

**Octanex N.L.**

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Email: admin@octanex.com.au**RELEASE****PROPOSED 3-WAY MERGER OF PERMIT INTERESTS**
and
PROPOSAL TO EXTEND OPTION EXERCISE DATE

As indicated in the Chairman's Review in our 2007 Annual Report to members, the Board of Octanex N.L. ("Octanex") has been considering a rationalisation of activities with our joint venture participants; Strata Resources N.L. ("Strata") and Gascorp Australia Pty Ltd ("Gascorp"). We have looked at various possibilities which might see a 3-way amalgamation of certain of the exploration interests held by these other two companies into Octanex. Many of these interests are common to those held by Octanex. Any actions will be the subject of the requisite approval of shareholders in all instances.

As a result, Octanex N.L. has entered into exclusive discussions with Strata and Gascorp that may ultimately lead to a series of formal transactions (subject to requisite shareholder and other approvals). The potential transactions, which are in the planning and negotiation stage, involve the possible acquisition of Australian offshore petroleum exploration permit interests. Any transaction will be subject to a number of conditions, including agreement on the form of acquisition, on consideration, completion of due diligence by all parties, and a number of other matters.

As those arrangements as envisaged, if implemented, will significantly change the capital structure and asset base of Octanex, the Directors of Octanex propose the extension of the expiry date for the 30 June 2008 Options of Octanex ("Options"). The merger of permit interests are, assuming they are proceeded with, not capable of being completed prior to 30 June 2008. The extension of the expiry date of the 30 June 2008 Options is considered by the directors to be in the interests of shareholders generally and the optionholders.

Recognizing the above matters, the Board of Directors of Octanex has resolved to offer each holder of the Options a right to extend the expiry date of their Options from 5.00 pm (AEST) on 30 June 2008 until 5.00pm (AEST) on 30 June 2009.

Optionholders will be provided with a letter of acceptance of the option extension offer (Acceptance Form) and will be required to return this Acceptance Form direct to Link Market Services Limited (Link) before 5.00 pm (AEST) on Friday, 23 May 2008.

In making this announcement, Octanex cautions that there is no assurance that these discussions will result in any specific transaction. Octanex will continue to update the market as required.

By Order of the Board

A handwritten signature in black ink, appearing to read 'D.B. Hill', with a stylized, flowing script.

D.B. Hill
Secretary

18th April 2008