

**Octanex N.L.**

ABN 61 005 632 315

Level 21
500 Collins Street
Melbourne Victoria 3000 Australia

Tel: (+61 3) 9629 6100
Fax: (+61 3) 9629 6278
Email: admin@octanex.com.au

29 May 2008

The Manager
Company Announcements Office
Newcastle Stock Exchange Ltd
PO Box 283
NEWCASTLE NSW 2303

Dear Sir

RELEASE

Form for Notice of Exercise of 30 June 2008 Options (exercisable at 25 cents)

Attached is the Option Exercise Form in relation to the 30 June 2008 Options exercisable at 25 cents) to be posted today to all option holders who have not requested an extension of their options. A covering letter and acceptance form in relation to the option extension was mailed to all option holders on 22 April 2008 with a request to return the completed form by 23 May 2008, should the option holder wish to extend their option. Those option holders who did not return their acceptance form are the subject of today's mailing.

The Company advises that 303 Optionholders (representing 28,595,739 Options) requested an extension of the 30 June 2008 Options until 30 June 2009. The remaining 142 holders of 30 June 2008 Options (amounting to 1,648,557 Options) will receive the Expiry Notice and Notice of Exercise of Options Form.

Yours faithfully

A handwritten signature in black ink, appearing to be "E.G. Albers", written in a cursive style.

E.G. Albers
Director

**Securityholder Reference Number/
Holder Identification Number:**

Number of Options held:

Conversion Ratio 1 for 1
Expiry Date 30 June 2008

Notice of Exercise of Options

OCTANEX N.L. OPTIONS

EXPIRING 30 JUNE 2008 EXERCISE PRICE \$A0.25

PLEASE COMPLETE BELOW (using block letters) – refer overleaf for details and further instructions on how to complete this form.

I/We apply to exercise the following number of options and attach a cheque in Australian currency drawn on an Australian branch of a financial institution for the amount payable. Please allot me/us Ordinary Shares calculated on the basis of one (1) Ordinary Share for every one (1) Option which I/we exercise. I/We agree to accept such Shares subject to the Constitution of Octanex N.L.

A NUMBER OF OPTIONS EXERCISED

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at \$A0.25 per
Option Exercised \$A

B TOTAL PAYMENT REQUIRED

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C PLEASE INSERT YOUR CHEQUE DETAILS

Cheques must be drawn on an **Australian branch** of a financial institution in **Australian currency** and made payable to "Octanex NL Share Subscription Account" and crossed "Not Negotiable".

Cheque Number

--	--	--	--	--	--	--	--	--	--	--	--

BSB

--	--	--	--	--	--	--	--	--	--	--	--

Account Number

--	--	--	--	--	--	--	--	--	--	--	--

D YOUR CONTACT DETAILS

Telephone Number where you can be contacted during business hours

--	--	--	--	--	--	--	--	--	--	--	--

Contact Name (PRINT)

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If a Notice of Exercise and the required payment are not received by 5:00pm Melbourne time on 30 June 2008, the Options will automatically lapse and no longer be available for exercise.

OCT OPT001



How to complete the Notice of Exercise of Options

Please complete all relevant sections of this form USING BLOCK LETTERS. These instructions are cross referenced to each section of the notice.

A. Application for Shares under the Notice of Exercise of Options

You may exercise either part of, or all of, your Options holding. Please write in Box A the number of Options that you wish to exercise.

If you do not indicate the number of Options you wish to Exercise, the Company will exercise as many Options as your accompanying cheque will pay for. The number of Options exercised, however, will not exceed the number of Options that you hold.

B. Total Payment Required for Options Exercise

Please enter in Box B the total amount of the cheque required for the payment of the Options you wish to exercise at the Exercise Price of \$A0.25 per Option.

C. Cheque Details

Please enter your cheque details in Section C.

Cheques must be drawn on an Australian branch of a financial institution in Australian currency and made payable to "Octanex NL Share Subscription Account" and crossed "Not Negotiable".

D. Contact Details

Please enter your daytime contact telephone number so we can contact you regarding your notice, if necessary.

Share Prices

The highest market price of the Ordinary Shares during the three months immediately before this Notice is \$0.26 and the lowest market price for the same period is \$0.09.

How to Lodge the Notice of Exercise of Options

The completed notice with the accompanying payment must be mailed or delivered to the address set out below, in the Reply Paid envelope enclosed.

Address

Link Market Services Limited
Reply Paid 2785
MELBOURNE VIC 8060
AUSTRALIA

Your complete form and accompanying payment must be received by the Share Registry no later than 5:00pm Melbourne time on 30 June 2008.

If a Notice of Exercise and the required payment are not received by 5:00pm Melbourne time on 30 June 2008, the Options will automatically lapse and no longer be available for exercise.

Privacy Clause: Link Market Services Limited advises that Chapter 2C of the *Corporations Act 2001* requires information about you as a securityholder (including your name, address and details of the securities you hold) to be included in the public register of the entity in which you hold securities. Information is collected to administer your securityholding and if some or all of the information is not collected then it might not be possible to administer your securityholding. Your personal information may be disclosed to the entity in which you hold securities. You can obtain access to your personal information by contacting us at the address shown on this form. Our privacy policy is available on our website (www.linkmarketservices.com.au).