



**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

**RELEASE**

**CONFIRMATION OF PROPOSAL TO EXTEND THE EXERCISE DATE OF THE  
OPTIONS AND AMEND THE TERMS OF EXERCISE**

Further to the release made on 29 May 2009, Octanex N.L. (***NSX Code: OCT***) confirms that the letter outlining the proposal to extend the 30 June 2009 exercise date and the terms of exercise of the options (***NSX Code for the Options: OCTOF***) has been mailed to Optionholders.

A copy of that letter and its enclosures forms part of this release and are attached. The enclosures with the letter are an Acceptance Form and Notice of Exercise of Options.

By Order of the Board

A handwritten signature in blue ink, appearing to read "J.G. Tuohy", is written over a light blue circular stamp.

**J.G. Tuohy**  
Company Secretary

2 June 2009

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29 May 2009

Dear Optionholder

## **PROPOSAL TO EXTEND THE 30 JUNE 2009 EXERCISE DATE OF THE OPTIONS TO 31 DECEMBER 2010 AND AMEND THE TERMS OF EXERCISE**

### **Background to the Proposal**

When originally granted, the Octanex NL ("Octanex" or "the Company") options were to expire on 30 June 2008 but prior to expiry the Company's Board of Directors ("the Board") extended the expiry date to the current 30 June 2009.

Following Shareholder approval and then consequent merger of Octanex with Strata Resources NL, that was recently completed in conjunction with the related acquisition of Exmouth Exploration Pty Ltd, the Board is of the view that the Company and its assets may, over time, achieve a greater level of awareness in the market. An enhanced awareness may possibly change the perceived value of the Company within the broader investment community. While this greater perception of value is not assured, the Board considers it appropriate that the present expiry date of the 30 June 2009 options ("Options") be extended to enable both the Shareholders and Optionholders to gain any benefit that may actually arise.

At the same time the Board has considered the existing terms of the Options and resolved that Optionholders be offered modified terms of exercise, as an alternative to paying the exercise price in full on exercise.

### **Existing Option Terms**

You are registered as the holder of Options as referred to above.

The Options presently expire at 5:00 pm AEST on 30 June 2009 ("Present Expiry Date").

The accompanying Acceptance Form sets out full details of your holding of Options.

### **Current Share and Option Prices**

There have been no trades of Octanex shares or Options in the three months prior to the date of this letter. However, in the four months prior to the date of this letter, Octanex shares have traded in a range between \$0.08 and \$0.28 (8 cents and 28 cents), the low trade on 18 February and the high trade on 24 February. You should note that the Options are exercisable on the Present Expiry Date at an exercise price of \$0.25 (25 cents) each ("Exercise Price").

## **Proposed modification of Option Exercise Terms**

Taking into account the matters outlined above, the Board has resolved to offer each holder of Options:

1. The right to extend the expiry date of their Options from the Present Expiry Date until 5:00 pm AEST on 31 December 2010 ("Extended Expiry Date").
2. A continued right to exercise their Options on or before the Extended Expiry Date by paying up the Options in full at the unaltered Exercise Price (of 25 cents) per Option.

**OR**

3. As an alternative to payment of the Exercise Price in full on or before the Extended Expiry Date; the right to exercise their Options on the Extended Expiry Date by the payment of \$0.05 (5 cents) per Option on exercise, with the balance of \$0.20 (20 cents) per Option that remains outstanding to be paid in two (2) calls of \$0.10 (10 cents) each such that:
  - (a) the first call of \$0.10 (10 cents) is paid by 5:00 pm AEST on 31 December 2011; and
  - (b) the second call of \$0.10 (10 cents) is paid by 5:00 pm AEST on 31 December 2012.

## **THE FOLLOWING ARE YOUR ALTERNATIVES**

### **1. Do nothing and allow your Options to lapse**

You may elect not to exercise your Options and merely allow them to lapse. This means that any investment you have in Octanex that is represented by your holding of Options will be lost. In this case you will receive no value for your Options and the prospect that you might have participated in any future increase in value of the underlying shares, between the Present Expiry Date and the Extended Expiry Date, will not eventuate.

**If you wish to take this course of action then the Board recommends that you obtain independent advice before doing so.**

### **2. Retain the existing terms of the Options and exercise them on the Present Expiry Date by payment in full of the Exercise Price**

This course of action is the best one for the Company as it receives the Exercise Price in full at the earliest possible time. However, this alternative is not necessarily in your best interests.

If you choose this alternative then you will need to complete the enclosed Notice of Exercise of Options ("Notice") in accordance with its instructions and then returning the Notice directly to the share registry, Link Management Services Limited ("Link"), in the enclosed reply paid envelope to arrive **before** 5:00 pm AEST on 30 June 2009.

**If you wish to take this course of action then the Board recommends that you obtain independent advice before doing so.**

3. **Accept the Company's offer to modify the terms of the Options by extending the expiry date to the Extended Expiry Date of 5:00 pm AEST on 31 December 2010.**

This course of action gives you, as a holder of Options:

- (a) a continued interest in Octanex at no immediate cost, via an 18 month deferral of the obligation to pay any or all of the Exercise Price; and
- (b) the flexibility during the period until the Extended Expiry Date to:
  - (i) sell the Options if their price increases and you wish to take advantage of any price increase;
  - (ii) exercise the Options on or before the Extended Expiry Date by either:
    - (A) paying the Exercise Price in full; or
    - (B) choosing to exercise the Options by paying \$0.05 (5 cents) on exercise and the balance of the Exercise Price in two (2) calls of \$0.10 (10 cents) each; and

*(N.B. You do not have to choose between (A) and (B) until the Extended Expiry Date. You can then choose the alternative that is in your best interests.)*
- (c) the ability to let the Options lapse on the Extended Expiry Date; if exercising them is not in your best interests, bearing in mind the then share price or other matters relevant to you.

**This alternative preserves your Options intact and gives you maximum flexibility in dealing with them from now until the Extended Expiry Date.**

**Each Director and their Associates (within the meaning of the Corporations Act 2001) intends to take this course of action.**

## **ACCEPTANCE OF THE COMPANY'S OFFER**

You can accept the Company's offer by completing the enclosed **Acceptance Form** ("Form") in accordance with its instructions and then returning the Form:

- directly to the share registry, Link, in the enclosed reply paid envelope to arrive **before 5:00 pm AEST** on 30 June 2009; or
- by facsimile to arrive **before 5:00 pm AEST** on 30 June 2009. Completed Forms can be faxed to Link at +61 (0)3 9615 9744.

Failure to accept this offer, and to ensure that your completed and signed Form is received by Link or the Company before 5:00 pm AEST on Tuesday, 30 June 2009, will mean that your Options will remain exercisable by no later than the Present Expiry Date (being 5:00 pm AEST on 30 June 2009) and if not exercised by that time then they will lapse and cease to exist.

Your **Acceptance Form** must be executed or signed by the holder of the Options to be effective. Should you choose this alternative, the terms of your Options will be modified under the contract that comes into existence

when the Company receives your signed Form and not otherwise. Therefore, it is important that the holder of the Options executes or signs the Form strictly in accordance with the instructions set out on the reverse of the Form. Failure to follow the instructions on the Form will mean that you may inadvertently allow your Options to lapse unexercised.

**There are notes on the back of the Notice and the Form that you can refer to as they will assist you in completing and executing / signing whichever of these two documents is relevant to you.**

**If you require further information on how to complete the Notice or the Form you should contact the Company on +61 (0)3 9927 3009.**

On behalf of the Board  
**OCTANEX N.L.**

**J.G. TUOHY**  
Company Secretary



All Registry communication to:  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Telephone: (612) 8280 7111  
Facsimile: (613) 9615 9744  
NSX Code: OCT  
Email: [registrars@linkmarketservices.com.au](mailto:registrars@linkmarketservices.com.au)  
Website: [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

«Reg\_Line\_1»  
«Reg\_Line\_2»  
«Reg\_Line\_3»  
«Reg\_Line\_4»  
«Reg\_Line\_5»  
«Reg\_Line\_6»

<b>Securityholder Reference Number /</b>	
<b>Holder Identification Number:</b>	
<b>Number of Options Held:</b>	
<b>Current Expiry Date:</b>	<b>30 June 2009</b>

**EXTENSION OF EXPIRY DATE OF 30 JUNE 2009 OPTIONS AND MODIFICATION OF TERMS OF EXERCISE**

**ACCEPTANCE OF OFFER**

I/We, being the registered proprietor(s) of 30 June 2009 Options, hereby accept the offer by Octanex N.L. to extend the Present Expiry Date of the Options held by me/us until 5:00 pm (AEST) on 30 June 2010 and to modify the terms of exercise of the Options as set out below and in the letter of offer from Octanex N.L. dated 22 May 2009.

1. The right to extend the expiry date of the Options from the Present Expiry Date until 5:00 pm AEST on 30 June 2010 ("Extended Expiry Date").
2. A continued right to exercise the Options on or before the Extended Expiry Date by paying up the Options in full at the unaltered Exercise Price (of 25 cents) per Option exercised.

**OR**

3. As an alternative to payment of the Exercise Price in full on or before the Extended Expiry Date; the right to exercise the Options on the Extended Expiry Date by the payment of \$0.05 (5 cents) per Option on exercise, with the balance of \$0.20 (20 cents) per Option that remains outstanding to be paid in two (2) calls of \$0.10 (10 cents) each such that:
  - (a) the first call of \$0.10 (10 cents) is paid by 5:00 pm AEST on 30 June 2011; and
  - (b) the second call of \$0.10 (10 cents) is paid by 5:00 pm AEST on 30 June 2012.

Dated this                      day of                      2009.

**SIGNATURE(S) OF SECURITYHOLDER(S) – THIS MUST BE COMPLETED**

Securityholder 1 (Individual)

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Sole Director & Sole Company Secretary

Securityholder 2 (Individual)

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Secretary/Director (delete one)

Securityholder 3 (Individual)

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Director

## **NOTES ON EXECUTION OF ACCEPTANCE OF OFFER TO EXTEND THE EXPIRY PERIOD**

1. If there are more than 3 Joint holders this form should be signed by them as additional joint holders in the space below the space where the third joint holder is to sign.
2. Corporate Optionholders should comply with the execution requirements set out in these notes or otherwise comply with the provisions of Section 127 of the Corporations Act 2001 ("Act").
3. Section 127 of the Act provides that a company may execute a document without using its common seal if the document is signed by:
  - 2 directors of the company; or
  - a director and a company secretary of the company; or
  - for a proprietary company that has a sole director who is also the sole company secretary – that director.
4. For Octanex N.L. to rely on the assumptions set out in Sections 129(5) and (6) of the Act, a document must appear to have been executed in accordance with Section 127(1) or (2) of the Act. This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary must state that next to his or her signature.
5. Where a person signs as a director of a corporate optionholder but does not state that he is also sole secretary, that person will be deemed to have represented to Octanex N.L. that he is the sole director of a proprietary company which has no secretary as permitted under the Act.

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. This information must continue to be included in the public register if you cease to be a securityholder. These statutory obligations are not altered by the Privacy Amendment (Private Sector) Act 2000. Information is collected to administer your security holding and if some or all of the information is not collected then it might not be possible to administer your security holding. Our privacy policy is available on our website ([www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)).

SRN/HIN:

Number of Options held:

Conversion Ratio: 1 Option for 1 Ordinary Share

Exercise Price: A\$0.25

Expiry Date: 30 June 2009

## NOTICE OF EXERCISE OF OPTIONS

When originally granted, the Octanex NL Options were to expire on 30 June 2008 but that expiry date was extended by 12 months, Options now expire at 5:00pm AEST on 30 June 2009. If a Notice of Exercise of Options and required payment are not received by that time, then the **Options will automatically lapse** in accordance with their Terms and Conditions as set out in the Prospectus dated 7 November 2003 and the Options will no longer be available for exercise.

Octanex N.L. NSX Quotation Prices:

Closing price on 24 February 2009 A\$0.28

No trading has occurred during the last 3 months

**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 make payment 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**  
(Exercise all or part of OCTOF Options)

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at A\$0.25 per  
Option Exercised \$A

**B TOTAL PAYMENT REQUIRED**  
(A\$0.25 per OCTOF Option exercised)

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**C PLEASE INSERT YOUR CHEQUE/BANK DRAFT OR MONEY ORDER DETAILS**

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

Cheque Number

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BSB

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Account Number

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**D YOUR CONTACT DETAILS**

Telephone Number

(		)
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Telephone Number – after hours

(		)
---	--	---

Contact Name (PRINT)

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## HOW TO COMPLETE THE NOTICE OF EXERCISE OF OPTIONS

Please complete all relevant sections of this notice 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 Option 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, Octanex N.L. 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 Exercised

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 A\$0.25 per Option.

### C. Payment 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 N.L. Share Subscription Account" and crossed "Not Negotiable".

### D. Contact Details

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

## Consequence of non-payment

In accordance with the Terms and Conditions of the grant of the Options, they will expire at 5:00pm (AEST) on 30 June 2009 unless the holder elects to exercise them before that time. If a Notice of Exercise of Options and required payment are not received by 5:00pm (AEST) on 30 June 2009, the **Options will automatically expire** and no longer be available for exercise.

## How to Lodge the Notice of Exercise of Options

The completed notice with the accompanying payment must be mailed in the Reply Paid envelope enclosed or delivered to the address set out below, to arrive no later than 5:00pm (AEST) on 30 June 2009.

### Mailing Address

Link Market Services Limited  
GPO Box 2785  
Melbourne Vic 3001

or

### Hand Delivery

Link Market Services Limited  
Level 1, 333 Collins Street  
Melbourne **(Please do not use this address for mailing purposes)**

If you are unsure as to whether or not to participate in the Exercise of Options, please consult your investment, financial, taxation or other professional adviser.

**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](http://www.linkmarketservices.com.au)).