

23 October 2014

No. of Pages: 2

ASX CODE: ORS

Market Cap.: \$3.4 m (\$0.02 p/s)
Shares on issue: 169,672,726
Cash: \$1.8 m (30 September 2014)
Debt: \$0.0 m (30 September 2014)

DIRECTORS

Ian Gandel, Chairman
Anthony Gray, Managing Director
Bob Tolliday, Director

MAJOR SHAREHOLDERS

Abbotsleigh – 18.7%
Alliance Resources – 13.0%
Karl Sabljak – 5.2%

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Non-renounceable Rights Issue

- **Non-renounceable Rights Issue to raise up to \$2.2 million**
- **All directors intend to fully participate for their entitlement**
- **Attractive pricing – 35% discount to 1 month VWAP of 2.0 cents and 59% discount to 3 month VWAP of 3.2 cents**
- **Free attaching Options have exercise price of 2.0 cents, term of 12 months**
- **Shareholders can apply for Additional Shares in excess of their entitlement**

Octagonal Resources Limited (ASX: ORS) (“**Octagonal**” or “**Company**”) today announced a non-renounceable rights issue to raise up to \$2.2 million.

Net proceeds in conjunction with existing cash reserves will be used to continue development of the 1080 level of the Alliance South Deposit in Maldon with the objective of mining and processing a bulk sample of underground ore to better understand the gold distribution and average grade of the deposit.

This work will provide technical and commercial parameters (and support data already collected from the 1100 level of the deposit) to facilitate a more detailed assessment of the most appropriate development path towards establishing an ongoing and sustainable underground mining operation at Maldon.

The Entitlement Issue is structured in a staged manner (with Options) such that if a positive outcome is returned from mining on the 1080 level, the funds raised from executed Options can be used to install a vent shaft and ramp up production mining.

The Offer will be made to shareholders on a 1 for 1 basis at the issue price of 1.3 cents per share, which represents a 35% discount to the 1 month volume weighted average price (VWAP) of 2.0 cents and a 59% discount to the 3 month VWAP of 3.2 cents.

Shareholders will also receive 1 free attaching Option, exercisable at 2.0 cents for every 1 New Share issued. New Options will not be listed and will expire on 11 December 2015.

Shareholders will be given the opportunity to apply for additional shares in excess of their entitlement, however, allocations are not guaranteed.

Patersons Securities Limited acts as the Underwriter and Lead Manager.

Indicative timetable for the Offer:

<i>Event</i>	<i>Date</i>
Prospectus lodged with ASIC and ASX	23 October 2014
Ex Date – Shares trade ex-entitlement	27 October 2014
Record date to determine entitlement	29 October 2014
Prospectus with entitlement and acceptance form dispatched	3 November 2014
Offer opens for receipt of acceptances	3 November 2014
Closing date for acceptances (Closing Date)	13 November 2014
Deferred settlement trading	14 November 2014
Issue of new securities	20 November 2014
Normal trading of new securities expected to commence	21 November 2014

The Directors may extend the Closing Date by giving at least 3 business days' notice to ASX prior to the Closing Date, subject to such date being no later than 3 months after the date of this Prospectus. As such the date the New Securities are expected to commence trading on ASX may vary.

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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