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RELEASE**OCTANEX AWARDED FRONTIER CARNARVON ACREAGE**

Octanex N.L. (NSX Code : OCT) is pleased to advise that a consortium consisting of Octanex N.L. (35%), Strata Resources N.L. (35%) and Gascorp Australia Limited (30%) has successfully bid and has received explorative rights from the Australian Government for two large contiguous deepwater blocks on the Exmouth Plateau, north west of Goodwyn/Rankin gas producing facilities and north of the giant Jansz/Io gasfields in the Carnarvon Basin offshore from Western Australia.

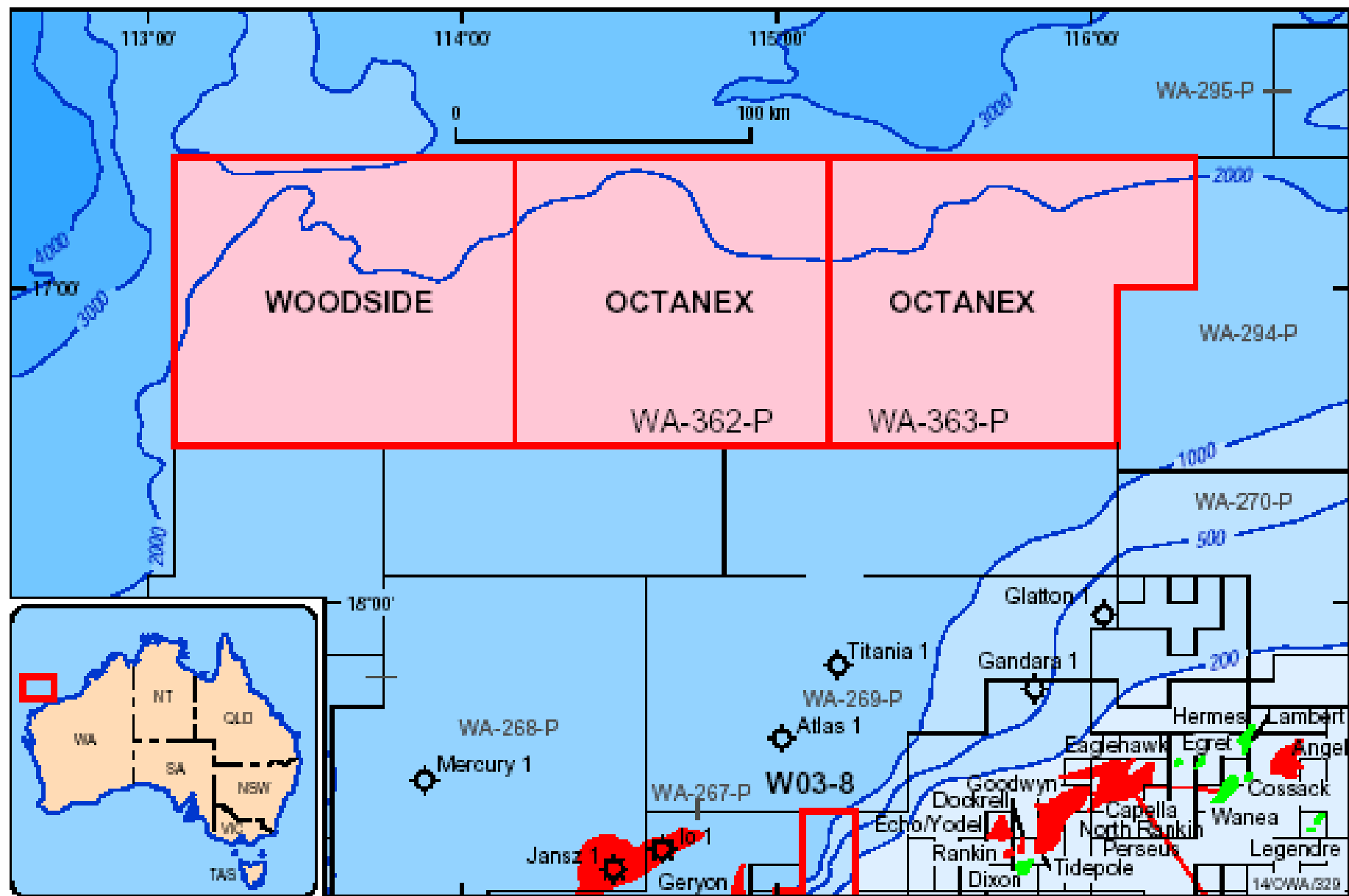
The two exploration blocks, known as WA-362-P and WA-363-P cover an area of approximately 21,765 kms² (5.4 million acres) and are considered to have significant natural gas and liquids potential.

The permits are on the northern margin of the Exmouth Plateau, 300-400 kms north west of the Western Australia coastline. The Exmouth Plateau is the largely unexplored deepwater frontier of the Carnarvon basin, Australia's premier petroleum basin which includes the giant gas resources of the North West Shelf (Rankin Trend) and the Greater Gorgon region (including Jansz/Io).

The Carnarvon Basin is one of a number of sedimentary basins and sub-basins which together lie within the extensive world class North West Shelf hydrocarbon province of Australia. This province contains an estimated 2.6 billion barrels of oil, 2.6 billion barrels of condensate and 152 trillion cubic feet of gas within numerous hydrocarbon fields. The WA-362-P and WA-363-P permits lie 150 kilometres north west of the presently producing North Rankin Field complex, which was discovered in 1971, and has provided the bulk of more than 7.75 million tonnes of LNG which has been exported overseas in over 100 pressurised and refrigerated ship cargoes.

The planned 3-year work program by the consortium includes existing seismic data acquisition, reprocessing and the acquisition of more than 2,000 kms of 2D seismic acquisition.

E.G. Albers
Chairman
6th July 2005



Northern Exmouth Plateau location map showing permit areas, water depth, wells.