



BELL IXL INVESTMENTS LIMITED

ACN 113 669 908
ABN 80 113 669 908

ANNOUNCEMENT

Share Purchase Offer - Betta Stores Limited 14 June 2006

The company is pleased to announce an offer to all shareholders of Betta Stores Limited ("Betta") to purchase their fully paid ordinary shares in Betta.

Betta shares are listed on the NSX however trading has been halted since 16 March 2006.

For every 3 shares in Betta the company is offering:

- 18 cents cash; and
- 1 fully paid ordinary share in the company.

The offer is not a takeover bid or announcement of a takeover bid in respect of Betta and the offer has been structured so that the voting power of the company in Betta will not exceed 20%. The company has full confidence in the management team of Betta led by CEO Guy Houghton.

The company has prepared an offer document that will be mailed out to Betta shareholders prior to the close of business on Friday 15 June 2006. A copy of the offer document accompanies this announcement. To gain a proper understanding of the offer it is necessary to read the offer document in full and Betta shareholders are encouraged to seek independent professional advice.

Pointon Partners, Lawyers of Melbourne have advised the company in relation to the offer.

Issued on 14 June 2006.

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CHAIRMAN AND MANAGING DIRECTOR
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OFFER

BY



BELL IXL INVESTMENTS LIMITED

ACN 113 669 908
ABN 80 113 669 908

TO PURCHASE YOUR FULLY PAID ORDINARY SHARES IN

BETTA STORES LIMITED

ACN 009 710 605
ABN 44 009 710 605

LEGAL ADVISERS TO BELL IXL INVESTMENTS LIMITED

Pointon Partners
Level 2
640 Bourke Street
Melbourne, Victoria 3000

THIS DOCUMENT IS IMPORTANT

The document sets out the terms and conditions of an offer by Bell IXL Investments Limited to acquire your fully paid ordinary shares in Betta Stores Limited. This is an important document. You should read this document in full and seek independent professional advice if necessary. The audience to which this offer is made is restricted. The offer made in this document is not a takeover bid or announcement of a takeover bid for Betta Stores Limited.

Betta Stores Limited has not issued this document and takes no responsibility for the content.



BELL IXL INVESTMENTS LIMITED

ACN 113 669 908
ABN 80 113 669 908

13 June 2006

Dear Fellow Shareholder

I am writing to you in relation to shares that you own in Betta Stores Limited ("Betta").

Our company, Bell IXL Investments Limited ("Bell IXL"), has identified Betta as a long-term investment and wishes to acquire your shares.

THE OFFER

For every 3 fully paid ordinary shares in Betta you sell under the offer you will receive:

- 18 cents cash; and
- 1 fully paid ordinary share in Bell IXL.

Detailed information regarding Bell IXL is located in paragraph 2 of the attached offer document.

By accepting the offer you will continue to have an indirect exposure to Betta through Bell IXL and at the same time hedge against future downside risk by cashing out part of your existing investment. In addition, as Bell IXL is an active investor, you will share in the exciting future growth of the company in the coming years.

This offer is not a takeover by Bell IXL of Betta. Although Betta is likely to report a significant loss for the half-year ended 31 December 2005, Bell IXL has full confidence in the management of Betta led by CEO Guy Houghton.

To gain a complete understanding of the offer you will need to read the attached offer document in full and, if necessary, seek your own independent professional advice.

I invite you to call me anytime on 03 9840 8710 if you have any queries.

Yours faithfully

BELL IXL INVESTMENTS LIMITED

MASSIMO LIVIO CELLANTE

EXECUTIVE CHAIRMAN AND MANAGING DIRECTOR

Level 2, 651-653 Doncaster Road, Doncaster, Victoria 3108
PO Box 643, Doncaster, Victoria 3108
AUSTRALIA

Tel: (03) 9840 8788 • Fax: (03) 9840 0088 • E-mail: info@bellixl.com • WWW: <http://www.bellixl.com/investments>

1. INTRODUCTION

This document sets out the full terms and conditions of an offer dated 13 June 2006 by Bell IXL Investments Limited (ACN 113 669 908) ("Bell IXL") to purchase some or all of your fully paid ordinary shares in Betta Stores Limited (ACN 009 710 605) ("Betta").

Bell IXL is not providing any financial or taxation advice in relation to the offer made nor is Bell IXL making any recommendation or representation as to the fairness or merits of the offer or its suitability for shareholders in Betta. Any decision to accept the offer should be made on a fully informed basis. Bell IXL therefore recommends that you read this offer document in full and seek independent financial or other professional advice if necessary.

Certain defined terms are used in this document. Defined terms are indicated in brackets. Where a term is defined it has the same meaning throughout the document.

2. BELL IXL WHO?

Bell IXL was formed in April 2005 to act as an investor in publicly listed companies. It is Bell IXL's investment philosophy to concentrate its assets in a small number of strategic positions and then pursue the successful realisation of those investments. After a successful initial public offer of ordinary shares at 20 cents each that closed oversubscribed, Bell IXL was admitted to the Official List of the Stock Exchange of Newcastle Limited in September 2005.

Bell IXL recently paid its shareholders a maiden dividend of 1 cent per share.

Since listing, Bell IXL has issued 1,290,000 additional shares at 30 cents each.

On 8 June 2006 Bell IXL made an announcement to the Stock Exchange of Newcastle Limited regarding the net tangible assets of Bell IXL as at 31 May 2006. The summary of that announcement is that as at 31 May 2006 Bell IXL had total net tangible assets of \$2,326,335 of which \$945,405 was comprised of cash or short-term deposits and the balance of \$1,380,930 comprised strategic investments in a variety of publicly listed Australian companies.

Bell IXL is an active investor and will be involved in corporate activities on an ongoing basis

Bell IXL is a disclosing entity as defined in the *Corporations Act 2001* ("the CA") and as such is required to regularly make announcements regarding its operations and activities. These announcements can be accessed via the Internet at <http://www.newsx.com.au/> and copies can be obtained from any office of the Australian Securities and Investments Commission.

Bell IXL maintains a website at <http://www.bellixl.com/investments>.

Bell IXL has identified Betta as a long term investment. Bell IXL and its associates have already acquired 1,745,425 shares in Betta being 3.68% of the total number of shares Betta has on issue. Bell IXL itself is the registered and beneficial owner of 1,137,891 shares in Betta. These shares in Betta have been acquired through normal trading on the stock market. The total number of shares Betta has on issue is 47,458,596 at the date of this offer document.

Bell IXL is a passive investor in Betta. This offer is not a takeover of Betta and Bell IXL has no current intentions to intervene in the management or operations of Betta.

3. SUMMARY OF THE OFFER

Bell IXL is offering to buy some or all of your shares in Betta. You can decide the number of shares in Betta that you wish to sell under the offer by indicating that number on the attached acceptance form.

For every 3 fully paid ordinary shares in Betta you sell under the offer you will receive:

- 18 cents cash; and
- 1 fully paid ordinary share in Bell IXL (“Bell IXL Share”).

Betta shares last traded at 16 cents per share prior to 16 March 2006 when the trading halt was imposed. Bell IXL Shares, since listing have traded as high as 22 cents per share and as low as 19 cents per share. Following the initial public offer of shares last year Bell IXL has issued 1,290,000 additional shares at 30 cents each.

Full details regarding the rights and liabilities attaching to Bell IXL Shares are set out in Bell IXL’s Constitution, a copy of which can be accessed at <http://www.bellixl.com/investments>.

4. AUDIENCE

Bell IXL’s offer to buy your shares in Betta includes an offer to you of Bell IXL Shares. Bell IXL has not prepared, and does not intend to prepare, a prospectus or other disclosure document in respect of the offer. Bell IXL is therefore making this offer only to a limited audience so as to take advantage of exemption provided by section 708(8)(c) the *Corporations Act 2001* (“the CA”).

This offer is only made to persons, companies or other legal entities that are resident or domiciled in Australia that hold shares in Betta at or after the date of this document and fall within the definition of sophisticated investor which is defined in section 708(8)(c) of the CA.

A sophisticated investor is a person having net assets of at least \$2,500,000 or gross income of at least \$250,000 for each of the last two financial years.

If you accept the offer then you must provide a certificate from a qualified accountant certifying that you satisfy the minimum requirements for net assets or gross income. The certification must have been made within the period of six months before the date of the offer. In other words the certificate must be dated on or after 13 December 2005. An acceptance form provided without the required certificate will not be a valid acceptance of the offer.

5. TERMS OF THE OFFER

5.1. THE OFFER

Bell IXL offers to buy your shares in Betta on the terms set out herein. You may accept the offer for all or part of your holding of shares in Betta.

5.2. OFFER PRICE

For every 3 fully paid ordinary shares in Betta you sell under the offer you will receive:

- 18 cents cash; and
- 1 Bell IXL Share.

Where the number of Bell IXL Shares to be issued to you under the offer is not a whole number then Bell IXL shall be entitled to round the number of Bell IXL Shares to be issued to you to the nearest whole number.

You will not be liable for any brokerage or stamp duty in connection with the acceptance of the offer.

5.3. MAXIMUM NUMBER OF SHARES

Notwithstanding anything else in this document under no circumstances will Bell IXL be obliged to purchase more than 7,746,294 shares in Betta. This number is based on the current share structure of Betta and is equivalent to 19.99% of the shares in Betta. If the share structure of Betta changes during the period of the offer then the maximum number of Betta shares to be acquired by Bell IXL may be adjusted accordingly.

Acceptances of the offer will be processed on a first-come first-served basis in the order of receipt.

Bell IXL shall be entitled to reject any acceptance of the offer which would result in Bell IXL acquiring more than the maximum number of shares in Betta and in the event that an acceptance is so rejected then no contract shall arise and such acceptance shall be void and of no effect.

The maximum amount payable by Bell IXL pursuant to the offer is \$464,777.64. Cash payments under the offer will be funded by Bell IXL from its own resources. Bell IXL has cash available at call in excess of the amount required to fund the offer.

The maximum number of Bell IXL Shares to be issued under the offer is 2,582,098.

As at the date of this document Bell IXL has the following securities on issue:

- 11,550,000 Bell IXL Shares;
- 30,000 Limited Voting Ordinary Shares which rank equally with Bell IXL Shares as to dividends, return of capital and division of surplus assets and profits; and
- 500,000 options to acquire Bell IXL Shares that have an exercise price of \$0.25 per option and an expiry date of 31 March 2008.

5.4. RIGHTS ATTACHING TO BETTA SHARES

If you accept this offer then Bell IXL will be entitled to all rights attaching to or arising from your shares in Betta after the date of this document. Such rights shall include, but not be limited to, rights to receive dividends or subscribe for shares, notes or options

and all other distributions or entitlements declared, paid or issued by Betta. If you accept the offer you irrevocably authorise Bell IXL to take all necessary action on your behalf to transfer the benefit of such rights to Bell IXL.

5.5. OFFER PERIOD

The offer commences on the date of this document and will remain open for acceptance until Bell IXL acquires the maximum number of Betta shares or the offer is withdrawn. Bell IXL may withdraw the offer by releasing an announcement to that effect to the Stock Exchange of Newcastle Limited. Any purported acceptance of the offer after the release of such an announcement will be void and of no effect.

5.6. ACCEPTANCE OF OFFER

To accept the offer you must complete and sign the attached acceptance form and send it to Bell IXL so that it is received prior to Bell IXL either acquiring the maximum number of Betta shares or withdrawing the offer.

Please send the completed acceptance forms using the enclosed Reply Paid envelope to:

Bell IXL
Reply Paid 643
Doncaster, Victoria 3108

The only details you must write on the form are your Security holder Reference Number (SRN) in the case of shares held in an Issuer Sponsored Holding or your Holder Identification Number (HIN) in the case of shares held in a CHESS Holding together with the number of shares in Betta that you wish to sell under the offer.

By completing, signing and returning the form you authorise Bell IXL to take all necessary action on your behalf to transfer the number of shares in Betta from your holding to Bell IXL. By signing the form you will also be applying for the issue of the corresponding number of Bell IXL Shares and agreeing, in the event of you becoming a shareholder in Bell IXL, to be bound by Bell IXL's Constitution.

By accepting the offer you warrant to Bell IXL that you are the legal and beneficial owner of the shares in Betta in your name or otherwise have the power to pass good title to those shares to Bell IXL and that such shares are sold to Bell IXL free from all mortgages, charges, liens, encumbrances or other third party interests.

Your acceptance must be accompanied by a certificate given by a qualified accountant on or after 13 December 2005 certifying that you have net assets of at least \$2,500,000 or gross income in each of the last two financial years of \$250,000. Any purported acceptance of the offer that is not accompanied by the required certificate shall be **void and of no effect**.

If in the opinion of Bell IXL your acceptance of the offer would result in you or any of your associates (as defined in the CA) contravening any provision of Chapter 6 of the CA or any other relevant law regulating the acquisition of Bell IXL Shares then Bell IXL shall be entitled, in its absolute and sole discretion, to reject your acceptance of the offer or to reduce the number of shares in Betta to which your acceptance applies so that no contravention arises.

5.7. CONDITIONS SUBSEQUENT

Bell IXL may, in its discretion, terminate any contract arising from the acceptance of the offer if:

- any material change or event occurs (whether or not it becomes public) or is announced in the financial or trading position, profitability, prospects, assets, liabilities, terms of any material contract or manner of conduct of the affairs of Betta or any of its subsidiaries between the date of this document and the date on which Bell IXL pays the cash and provides the Bell IXL Shares to you as required by the offer; or
- Bell IXL does not, within 90 days of the date of the offer, obtain any shareholder approval required by rule 6.25 of the Listing Rules of Stock Exchange of Newcastle Limited in connection with the shares in Bell IXL to be issued as part of the consideration for the acceptance of the offer.

These conditions shall not prevent a contract to sell your shares in Betta arising from the acceptance of the offer but shall entitle Bell IXL, by notice in writing to you, to rescind a contract that results from your acceptance of the offer.

These conditions enure solely for the benefit of Bell IXL.

5.8. CASH PAYMENT AND ISSUE OF BELL IXL SHARES

If you accept the offer prior to the offer being withdrawn and your acceptance would not result in Bell IXL acquiring more than the maximum number of shares in Betta then Bell IXL will pay you the cash amount and issue you the number of Bell IXL Shares to which you are entitled under the offer within 21 days from the date on which your acceptance form is received by Bell IXL or within 14 days after any required Bell IXL shareholder approval is obtained pursuant to rule 6.25, whichever is the later.

If Bell IXL in its absolute and sole discretion determines that any additional document is required, or any step must be taken by you, in order to effect the transfer of your shares in Betta to Bell IXL then, provided Bell IXL has advised you in writing of the document that is required or the step to be taken, Bell IXL shall be entitled to defer paying you the cash amount and/or issuing you the Bell IXL Shares until Bell IXL is satisfied that it will be able to effect the transfer of your shares in Betta.

If any authority or clearance of any Government department, body, authority or agency is required for Bell IXL to pay you the cash amount or issue you the Bell IXL Shares then Bell IXL will be under no obligation to pay you or provide the Bell IXL Shares until the authority or clearance has been obtained.

The cash component of the offer will be paid by cheque drawn on an Australian bank made payable to the party accepting the offer. The share component of the offer will be provided by entering the name of the party accepting the offer into the Register of Members of Bell IXL. All new holders of Bell IXL Shares will receive a holding statement detailing their holding of Bell IXL Shares.

Bell IXL will apply to the Stock Exchange of Newcastle for the listing of all Bell IXL Shares issued to Betta shareholders under the offer. Bell IXL will use its best

endeavours to obtain the listing of the Bell IXL Shares issued under the offer but no guarantee can be given that listing will be obtained.

6. BASIS ON WHICH THIS DOCUMENT IS ISSUED

The offer has been structured so as to take advantage of exemptions provided by the CA with the goal being to provide a concise readable document for the benefit of Betta shareholders and to save on the costs of making the offer.

In particular Bell IXL relies on the following provisions of the CA:

- Bell IXL is not providing a prospectus or other disclosure document in relation to the offer for the issue of Bell IXL Shares. Instead Bell IXL has chosen to rely on the disclosure exemption provided by section 708(8) of the CA by restricting the offer to sophisticated investors.
- Bell IXL is not providing a bidders statement in relation to the offer. Bell IXL's offer is limited to a maximum number of 7,746,294 shares in Betta. In the event that Bell IXL acquired the maximum number of shares in Betta under the offer then the voting power of Bell IXL and its associates in Betta would be less than 20%. The offer cannot therefore result in Bell IXL, or its associates, contravening section 606(1), section 606(2) or section 606(4) of the CA.
- Bell IXL's offer does not comply with the requirements of division 5A of part 7.9 of the CA. Bell IXL is relying on the exemption provided by section 1019D(1)(d)(viii) of the CA and regulation 7.9.97 of the *Corporations Regulations 2001* that have the combined effect of exempting Bell IXL from compliance owing to the fact that Bell IXL has restricted the audience to which its offer is made.
- Bell IXL does not hold, and does not intend to hold, an Australian Financial Services Licence ("AFSL"). It is the position of Bell IXL that it is not required to hold an AFSL to acquire shares in Betta pursuant to the offer as Bell IXL is acquiring shares in Betta on its own behalf (section 766C(3) of the CA). It is also the position of Bell IXL that it is not required to hold an AFSL in order to issue Bell IXL Shares to accepting shareholders as Bell IXL will be issuing its own securities (section 766C(4) of the CA). Bell IXL does not believe that section 766(C)(5) operates so as to require Bell IXL to hold an AFSL in order to issue Bell IXL Shares under the offer.

DATED: 13 June 2006



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Signed for and on behalf of Bell IXL by

MASSIMO LIVIO CELLANTE

EXECUTIVE CHAIRMAN AND MANAGING DIRECTOR

ACCEPTANCE FORM

**PLEASE REMEMBER TO
ENCLOSE A CERTIFICATE
FROM YOUR ACCOUNTANT**

You can use this form if you want to accept the offer dated 13 June 2006 made to you by Bell IXL Investments Limited (ACN 113 669 908) ("Bell IXL") to purchase your fully paid ordinary shares in Betta Stores Limited (ACN 009 710 605) ("Betta Shares"). You should not complete this form unless you have read and understood the offer document.

Shareholder Name «REG_ADDRESS_LINE_1»
and address: «REG_ADDRESS_LINE_2»
 «REG_ADDRESS_LINE_3»
 «REG_ADDRESS_LINE_4»
 «REG_ADDRESS_LINE_5»
 «REG_ADDRESS_LINE_6»

Betta Shares you own: «ORD_SHARES»

PLEASE COMPLETE THE FOLLOWING DETAILS TO ACCEPT THE OFFER

**Security holder Reference Number (SRN)
or Holder Identification Number (HIN):**

Number of Betta Shares you wish to sell:

I/We, the person(s) named above, being the holder(s) of the Betta Shares shown above, accept the offer in respect of the number of my/our Betta Shares set out above and hereby agree to transfer those Betta Shares to Bell IXL for the consideration specified in the offer. I/We authorise Bell IXL to take all necessary action on my/our behalf including executing, and delivering documents, to complete the transfer of my/our Betta Shares to Bell IXL. I/We make application for fully paid ordinary shares in Bell IXL in accordance with the offer, consent to my/our name(s) being entered in the Register of Members of Bell IXL and agree to be bound by the Constitution of Bell IXL. If this acceptance form is signed under power of attorney, the attorney declares that he/she has no notice of revocation of the power of attorney.

SIGNATURES:

Shareholder No. 1: Date:
Director (if applicable)

Shareholder No. 2: Date:
Director/Secretary (if applicable)

Shareholder No. 3 Date:
Sole Director/Secretary (if applicable)

Where Betta Shares are held in a joint holding all holders must sign this form. In the case of shares held by a company execution must be in accordance with section 127 of the *Corporations Act 2001* or by a duly appointed attorney. If this form is signed by an attorney on behalf of a shareholder then a copy of the power of attorney must be attached to this form.

**Please send the completed form using the enclosed Reply Paid envelope to:
Bell IXL, Reply Paid 643, Doncaster, Victoria 3108.**