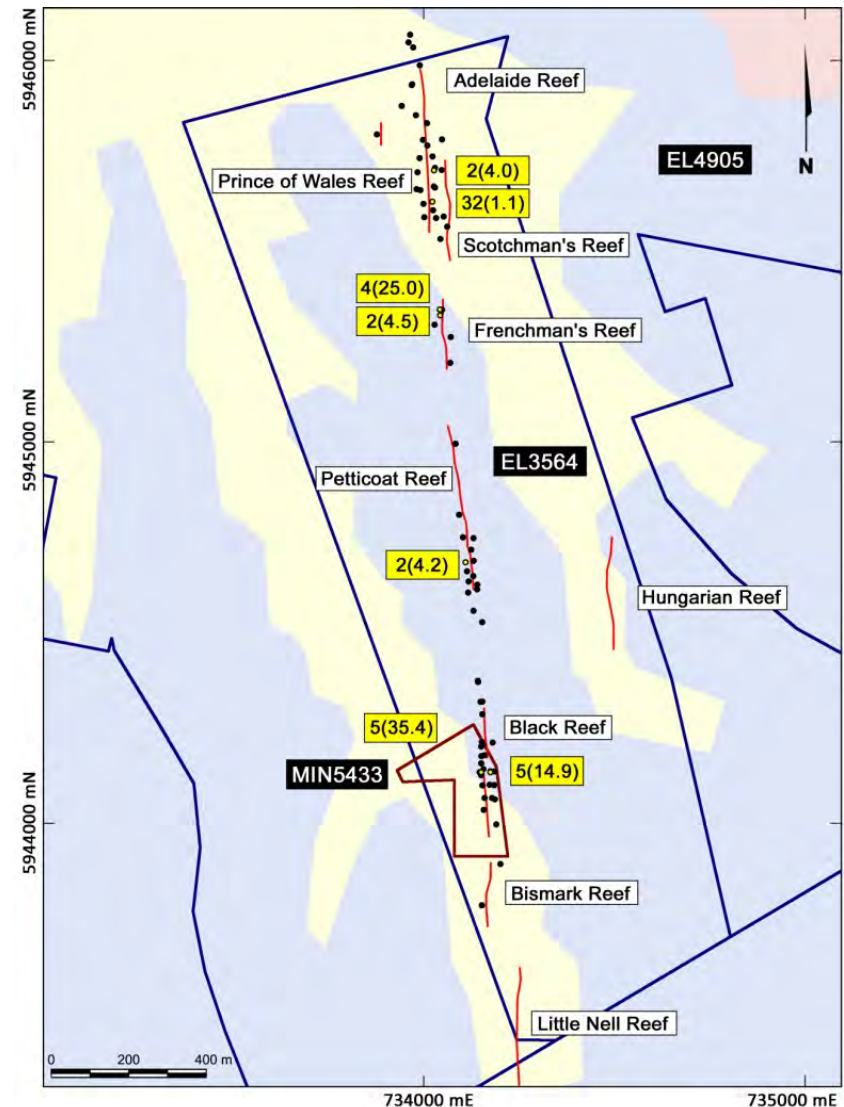




# Open Pit Mining

## WEHLA GOLDFIELD

- ▶ 60 kilometres from Maldon
- ▶ 2.2 kilometre line of reef
- ▶ Prince of Wales Mine produced +60,000 ounces of high-grade gold
- ▶ Shear zone hosted structural setting
- ▶ Potential for a significant gold deposit



## Mining 30 metre deep pit on costean and drill results

Significant drill results:

B3: 5m @ 35.4 g/t Au

W13: 5m @ 14.9 g/t Au

BRRC02: 5m @ 2.4 g/t Au

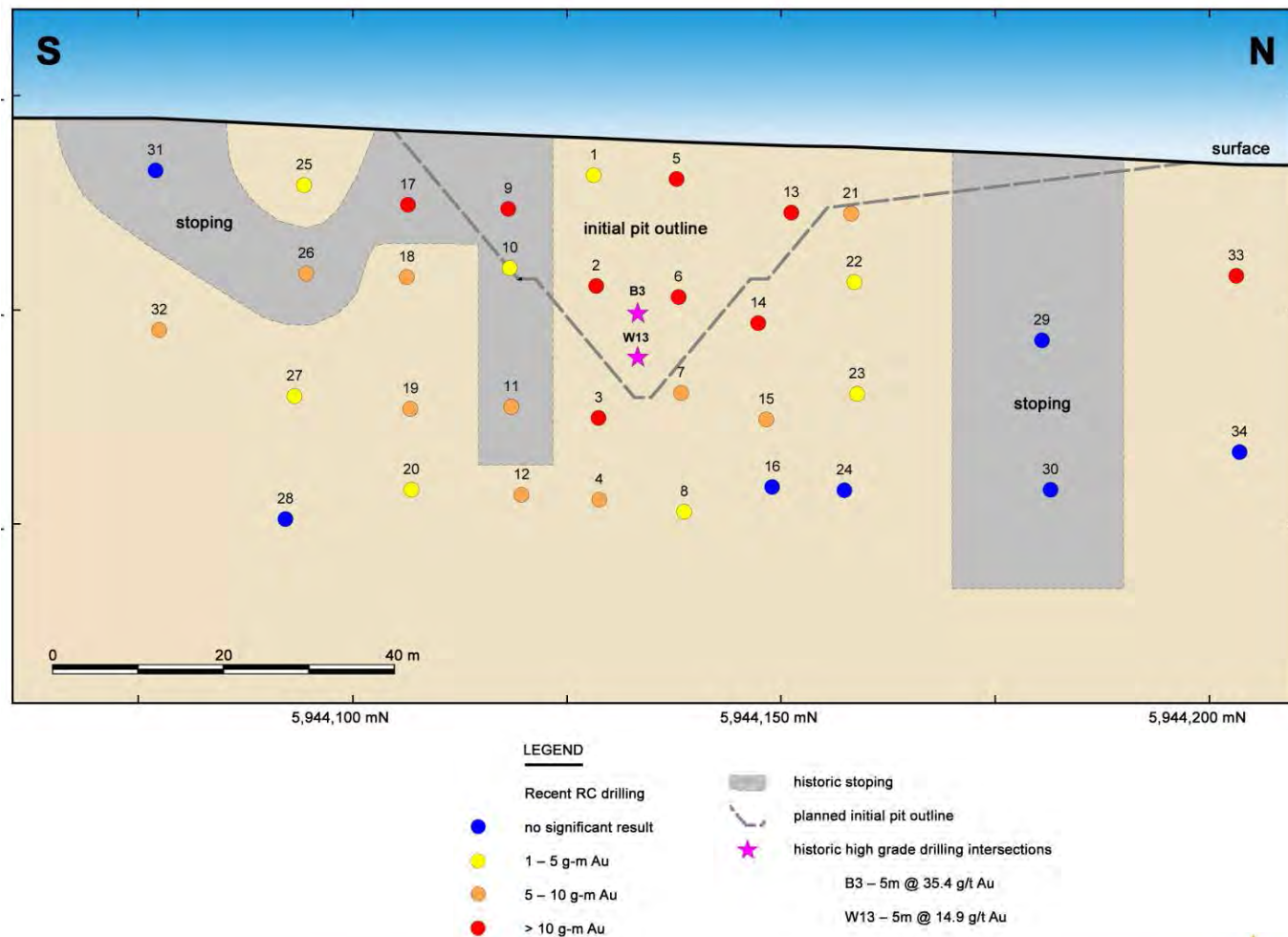
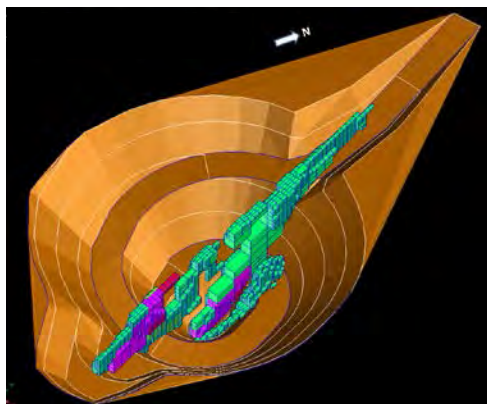
BRRC03: 7m @ 2.2 g/t Au

BRRC09: 2m @ 4.5 g/t Au

BRRC14: 3m @ 3.4 g/t Au

BRRC17: 1m @ 15.8 g/t Au

BRRC33: 1m @ 7.7 g/t Au





# Black Reef - Wehla





# Frenchman's Reef - Wehla

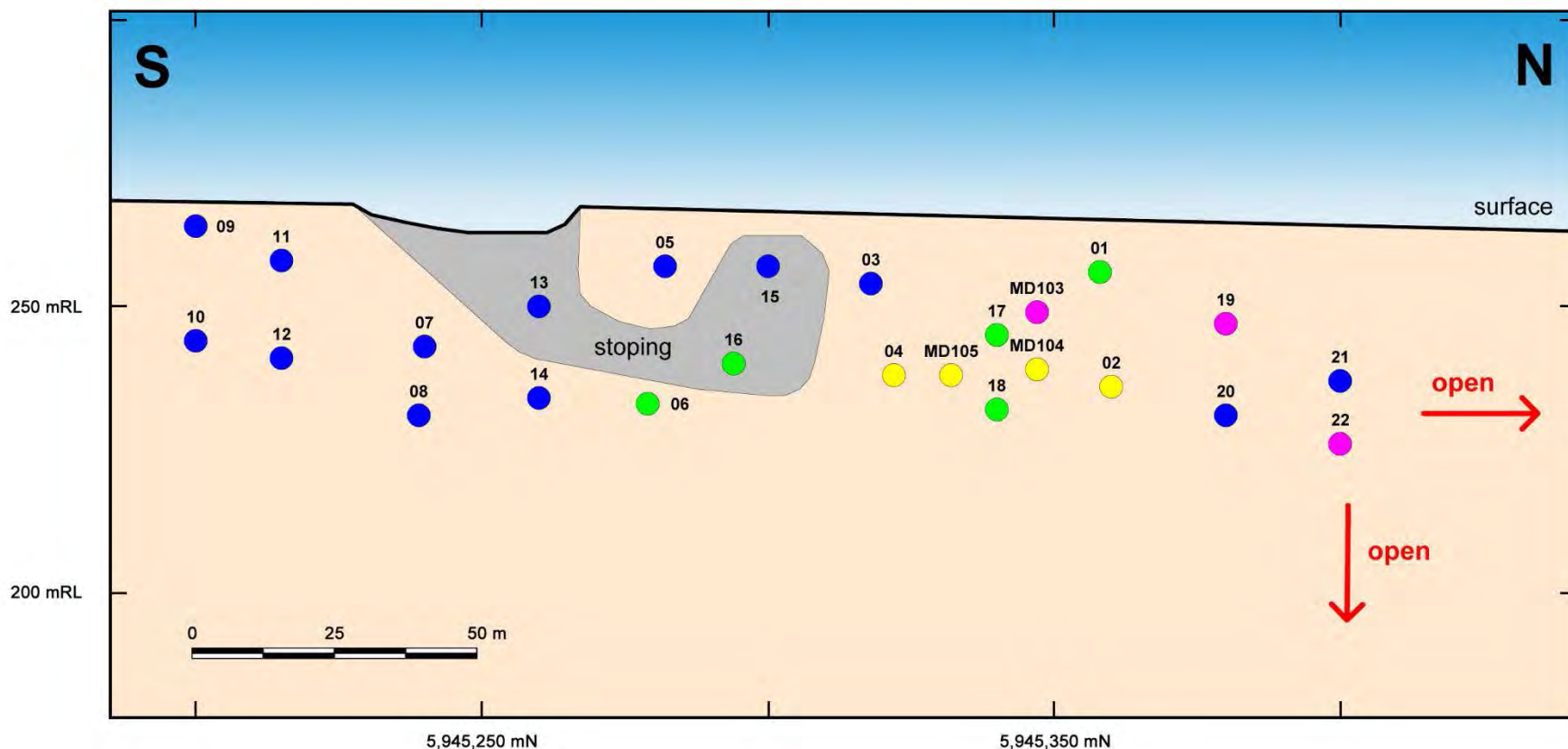
- ▶ 1 kilometre north of Black Reef
- ▶ High-grade near-surface gold
- ▶ Moderate north plunging shoot
- ▶ Open down plunge and down dip

## ▶ Significant results:

4m @ 25.0 g/t Au from 16m in MD103

6m @ 24.3 g/t Au from 18m in FRRC19

1m @ 20.0 g/t Au from 44m in FRRC22



Frenchman's Reef: Long Section

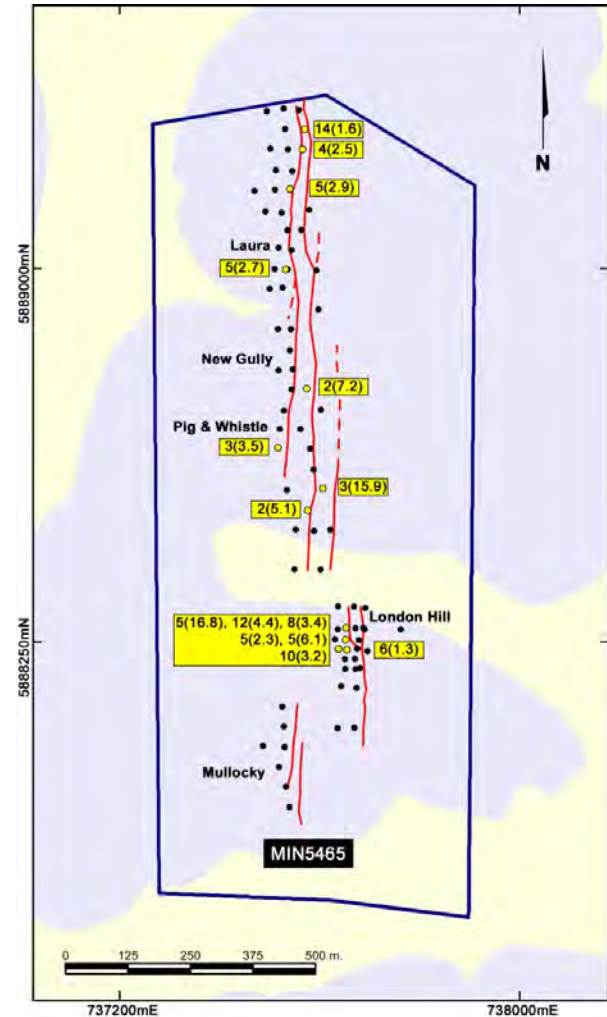


## PEARL CROYDON RESOURCE UPGRADE

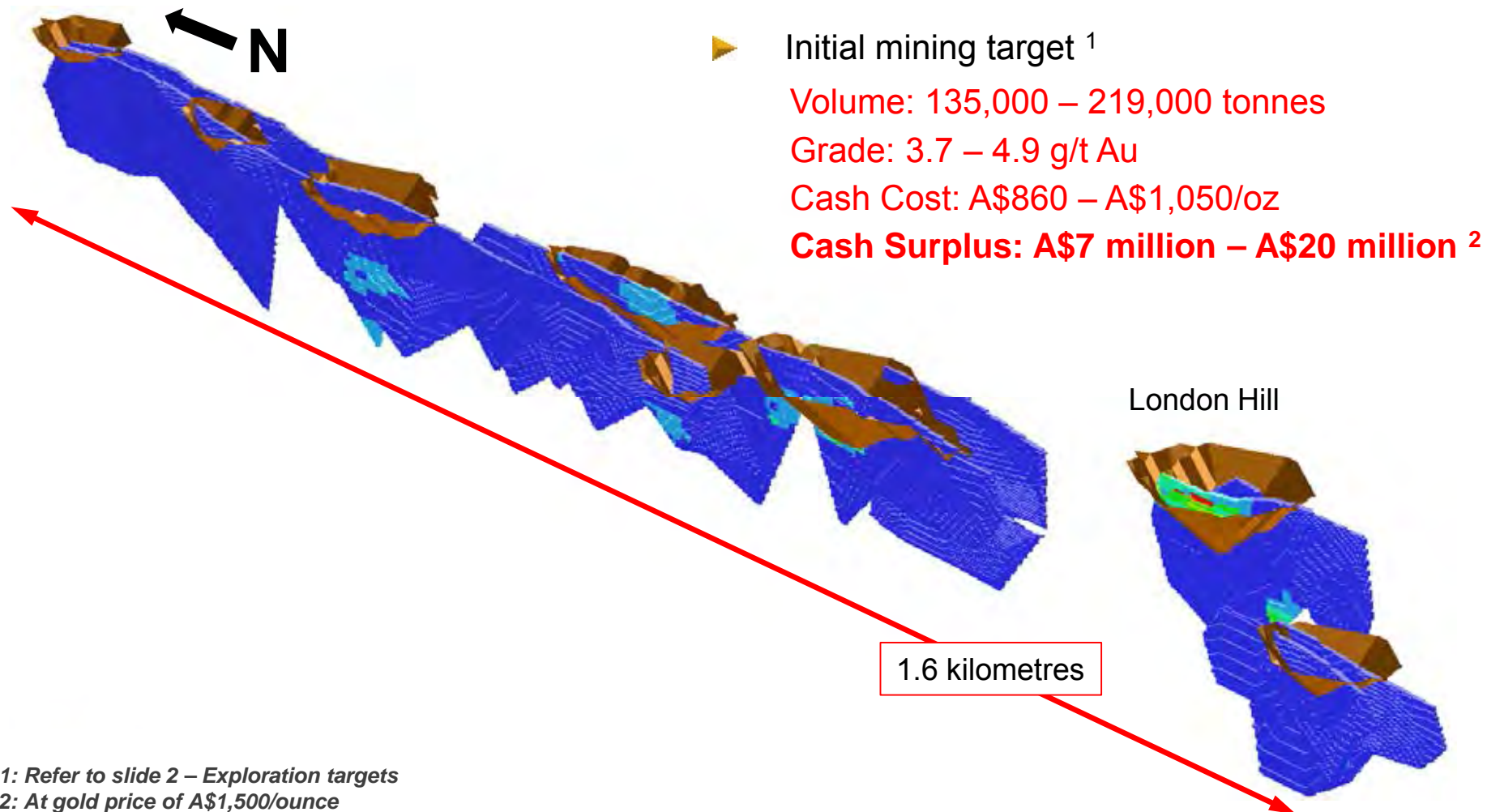
**Inferred Resource: 570,000 tonnes  
grading 2.9 g/t Au for 53,000 ounces<sup>1</sup>**

- ▶ 40 kilometres from Maldon
- ▶ 1,600 metre line of reef
- ▶ Broad spaced drilling
- ▶ Granted mining licence
- ▶ 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 slide 32 – JORC Resource Inventory



## Open Pit Optimisation Study Results

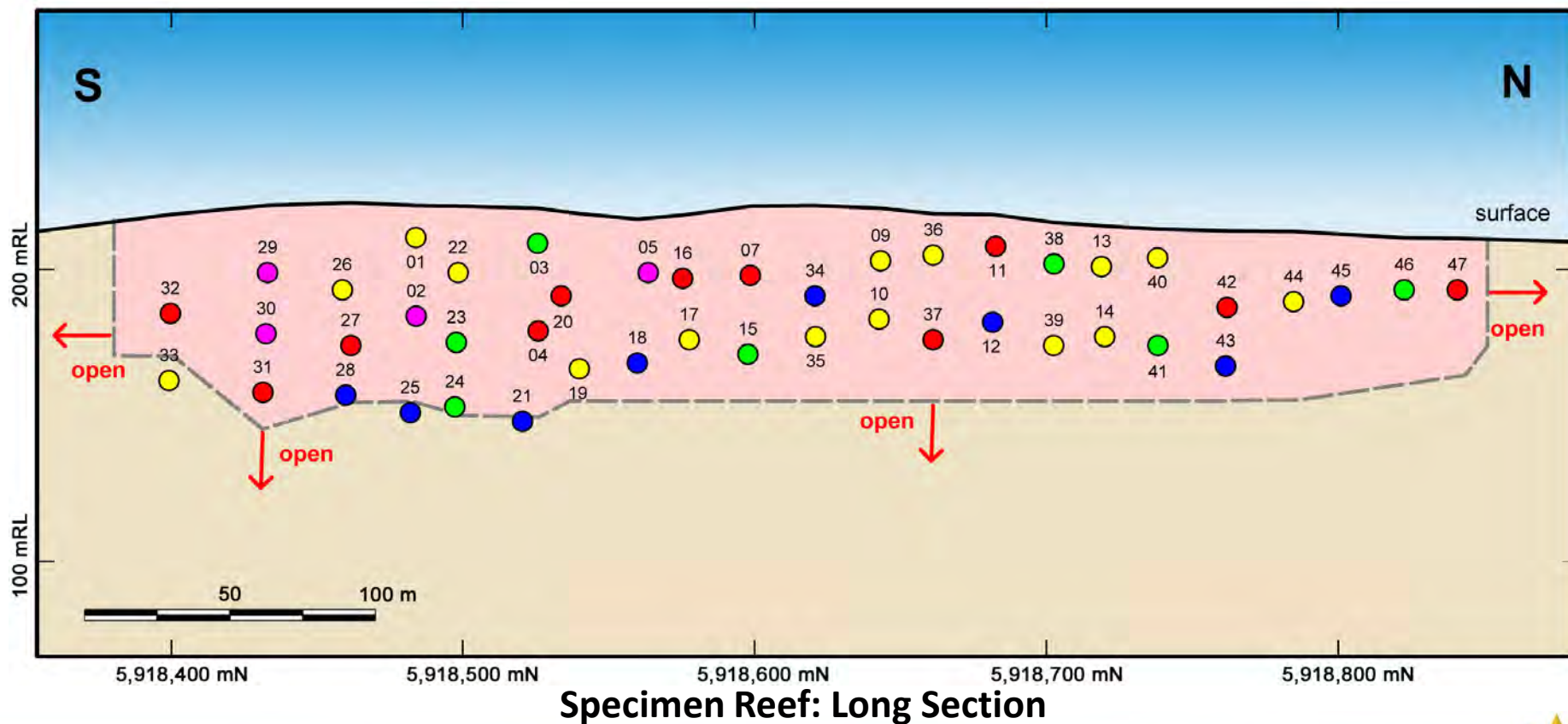




## SPECIMEN REEF - DUNOLLY EAST

- ▶ 30 kilometres from Maldon
- ▶ Greater than 1km line of reef

**Inferred Resource: 114,000 tonnes  
grading 2.9 g/t Au for 10,500 ounces<sup>1</sup>**





## KANGAROO FLAT GOLD MINE – BENDIGO

- ▶ 25 kilometres from Maldon
- ▶ 30,000t flotation concentrate tailings

### Agreement – Unity Mining Ltd (ASX: UML)

- ▶ Octagonal manage and pay for 50% of all costs
- ▶ Octagonal receive 50% of gold produced



*Excavator removing Kangaroo Flat tailings*



# Kangaroo Flat Tailings

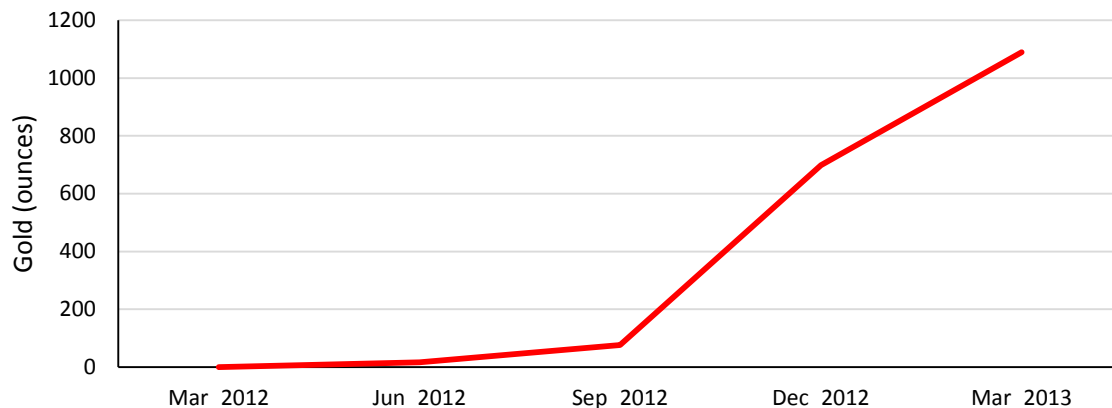
## December 2012 Quarter

- ▶ 6,430 tonnes processed
- ▶ 1,398 ounces produced
- ▶ Recovered grade: 6.5 g/t Au

## March 2013 Quarter

- ▶ 11,017 tonnes processed
- ▶ 2,183 ounces produced
- ▶ Recovered grade: 6.5 g/t Au

## Quarterly Refined Gold Production



(gold production attributed to Octagonal)

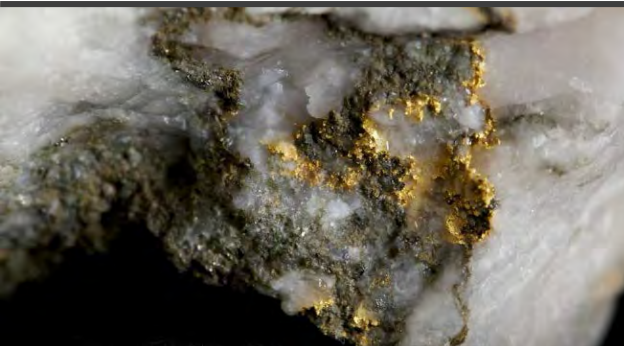


## A1 GOLD MINE – WOODS POINT

- ▶ 200 kilometres from Maldon
- ▶ Historic production: 450,000 oz @ 30 g/t Au
- ▶ Quartz reef & vein stock work in mafic dykes

### Agreement – A1 Consolidated (ASX: AYC)

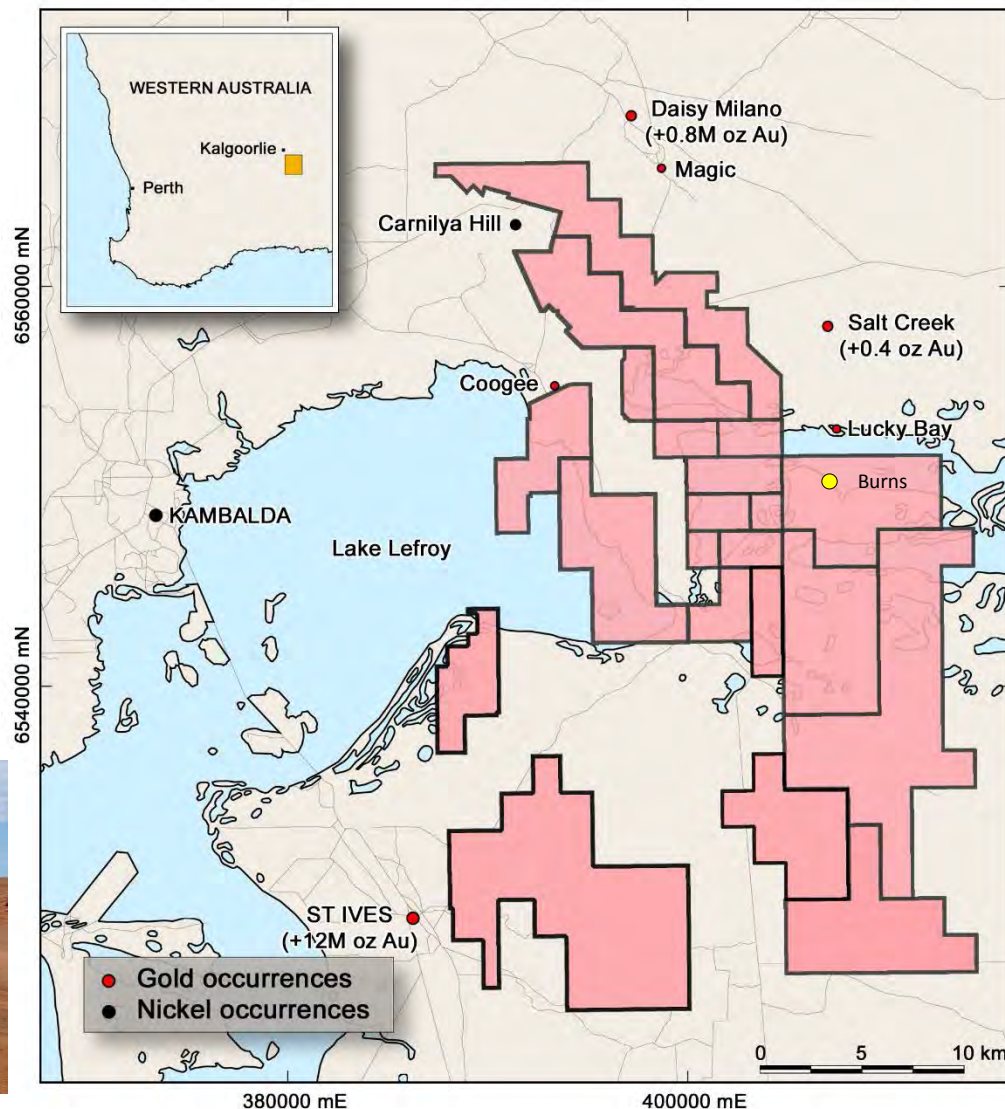
- ▶ 3 year contract
- ▶ 50,000 tonnes per year
- ▶ Consideration:
  - Processing fee
  - 10% of gold produced





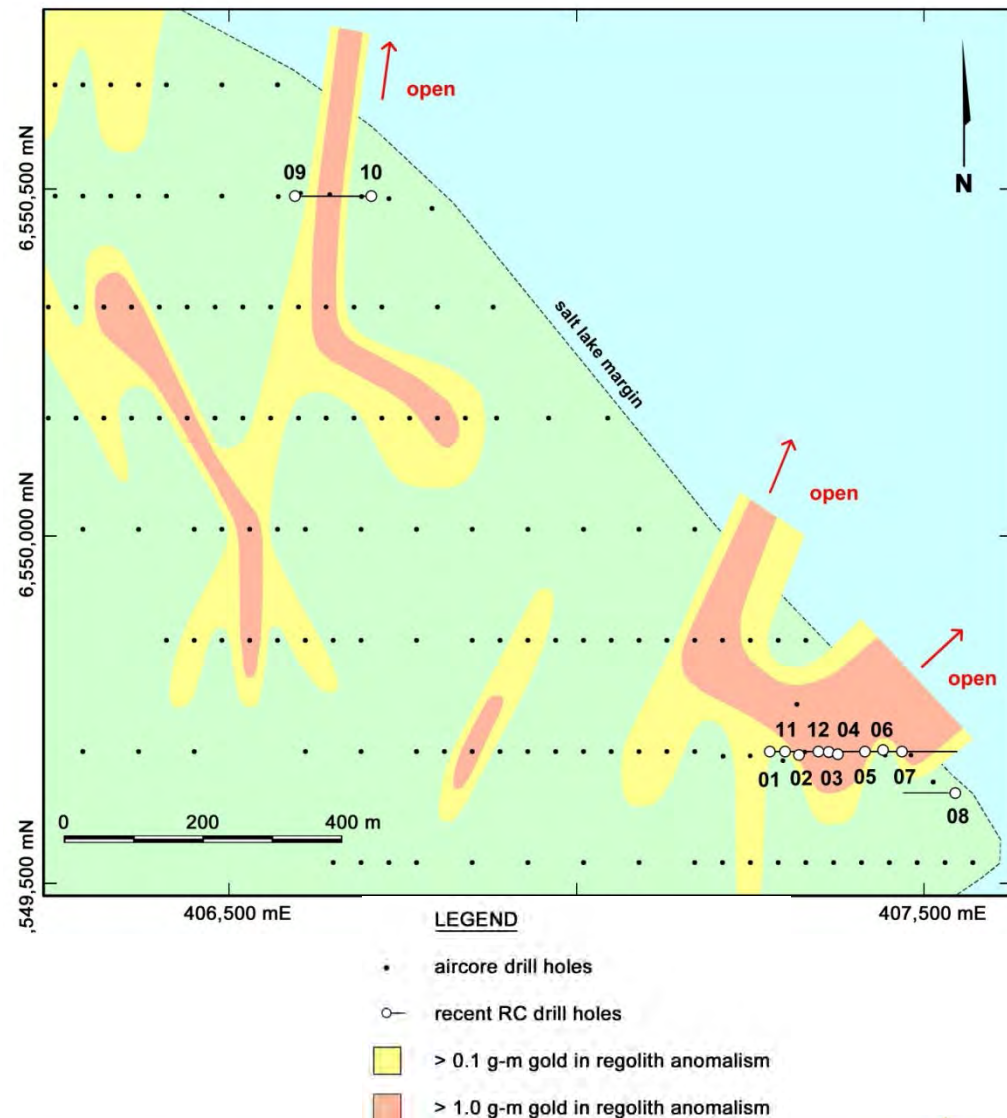
# Hogan's Project - WA

- ▶ 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
- ▶ Historic exploration:
  - 1,115 aircore holes
  - 44 RC holes
  - 1 diamond hole
- ▶ Octagonal exploration:
  - 957 aircore holes for 43,000 metres
  - 33 RC holes for 4,750 metres



# Burns Prospect

- ▶ Discovery May 2011  
160 metre by 640 metre spaced drilling  
**23 metres @ 0.5 g/t Au from 18 metres**
- ▶ 272 aircore holes for 16,341 metres  
40 metre by 160 metre spaced drilling  
**gold in regolith anomalism defined over one square kilometre**
- ▶ Anomaly unconstrained by drilling beneath salt lake
- ▶ 33 RC holes for 4,750 metres  
Four 40 metre spaced traverses  
**significant gold, copper and silver intersected**
- ▶ Unique style of mineralisation  
Gold, copper, silver association  
No significant quartz veining or shearing  
Magnetite-biotite alteration  
Sulphide poor  
No “typical” pathfinder elements

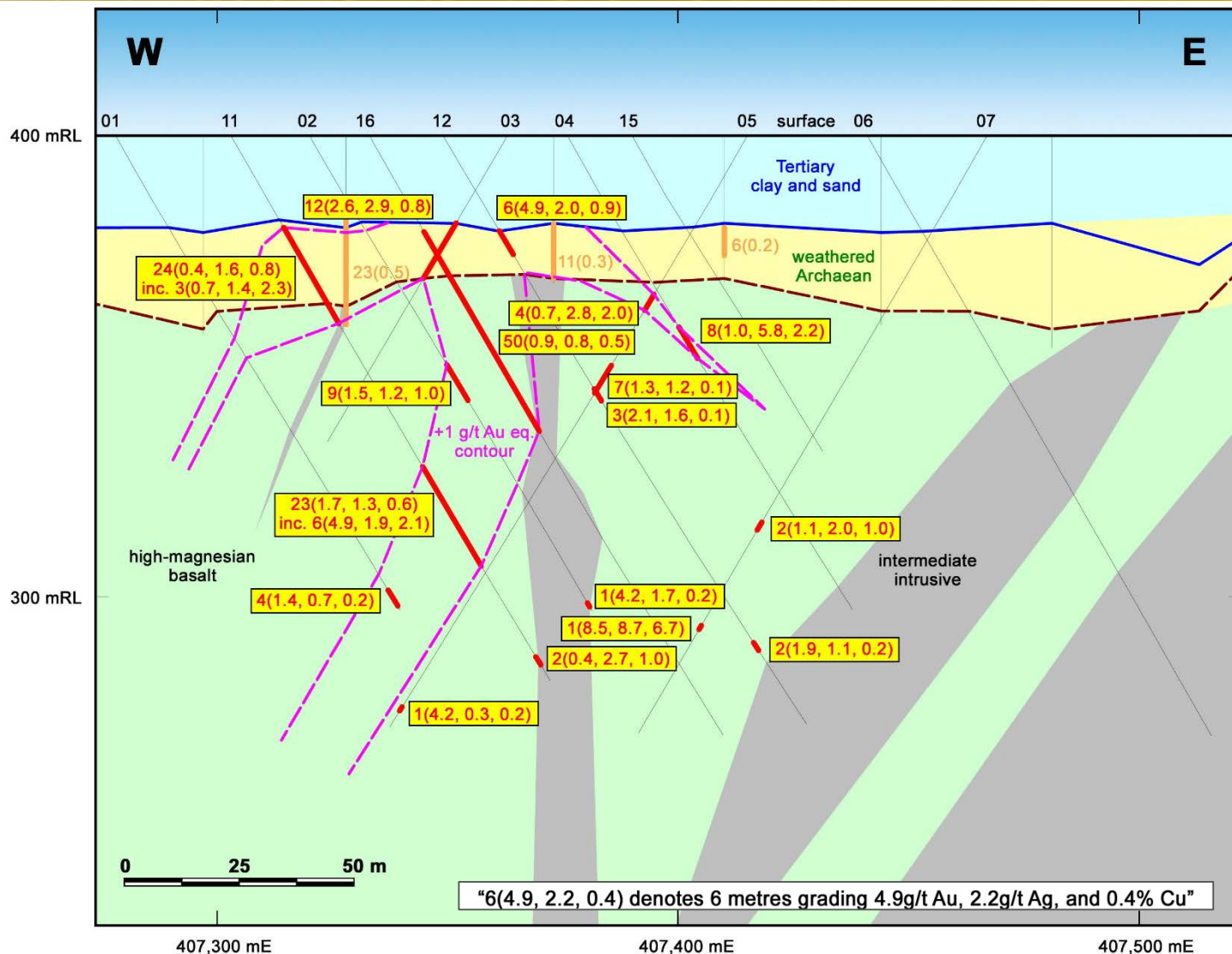




# Burns Prospect

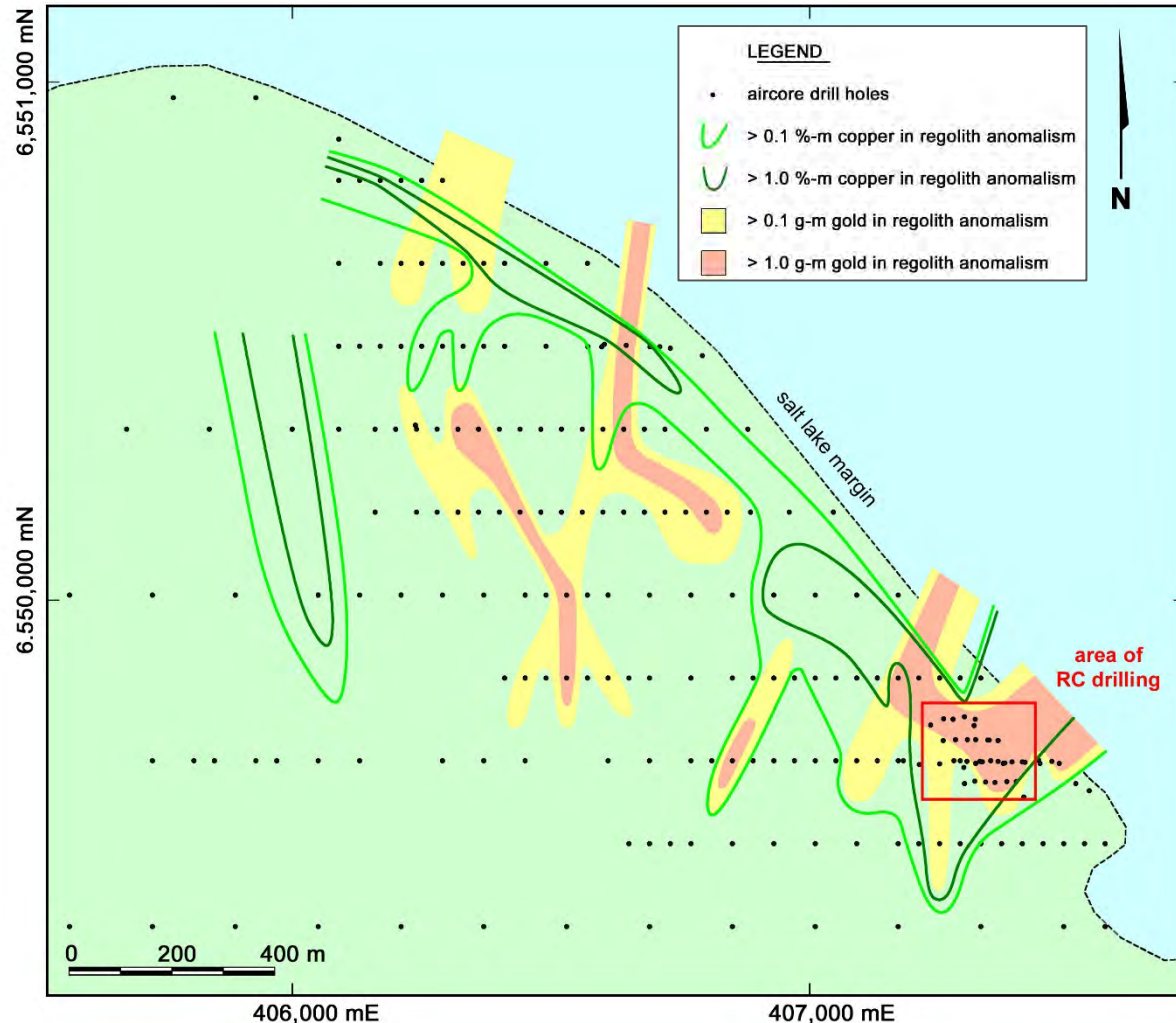
## ► Significant results:

9 (1.5, 1.2, 1.0)  
 inc. 2 (1.5, 2.7, 4.2)  
 6 (4.9, 2.2, 0.4)  
 12 (0.8, 4.5, 1.7)  
 inc. 3 (2.1, 11.9, 4.8)  
 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)  
 19 (0.5, 3.0, 1.0)  
 9 (1.0, 1.6, 0.7)  
 3 (16.1, 4.5, 0.5)  
 9 (1.0, 3.1, 1.5)  
 12 (1.3, 2.0, 0.8)



# Burns Prospect - Copper

- ▶ Analysis of aircore samples using Niton Portable Analyser
- ▶ Thick zones of copper anomalism extending over 2km
- ▶ Significant results:
  - 12m @ 1.5% Cu
  - inc. 4m @ 3.1% Cu
  - 21m @ 0.5% Cu
  - 11m @ 0.5% Cu
  - 14m @ 0.4% Cu
  - 8m @ 0.6% Cu
- ▶ Second copper anomaly extends over 700 metres
- ▶ QAQC indicates Niton Analyser underestimated grade by 15%





# Summary - Value Proposition

## **Company – structure and experience**

- ▶ 106 m shares on issue, \$2.4 m cash (31 March 2013) (no options)
- ▶ Enterprise Value: \$7.8 m @ 9.6c
- ▶ Tight shareholding (top 20 shareholders own 66.3% of Company )
- ▶ Experienced board and management

## **Victoria – cash flow**

- ▶ +\$30 m sunk capital in 150,000 tpa CIL gold processing plant and 1,900m decline to underground resource (182,000 oz) <sup>1</sup>
- ▶ JORC-compliant Inferred Resources totalling 245,000 oz of gold <sup>1</sup>
- ▶ Underground and open pit mining – gold production commenced with third party ore
- ▶ Targeting 30,000 oz pa low cost high grade gold production
- ▶ Strong project pipeline

## **Western Australia – growth**

- ▶ Targeting plus million ounce gold deposits
- ▶ Emerging gold producing district near existing mining infrastructure
- ▶ Burns Prospect: Potential for large gold-copper deposit



Thank you

***Photo: Diamond Drilling at Maldon***

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[www.octagonalresources.com.au](http://www.octagonalresources.com.au)

ABN 38 147 300 418



## JORC RESOURCE INVENTORY

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

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
	<b>Sub Total</b>	<b>Inferred</b>	<b>455,526</b>	<b>2.5</b>	<b>36,463</b>
London Hill	Main Reef	Inferred	49,612	4.4	6,957
	Hanging wall Reef	Inferred	27,515	4.1	3,665
	<b>Sub Total</b>	<b>Inferred</b>	<b>77,128</b>	<b>4.3</b>	<b>10,622</b>
Mullocky	West Reef	Inferred	13,693	2.7	1,188
	East Reef	Inferred	24,212	6.5	5,091
	<b>Sub Total</b>	<b>Inferred</b>	<b>37,905</b>	<b>5.2</b>	<b>6,278</b>
TOTAL		Inferred	570,559	2.9	53,364

Specimen Reef Mineral Resource Estimate (March 2012)						
Deposit	Estimated Gold Resource and Category					
	Indicated			Inferred		
	Tonnes	Au g/t	'000oz	Tonnes	Au g/t	Ounces
Specimen Reef				114,000	2.9	10,480
Total				114,000	2.9	10,480