

**Octanex N.L.**

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RELEASE**ISSUE OF SHARES ON EXERCISE OF OPTIONS, THE EXPIRY OF OPTIONS****AND THE EXTENSION OF THE EXPIRY DATE OF OPTIONS**

Octanex N.L. (**NSX Code: OCT**) advises as follows in relation to the issue of new Ordinary Shares on the exercise of Options, the expiry of Options and the extension of the exercise date of Options.

Of the 28,914,710 listed and quoted Options with an expiry date of 30 June 2009 exercisable at \$0.25 (25 cents), 67,610 have been exercised and 945,728 have expired.

As a consequence, 67,610 new fully paid Ordinary Shares have been issued to the holders of the exercised Options and the funds raised from the exercise of these Options will be used for working capital purposes.

The holders of the remaining 27,901,372 Options in this class have elected to extend their Options to now expire on 31 December 2010. At the election of the holder, these extended Options are now exercisable on or before 31 December 2010, either by payment of the full exercise price of \$0.25 (25 cents) or by payment in part of \$0.05 (5 cents), with two (2) calls of \$0.10 (10 cents) each and those calls due on 31 December 2011 and 31 December 2012.

Two classes of the executive options issued under the consultancy services agreement with Upstream Consultants Pty Ltd have expired unexercised. Those executive options had a 30 June 2009 exercise date and there were 500,000 exercisable at \$0.2424 (24.24 cents) and 750,000 exercisable at \$0.40 (40 cents).

By Order of the Board

A handwritten signature in black ink, appearing to be "J.G. Tuohy", written over a light blue horizontal line.

J.G. Tuohy
Company Secretary

7 July 2009

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to NSX as soon as available. Information and documents given to NSX become NSX's property and may be made public.

Introduced 11 March 2004.

Name of entity

OCTANEX N.L.

ABN

61 005 632 315

We, **OCTANEX N.L.**, give NSX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | |
|--|--|
| 1 Class of securities issued or to be issued | (i) ORDINARY SHARES

(ii) OPTIONS 30 JUNE 2009 (25 CENTS EXPIRED)

(iii) OPTIONS 30 JUNE 2009 (24.24 CENTS EXPIRED)

(iv) OPTIONS 30 JUNE 2009 (40 CENTS EXPIRED)

(v) OPTIONS 30 JUNE 2009 (25 CENTS CONVERTED)

(vi) OPTIONS 31 DECEMBER 2010 (25 CENTS EXTENDED) |
| 2 Number of securities issued or to be issued (if known) or maximum number which may be issued | (i) 67,610 ORDINARY SHARES

(ii) 945,728 OPTIONS 30 JUNE 2009 (25 CENTS EXPIRED)

(iii) 500,000 OPTIONS 30 JUNE 2009 (24.24 CENTS EXPIRED)

(iv) 750,000 OPTIONS 30 JUNE 2009 (40 CENTS EXPIRED)

(v) 67,610 OPTIONS 30 JUNE 2009 (25 CENTS CONVERTED)

(vi) 27,901,372 OPTIONS 31 DECEMBER 2010 (25 CENTS EXTENDED) |

<p>3 Principal terms of the securities (eg, if options, exercise price and expiry date; if partly paid securities, the amount outstanding and due dates for payment; if convertible securities, the conversion price and dates for conversion)</p>	<p>ORDINARY SHARES – TO BE ISSUED AS FULLY PAID PURSUANT TO THE EXERCISE OF 30 JUNE 2009 OPTIONS</p> <p>OPTIONS 31 DECEMBER 2010– EXTENSION OF EXERCISE DATE AT THE ELECTION OF THE OPTIONHOLDER AND NOW EXERCISABLE EITHER IN FULL OR IN PART ON OR BEFORE 31 DECEMBER 2010 BY PAYMENT IN FULL AT 25 CENTS OR IN PART AT 5 CENTS AND WITH TWO CALLS OF 10 CENTS EACH DUE ON 31 DECEMBER 2011 AND 31 DECEMBER 2012</p>
<p>4 Do the securities rank equally in all respects from the date of allotment with an existing class of quoted securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>ORDINARY SHARES TO BE ISSUED WILL RANK PARI PASSU IN ALL RESPECTS WITH THE EXISTING ORDINARY SHARES ON ISSUE FROM THE DATE OF ALLOTMENT</p> <p>OPTIONS DO NOT RANK UNTIL EXERCISED FOR ORDINARY SHARES AND WILL THEN RANK PARI PASSU IN ALL RESPECTS WITH THE EXISTING ORDINARY SHARES ON ISSUE FROM THE DATE OF ALLOTMENT IF EXERCISED IN FULL AND IF EXERCISED IN PART WILL RANK PROPORTIONATELY TO THE EXTENT THAT THE AMOUNT PAID UP BEARS TO THE TOTAL EXERCISE PRICE</p>
<p>5 Issue price or consideration</p>	<p>ORDINARY SHARES - ISSUE PRICE OF A\$0.25 (25 CENTS)</p> <p>OPTIONS – NONE ISSUED AS ONLY EXTENDED EXPIRY DATE OF EXISTING OPTIONS FOR NO CONSIDERATION</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>ORDINARY SHARES – ON THE EXERCISE OF OPTIONS</p> <p>OPTIONS – NONE ISSUED AS ONLY EXTENDED EXPIRY DATE OF EXISTING OPTIONS FOR NO CONSIDERATION</p>

<p>7 Dates of entering securities into uncertificated holdings or despatch of certificates</p>	<p>ORDINARY SHARES - 8 JULY 2009</p> <p>OPTIONS – 8 JULY 2009</p>														
<p>8 Number and class of all securities quoted on NSX (<i>including</i> the securities in clause 2 if applicable)</p>	<table> <tr> <th>Number</th><th>Class</th></tr> <tr> <td>171,428,104</td><td>FULLY PAID ORDINARY SHARES</td></tr> <tr> <td>27,901,372</td><td>31 DECEMBER 2010 OPTIONS EXERCISABLE @ \$0.25</td></tr> </table>	Number	Class	171,428,104	FULLY PAID ORDINARY SHARES	27,901,372	31 DECEMBER 2010 OPTIONS EXERCISABLE @ \$0.25								
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27,901,372	31 DECEMBER 2010 OPTIONS EXERCISABLE @ \$0.25														
<p>9 Number and class of all securities not quoted on NSX (<i>including</i> the securities in clause 2 if applicable)</p>	<table> <tr> <th>Number</th><th>Class</th></tr> <tr> <td>750,000</td><td>30 JUNE 2010 OPTIONS @ \$0.50</td></tr> <tr> <td>500,000</td><td>30 JUNE 2010 OPTIONS @ \$0.3030</td></tr> <tr> <td>750,000</td><td>30 JUNE 2011 OPTIONS @ \$0.60</td></tr> <tr> <td>500,000</td><td>30 JUNE 2011 OPTIONS @ \$0.3636</td></tr> <tr> <td>750,000</td><td>30 JUNE 2012 OPTIONS @ \$0.70</td></tr> <tr> <td>500,000</td><td>30 JUNE 2012 OPTIONS @ \$0.4242</td></tr> </table>	Number	Class	750,000	30 JUNE 2010 OPTIONS @ \$0.50	500,000	30 JUNE 2010 OPTIONS @ \$0.3030	750,000	30 JUNE 2011 OPTIONS @ \$0.60	500,000	30 JUNE 2011 OPTIONS @ \$0.3636	750,000	30 JUNE 2012 OPTIONS @ \$0.70	500,000	30 JUNE 2012 OPTIONS @ \$0.4242
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<p>10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)</p>	<p>THERE IS NO CURRENT EXPECTATION THAT DIVIDENDS WILL BE PAID IN THE FORESEEABLE FUTURE, WITH CASH RESOURCES TO BE RETAINED TO MEET EXPLORATION COSTS OR INVESTED IN STRATEGIC ASSETS OR TO MAKE CORPORATE ACQUISITIONS</p>														

Part 2 - Bonus issue or pro rata issue

Part 2 is not applicable to this application

Part 3 - Quotation of securities

Part 3 is not applicable to this application



Sign here:

Company Secretary

Date: 7 JULY 2009

Print name:

J. G. TUOHY