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Ian Gandel, Chairman

Anthony Gray, Managing Director

Ian Pamensky, Director

MAJOR SHAREHOLDERS

Alliance Resources – 22.0%

Abbotsleigh – 15.2%

Newmont – 8.0%

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**Significant Gold, Silver, and Copper
Intersected in Reverse Circulation Drilling
at the Burns Prospect,
Hogan's Project, Western Australia**

- Four of the first five RC holes drilled at the Burns Prospect have intersected significant widths and grades of gold, silver, and copper mineralisation
- Twelve holes drilled, for 1,624 metres, to test for primary gold mineralisation beneath gold in regolith anomalism
- Significant assay results include:
 - ▶ 6 metres @ 4.9 g/t Au, 2.2 g/t Ag & 0.4 % Cu from 23 metres
 - ▶ 9 metres @ 1.5 g/t Au, 1.2 g/t Ag & 1.0 % Cu from 58 metres inc. 2 metres @ 1.5 g/t Au, 2.7 g/t Ag & 4.2 % Cu from 65 metres
 - ▶ 12 metres @ 0.8 g/t Au, 4.5 g/t Ag & 1.7 % Cu from 48 metres inc. 3 metres @ 2.1 g/t Au, 11.9 g/t Ag & 4.8 % Cu from 53 metres
 - ▶ 4 metres @ 0.1 g/t Au, 4.7 g/t Ag & 1.5 % Cu from 31 metres
- Mineralisation hosted with broad zones of lower grade anomalism including:
 - ▶ 97 metres @ 0.4 g/t Au, 1.0 g/t Ag & 0.3 % Cu from 23 metres
 - ▶ 70 metres @ 0.3 g/t Au, 0.7 g/t Ag & 0.2 % Cu from 50 metres
- Potentially unique mineralisation style not previously recognised in the Eastern Goldfields

The Directors of Octagonal Resources Limited (ASX: ORS) (“**Octagonal**” or “**Company**”) are pleased to announce initial assay results received from the first reverse circulation “RC” drilling program completed to test for primary gold mineralisation located beneath gold in regolith anomalism at the Burns Prospect, Hogan’s Project in Western Australia.

Assay results from the first five holes completed in a twelve hole drilling program have returned broad zones of significant gold, silver and copper mineralisation hosted within high-magnesian basalt and minor intermediate intrusive rocks.

Gold mineralisation is spatially associated with magnetite alteration and, except where copper is present, there is a notable absence of sulphide minerals. Drilling has also failed to intersect any significant quartz veining or shearing, which combined with the metallurgy and absence of sulphides, suggests that the mineralisation style may be unique and not previously recognised in the Eastern Goldfields of Western Australia.

Burns Prospect

The Burns Prospect is located 70 kilometres southeast of Kalgoorlie and 30 kilometres northeast of the 12 million ounce St Ives Goldfield.

The prospect is characterised by a discrete granite intrusive with associated low magnetic and gravity signatures that intrudes a thrust package of mafic, intermediate and meta-sedimentary 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. Evidence of intense fluid flow is further supported by a high-magnetic alteration halo that surrounds the granite.

In May 2011 Octagonal discovered significant gold in regolith (weathered Archaean rock) anomalism at the Burns Prospect while completing regional 160 metre by 640 metre spaced aircore drilling.

During the second half of 2011 Octagonal completed two further phases of infill and extensional aircore drilling that ultimately defined a one square kilometre area of gold in regolith anomalism using a 40 metre by 160 metre spaced grid (Figure 1). This gold anomalism is unconstrained by drilling where it trends beneath salt lake cover to the north and east.

The aim of the recently completed RC drilling program was to test for primary gold mineralisation that is the source of some of the gold in regolith anomalism defined by aircore drilling.

Twelve RC holes, totalling 1,624 metres, (Figure 1) were drilled to test beneath aircore holes that intersected significant gold in regolith anomalism including;

- ▶ 23 metres @ 0.5 g/t Au from 18 metres to end of hole in OBU022
- ▶ 6 metres @ 0.2 g/t Au from 20 metres in OBU105
- ▶ 4 metres @ 0.4 g/t Au from 42 metres in OBU106
- ▶ 11 metres @ 0.3 g/t Au from 20 metres in OBU171
- ▶ 7 metres @ 0.2 g/t Au from 49 metres to end of hole in OBU230

Assay results from the first five RC holes that were drilled on one traverse have been received and have intersected significant widths and grades of not only gold, but also silver and copper anomalism. These results are listed in Table 1 and include:

- ▶ **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**
- ▶ **4 metres @ 0.1 g/t Au, 4.7 g/t Ag & 1.5 % Cu from 31 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

This mineralisation is hosted with broader zones of lower grade anomalism including:

- ▶ 97 metres @ 0.4 g/t Au, 1.0 g/t Ag & 0.3 % Cu from 23 metres in OBURC002; and
- ▶ 70 metres @ 0.3 g/t Au, 0.7 g/t Ag & 0.2 % Cu from 50 metres in OBURC001.

Holes OBURC001, 002 and 004 are oriented -60 degrees to the east and spaced between 40 metres and 50 metres apart, whereas hole OBURC003 is oriented -60 degrees to the west and scissors hole OBURC002 (Table 2).

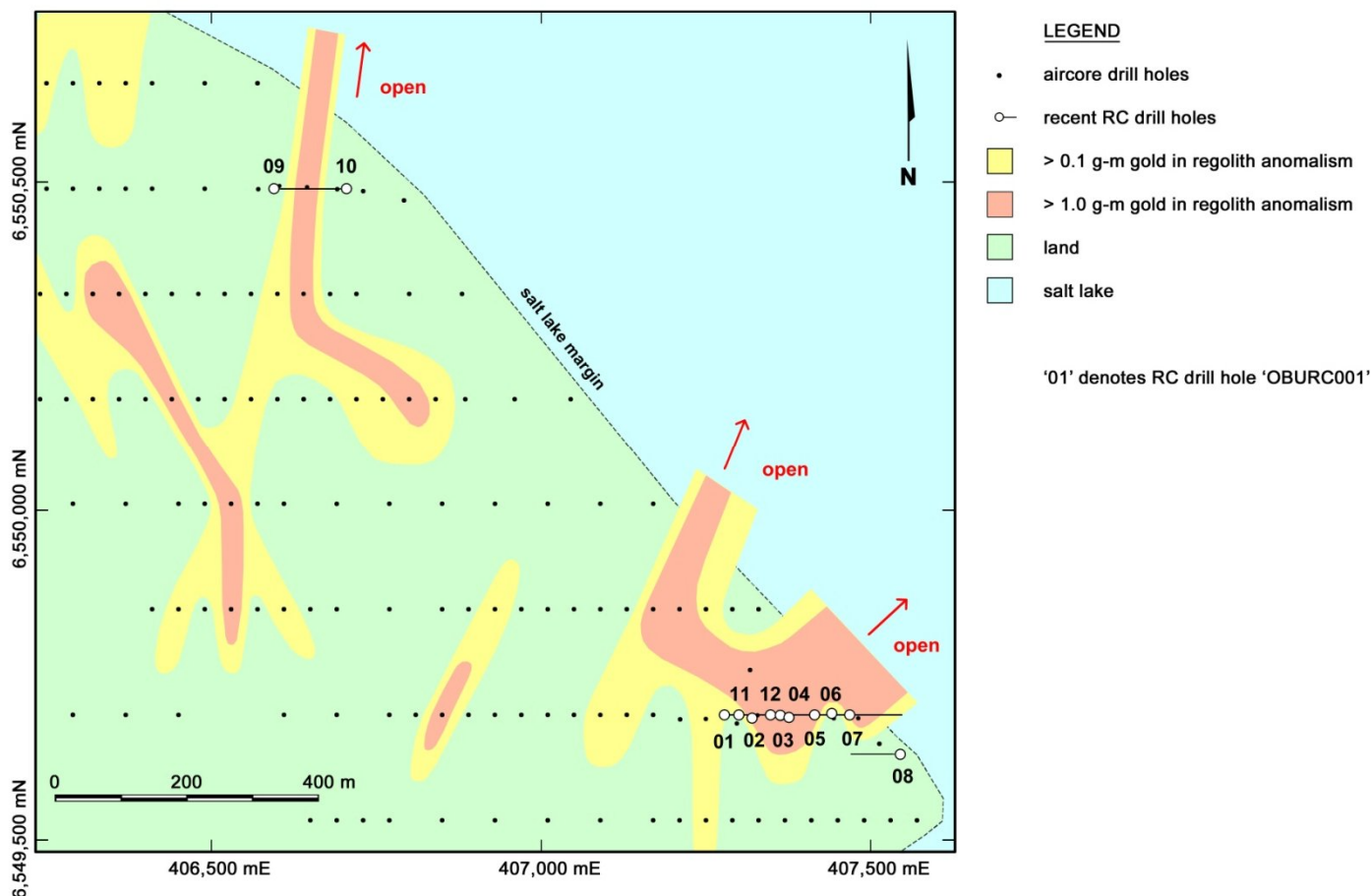


Figure 1. Burns Prospect: RC drill hole location plan with gold in regolith anomalism defined by aircore drilling

Table 1. Burns Prospect: Significant Assay Results								
Hole ID	From (m)	To (m)	Interval (m)	Au (g/t)	Ag (g/t)	Cu (%)	AuEq (g/t)	Comments
OBURC001	50	120	70	0.3	0.7	0.2	0.6	to end of hole
inc.	50	78	28	0.3	1.3	0.3	0.8	
inc.	115	119	4	1.4	0.7	0.2	1.7	
OBURC002	23	120	97	0.4	1.0	0.3	0.9	to end of hole
inc.	23	37	14	0.1	1.5	0.7	1.2	
inc.	58	67	9	1.5	1.2	1.0	3.1	
inc.	65	67	2	1.5	2.7	4.2	8.1	
inc.	85	97	12	0.3	2.6	0.2	0.7	
inc.	118	119	1	4.2	1.7	0.2	4.5	
OBURC003	23	53	18	1.8	2.6	0.6	2.8	
inc.	23	29	6	4.9	2.2	0.4	5.6	
inc.	23	25	2	10.1	2.3	0.3	10.6	
inc.	31	35	4	0.1	4.7	1.5	2.5	
OBURC004	48	60	12	0.8	4.5	1.7	3.5	
inc.	48	57	9	1.0	5.8	2.2	4.5	
inc.	53	56	3	2.1	11.9	4.8	9.8	
OBURC006				NSA				

Notes:

- Four metre composite scoop samples routinely collected.
- Composite samples containing greater than 0.1 g/t gold split and analysed over 1 metre intervals for Au, Ag, As, Cu, Fe, K, S.
- Gold analysis conducted by Inspectorate KalAssay (Kalgoorlie Laboratory) using a 40 gram Fire Assay Digest with AAS Finish.
- Multi-element analysis conducted by Inspectorate KalAssay (Kalgoorlie Laboratory) using a Four Acid Digest with ICP-OES Finish.
- "NSA" denotes "no significant assay result greater than 0.1 g/t Au", "inc." denotes "including", and "AuEq" denotes "gold equivalent grade".
- Gold equivalent grade is provided for indicative purposes only and is based on the following assumptions; gold price: A\$1,600/oz, silver price: A\$30/oz, copper price: A\$8,000/t, 100% metal recovery (no metallurgical test work has been completed on the Burns mineralisation)

Hole Number	Northing (MGA)	Easting (MGA)	Azimuth (MGA)	Dip	Depth (m)
OBURC001	6549690	407278	90	-60	120
OBURC002	6549685	407320	90	-60	120
OBURC003	6549689	407363	270	-60	77
OBURC004	6549686	407376	90	-60	120
OBURC005	6549687	407415	270	-60	150
OBURC006	6549692	407441	90	-60	150
OBURC007	6549689	407467	270	-60	150
OBURC008	6549632	407539	270	-60	150
OBURC009	6550489	406598	90	-60	150
OBURC010	6550489	406710	270	-60	150
OBURC011	6549689	407303	90	-60	137
OBURC012	6549690	407349	90	-60	150

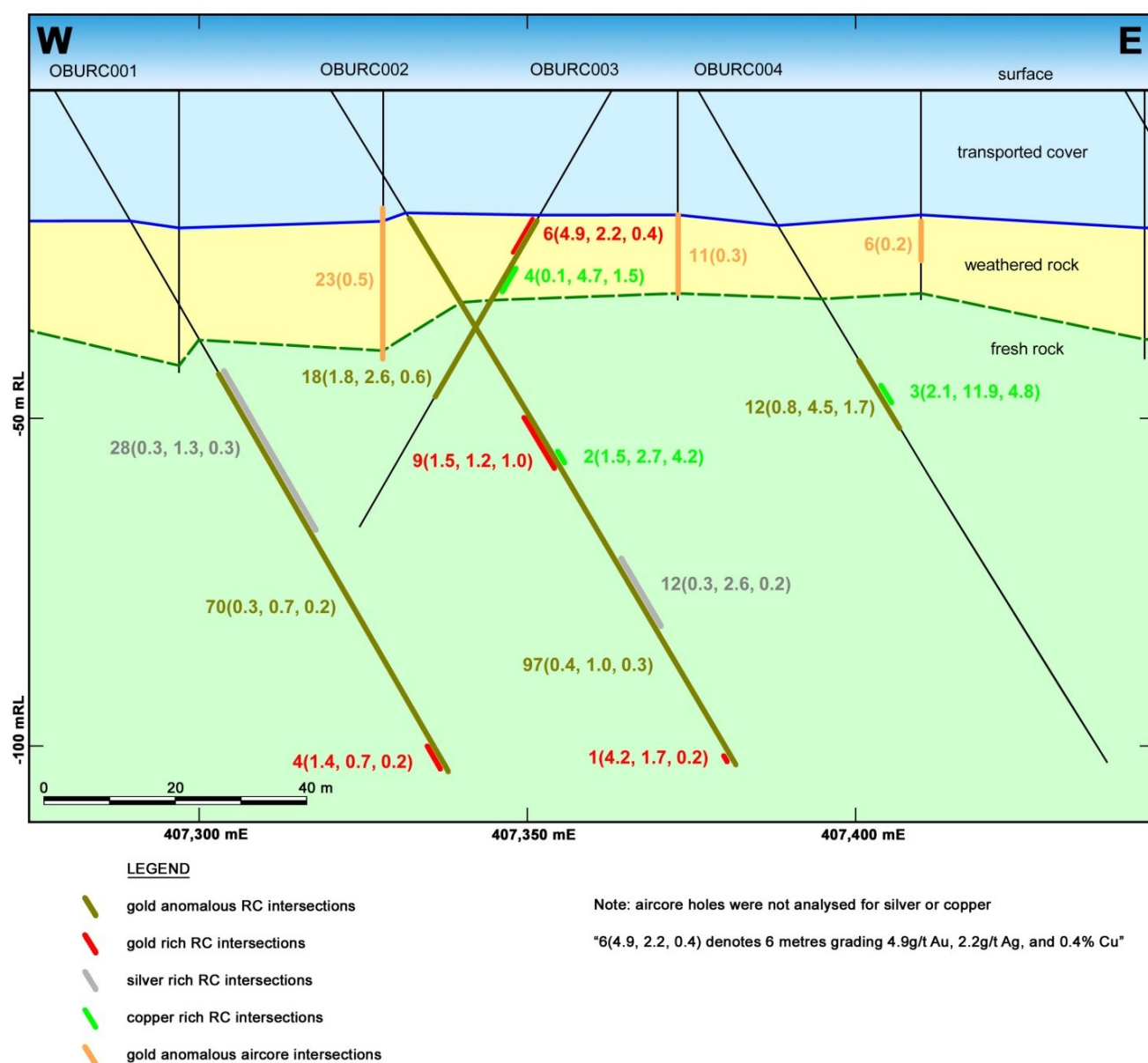


Figure 2. Burns Prospect: 6549690mN Cross-Section illustrating significant assay results in RC drilling with respect to previous aircore drilling results

Discussion

This is the first bedrock drilling program to be completed at the Burns Prospect since the discovery of gold in regolith anomalism using aircore drilling in May 2011.

The gold, silver, and copper mineralisation intersected in the first four of five RC holes completed in this drilling program is significant and could potentially be amenable to open pit mining. The assay results from the remaining seven RC holes will be released when they become available.

Mineralisation intersected at the Burns Prospect is hosted within fractured, but relatively weakly deformed high-magnesian (komatiitic) basalts and minor intermediate intrusive rocks. Gold mineralisation occurs both spatially associated with magnetite-biotite alteration and at/near lithological (rock boundary) contacts. Copper mineralisation occurs predominantly as chalcopyrite and except where copper is present there is a notable absence of sulphide minerals. This is not typical of most gold deposits in the Eastern Goldfields, however sulphide poor gold deposits are known to occur and include the +1.8Moz Redeemer and +0.4Moz Cox-Crusader gold deposits located near Agnew, 300 kilometres north-northwest of Kalgoorlie.

The association of gold with magnetite alteration is significant in that the drilling traverse that hosts holes OBURC001 to OBURC012 is located at the southern end of a discrete high-magnetic anomaly (Figure 3). This magnetic anomaly strikes northwest and has been modelled as starting at 95 vertical metres depth and being 165 metres long, 70 metres wide, and dipping near-vertically.

In August 2011 Octagonal drilled a vertical aircore hole (OBU150) into the top of the magnetic anomaly to blade refusal. This hole did not intersect the magnetic anomaly and ended at 32 metres depth. The hole intersected high-magnesian basalt with significant disseminated pyrite and returned gold in regolith anomalism including 8 metres grading 0.3 g/t Au from 20 metres. This magnetic anomaly will be a priority target for future exploration drilling.

The mineralisation intersected at Burns Prospect is not associated with any significant quartz veining or shearing and only minor fracturing with quartz veinlets are observed. The lack of quartz veining or significant shearing is also not typical of gold deposits in the Eastern Goldfields, although quartz poor deposits are known to occur.

Multi-element analysis completed on hole OBURC002 reveals that the mineralisation at Burns Prospect is not associated with a number of "typical" path finder elements often associated with gold deposits in the Eastern Goldfields. These elements, which are not present, include arsenic, bismuth, cobalt, molybdenum, lead, telluride, tungsten, and zinc.

Even though this is the first bedrock drilling program at the Burns Prospect, already the Company has intersected significant, potentially economic, gold, silver and copper mineralisation. In the drilling completed to date, this mineralisation is not associated with significant quartz veining or shearing, is spatially associated with magnetite alteration, is not associated with sulphides, except where copper is present, and is not associated with "typical" path finder elements.

These features suggest that the Burns Prospect mineralisation style may be unique and not previously recognised in the Eastern Goldfields of Western Australia.

Octagonal is extremely encouraged by these drilling results and will continue bedrock drilling at the Burns Prospect once all assay results from this drilling program have been received and interpreted. The aim of the next drilling program will be to identify the geometry of the mineralisation and then start to define its extent.

Octagonal has earned 80% equity in the Burns Prospect target area subject to a farm in and joint venture agreement with Gold Attire Pty Ltd. Octagonal's Joint Venture partner will be Free Carried until a Decision to Mine is made after the completion of a Feasibility Study.

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

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.

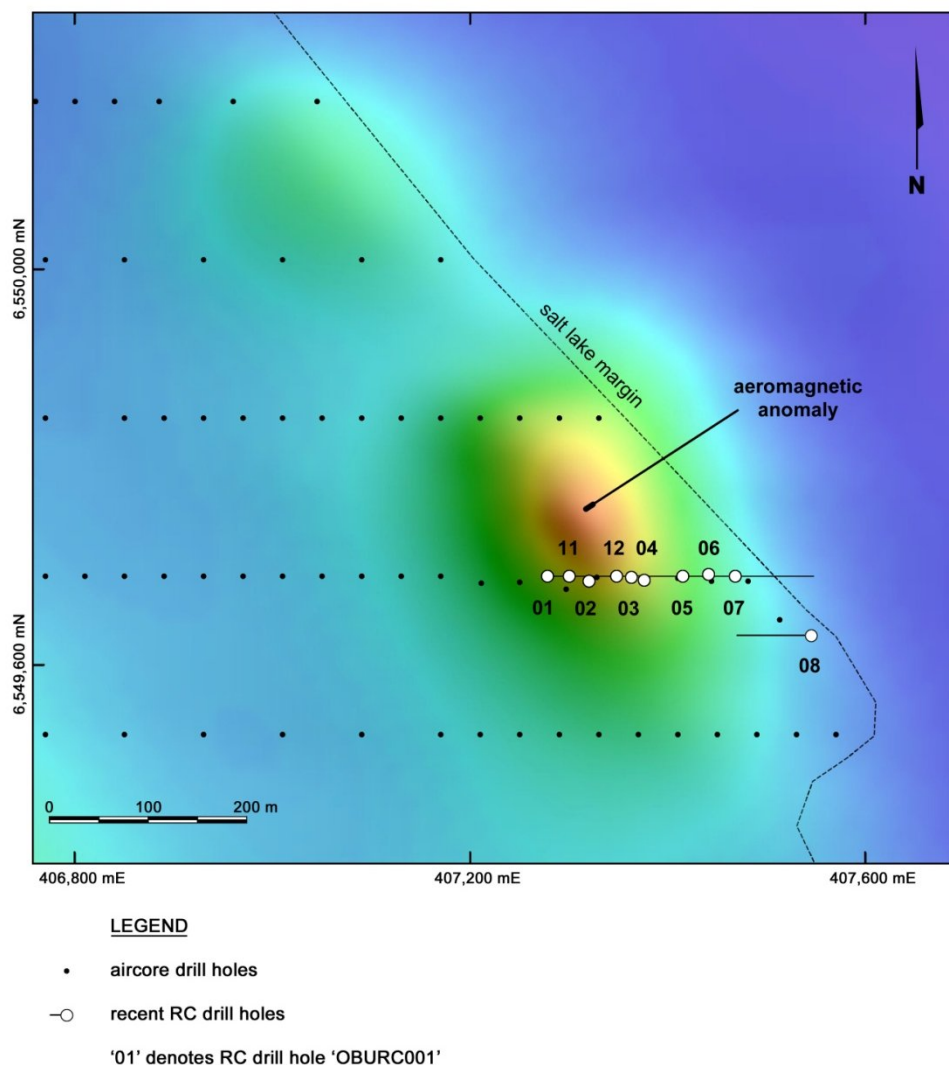


Figure 3. Burns Prospect: RC drill hole location plan on an aeromagnetic image



Burns Prospect: 6549690mN drill traverse (view west) hole OBURC006 in foreground

