

**Octanex N.L.**

ABN 61 005 632 315

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RELEASE**OFFER INFORMATION STATEMENT****and****LETTER TO SHAREHOLDERS WITH LESS THAN A 'MARKETABLE PARCEL'
OF SHARES**

Octanex N.L. (**NSX Code: OCT**) advises that, in conjunction with the release of the Offer Information Statement for the placement of up to 5,000,000 shares and accompanying free options ("Offer"), a letter will be mailed to all those of the Company's Shareholders with holdings of less than 10,000 shares.

The primary purpose of the Offer is to increase the number of shareholders who hold 'marketable parcels' of securities (as this is defined by the Listing Rules of ASX Limited) and thus meet the requirements for shareholder 'spread' for a company seeking admission to the Official List of ASX.

The letter proposes that these Shareholders increase their holding to 10,000 shares, as by holding at least that number of shares they will be able to be counted in the assessment of the 'spread' of shareholders.

The form of the letter and its enclosure (a Security Transfer) is attached and forms part of this release. The letter will be accompanied by a copy of the Offer Information Statement.

By Order of the Board

J.G. Tuohy
Company Secretary

18 June 2009



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18 June 2009

SRN/HIN:

Current Shareholding:

No. of shares to increase your
holding to 10,000:

\$ amount payable to subscribe \$
for shares to increase your
holding to 10,000 shares:

Dear Shareholder

RELEASE OF AN OFFER INFORMATION STATEMENT

We write to advise you of developments in relation to Octanex N.L. ("the Company") and an opportunity for you to acquire shares and free options in the Company. You should read this letter **carefully and in full** and then act on it if you choose to participate.

The Company has lodged an Offer Information Statement ("OIS") with Australian Securities and Investments Commission and a copy of that document is enclosed, together with a form of Security Transfer the purpose of which is explained below. This letter relates to how you can participate in the offer of new shares and accompanying free options via the OIS ("the Offer"), or acquire them through the alternative arrangement that is detailed below.

As background information we can advise that the Company, together with its wholly-owned subsidiaries, presently have:

- Cash, in immediately available funds, of approximately \$30.8 million;
- Strategic investments in listed companies currently valued at approximately \$8.0 million;
- A 40% carried interest in four offshore oil and gas exploration permits located in the Exmouth Plateau off the West Australian coast;
- A residual economic interest in three offshore oil and gas exploration permits located in the Exmouth Sub-basin off the West Australian coast;
- A 100% interest in four offshore oil and gas exploration permits located in the Exmouth and Dampier Sub-basins off the West Australian coast; and
- A 30% interest in an offshore oil and gas exploration permit located in the Otway Basin off the South Australian coast.

The Company currently has on issue 171,360,494 ordinary shares (of which 33,000,000 are trustee shares upon which no monies have been paid up) and the 28,914,710 options over ordinary shares, the terms of which are detailed in the OIS, plus 5,000,000 consultant options (also detailed in the OIS).

The value of cash on hand and investments in listed companies currently equates to approximately \$0.28 (28 cents) per **fully paid** ordinary share on issue.

The primary purpose of the Offer is to increase the number of shareholders who hold marketable parcels of securities (as this is defined by the Listing Rules of ASX Limited ("ASX")) and thus meet the requirements for shareholder 'spread' for a company seeking admission to the Official List of ASX. This means that the Company is

required to have 400 shareholders who hold not less than 10,000 ordinary shares with a market value of at least \$0.20 (20 cents) each, which is the issue price of the shares (and accompanying free options) for subscription under the OIS.

The Company has appointed Patersons Securities Limited as Lead Manager to the Offer and it is their primary role to place the shares and options and thus assist in achieving 'spread'. Patersons may fill the Offer well before the Closing Date of 5:00pm AEST on 26 June 2009, therefore existing Shareholders (such as you) may not get an opportunity to participate in the Offer.

The Offer is not an entitlements issue or rights issue pursuant to the Corporations Act 2001. However, Shareholders (such as you) who hold less than 10,000 shares are being advised of the Offer via this letter and the enclosed copy of the OIS. If you apply for sufficient shares to increase your holding to a minimum of 10,000 shares you are then able to be counted in the 400 shareholders required under the ASX Listing Rules that relate to 'spread'. Your present shareholding and the number of shares (that will carry accompanying free options) you would need to apply for to increase your shareholding to the 10,000 minimum, plus the amount of subscription monies to do so, is set out in the personalised information at the head of this letter.

Please note that applications from existing Shareholders who increase their holding to 10,000 shares will be given a higher priority than applications which do not lift the holding to the 10,000 level. This is because of the previously stated primary purpose of the Offer to increase the 'spread' within the meaning of the ASX Listing Rules.

Your Directors recommend that you read the OIS **carefully and in full**. After considering the matters set out in it, and if you believe the investment fits within your investment parameters and risk profile, you can apply to increase your holding to the minimum for 'spread' purposes of 10,000 shares.

Turning to the alternative arrangement if the Offer is fully subscribed via Patersons and you have not been able to participate in it. As disclosed in Section 3 of the OIS, the Company's wholly-owned subsidiary, Strata Resources Pty Ltd ("Strata"), holds 705,000 Octanex N.L. shares and the same number of options. The Company will make these shares and options available to Shareholders who are not able to participate in the Offer (due to it being fully subscribed and closed) and who want to increase their shareholding. The purchase price of these shares will be \$0.20 (20 cents) and the accompanying option will be free – these are the same terms as provided by the Offer.

This alternative will be available on a 'first-come-first-served' basis until either, the 705,000 shares and options have been sold or 5:00pm AEST on Friday, 17 July 2009, whichever occurs first.

In order to participate in the Offer you need to complete an Application Form, preferably for at least the number of shares as are detailed in the personalised information at the head of this letter. In the event that the Offer is fully subscribed and closed when we receive your completed Application Form, you need to **also complete** the enclosed Security Transfer and return it with the **completed** Application Form to the address details provided on the Application Form. (The address details are termed "*Lodgement Instructions*" on the Application Form and please note that you have until the later date mentioned in the previous paragraph to return these documents.)

The Security Transfer provides your confirmation to the Company that you accept the transfer of the relevant number of shares and accompanying options from Strata (in place of those you have sought under the Application Form) and that to do so you authorise the Directors to sign the necessary transfer instrument to evidence that transfer from Strata to you.

You are urged to act without delay and make your investment decision based on the information provided by the OIS and this letter.

On behalf of the Board
OCTANEX N.L.

A handwritten signature in black ink, appearing to read 'J.G. Tuohy', is written over a light grey circular background.

J.G. TUOHY
Company Secretary

SECURITY TRANSFER

(Terms used in this Security Transfer are defined in the Offer Information Statement dated 10 June 2009 described below)

Inasmuch as I/we, being the person(s) named and described below and being a member of Octanex N.L. ("the Company"), have completed an Application Form (and attached thereto the required Application Money) and applied for shares and options ("Securities") pursuant to the Offer Information Statement ("OIS") issued by the Company and dated 10 June 2009 ("Offer") and, inasmuch as the Offer may be fully subscribed I/we agree that at the sole discretion of Strata Resources Pty Ltd ("Strata") I/we shall accept a transfer to me/us from Strata of the number of Securities as applied for in this Security Transfer with such Securities being transferred to me/us at the Issue Price provided by the OIS and on the same terms as set out in the OIS and for that purpose I/we hereby appoint each of the Directors of the Company as my/our joint and several attorneys to execute on my/our behalf as my/our our agent a transfer of such Securities to me/us and I/we direct that the Company bank the Application Money for the Securities and transfer the Application Money to Strata in satisfaction of the purchase price of the Securities transferred to me/us provided that, to the extent that I/we are transferred fewer Securities than applied for in this Security Transfer, any excess Application Money be refunded to me/us in like manner as under the OIS.

SHAREHOLDER DETAILS

Reg Line 1
Reg Line 2
Reg Line 3
Reg Line 4
Reg Line 5
Reg Line 6

SRN/HIN:

APPLICATION DETAILS

Number of Shares (with accompanying free Options) agreed to be purchased from Strata	<i>(Complete this box with the number of shares being purchased)</i>
Amount of purchase moneys @ \$0.20 (20 cents) per Share	<i>(Complete this box with the amount of Application Money)</i> \$

Dated this day of 2009

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

Securityholder 1 (Individual)

Sole Director & Sole Company Secretary

Securityholder 2 (Individual)

Secretary/Director (delete one)

Securityholder 3 (Individual)

Director

Return to: Link Market Services Limited, Reply Paid 2785 Melbourne Vic 8060