22 June 2012
No. of Pages: 3

ASX CODE: ORS
Market Cap.: $15.0 m ($0.15 p/s)
Shares on issue: 100,048,002
Cash: $3.97 m (31 March 2012)

BOARD & MANAGEMENT
Ian Gandel, Chairman
Anthony Gray, Managing Director
Ian Pamensky, Director

MAJOR SHAREHOLDERS
Alliance Resources – 22.0%
Abbotsleigh – 19.9%
JP Morgan Nominees – 9.5%

Ore Processing has Commenced at the Porcupine Flat Gold Processing Plant in Maldon, Central Victoria

- **Processing of gold-bearing ore from the A1 Gold Mine has commenced at the Porcupine Flat Gold Processing Plant in Maldon**
- **More than 5,500 tonnes of ore delivered from the A1 Mine**
- **Octagonal to receive an ore processing fee and 10% of the gold produced**
- **The A1 Mine has historically produced more than 450,000 ounces of gold at an average grade of 30 g/t Au**

The Directors of Octagonal Resources Limited (ASX: ORS) (**"Octagonal"** or **"Company"**) are pleased to announce that the Company has commenced processing gold-bearing ore from the A1 Gold Mine at the Company's Porcupine Flat gold processing facility at Maldon in Central Victoria pursuant to the A1 Ore Processing Agreement with A1 Consolidated Gold Limited (ASX: AYC) (**"A1 Consolidated"**).

The A1 Gold Mine is located in the Woods Point District of Eastern Victoria, 200 kilometres east-southeast of Maldon, and 120 kilometres east-northeast of Melbourne (Figure 1).

The mine historically produced more than 450,000 ounces of gold at an average grade of 30 g/t Au and was one of Australia's longest operating mines having been worked from 1861 through to 1992.

In February 2012 Octagonal entered into an Ore Processing Agreement with A1 Consolidated to process gold bearing ore from the A1 Gold Mine at the Company's Porcupine Flat gold processing facility at Maldon.

Under the terms of the Ore Processing Agreement, Octagonal will process of up to 150,000 tonnes of gold bearing ore from the A1 Gold Mine over a three year period at a rate of 50,000 tonnes per year.

In return for processing gold bearing ore from the A1 Gold Mine, Octagonal will receive:

- An ore processing fee that will cover all costs associated with the processing of A1 ore including; labour, consumables, mill maintenance, tailings disposal, and administration; and
- 10% of the gold produced from the A1 Gold Mine.

Trucking of ore from the A1 Mine to Maldon commenced during April and over 5,500 tonnes have been delivered to site for processing.

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

PRINCIPAL OFFICE
Octagonal Resources Limited
ABN 38 147 300 418
Suite 3, 51 – 55 City Road
Southbank VIC 3006

T +61 3 9697 9088
F +61 3 9697 9089
E info@octagonalresources.com.au
W www.octagonalresources.com.au

Figure 1. Location of the A1 Gold Mine with respect to Maldon

Crushed ore from the A1 Gold Mine ready for processing

<u>Competent Persons Statement</u>

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.

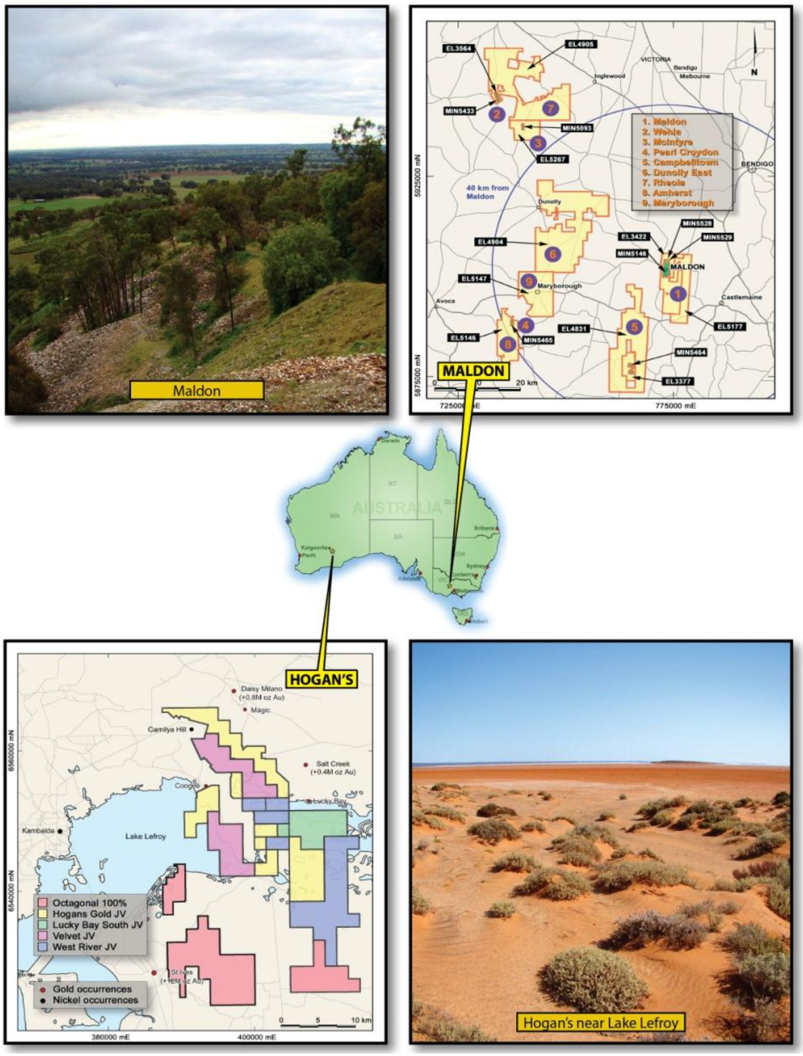
About Octagonal Resources

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 recently refurbished and operation ready CIL gold processing plant, 235,000 ounces of inferred gold resources and a decline that extends to the undeveloped underground resources. Octagonal commenced underground gold mining operations at Maldon in the fourth quarter of 2011.

In Western Australia Octagonal is earning an 80% interest in the Hogan's Project by exploring for gold 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 has identified four high priority exploration target areas with the potential to host a major gold 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