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Companies Announcement Office  
Australian Securities Exchange Limited  
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SYDNEY NSW 2000

**Via E-Lodgement**

**FINANCE NEWS NETWORK VIDEO INTERVIEW WITH CEO RUSSELL BRIMAGE**

The transcript follows or you can watch the interview by clicking the [interview link](#) here.

**TRANSCRIPTION OF FINANCE NEWS NETWORK INTERVIEW WITH ENTEK ENERGY LIMITED (ASX:ETE) CEO, RUSSELL BRIMAGE**

**Clive Tompkins:** Hello Clive Tompkins reporting for the Finance News Network. Joining me for the first time from Entek Energy is CEO, Russell Brimage. Russell welcome to FNN. Can you start by introducing Entek Energy, how long have you been going, what do you do?

**Russell Brimage:** Certainly Clive, thank you. Entek is an oil and gas producer and operator globally. We operate in both the US onshore and offshore and we also have operations in Australia.

Entek listed in 2004 on the Australian Stock Exchange, I became involved in 2005 and the company has restructured the Board since that time. The company has continued to grow its business and expand its operations and will continue to do so going into the future.

**Clive Tompkins:** Russell, so who are the key people?

**Russell Brimage:** The key people in the company at the Board level are Andrew Padman as a non-executive director, David Craig as a non-executive director and Craig McGown who was recently re-elected at the November AGM after his first year in the position. At the executive level we have Trent Spry as the General Manager and Andrew Gastevich as a CFO. Collectively they bring decades of oil and gas industry experience to the company.

**Clive Tompkins:** Russell where's your share price today and what's your market cap?

**Russell Brimage:** Like most companies during the global meltdown, Entek's share price was severely affected. Since that period we have recovered - that was despite the fact that the company had a revenue base, had an attractive portfolio of assets and no debt. The share price

has recovered to around 22 cents currently. We have 166 million shares on issue and a market capitalisation of about \$36 million.

**Clive Tompkins:** You operate in both the US and Australia; can you introduce your projects starting with the Gulf of Mexico?

**Russell Brimage:** In the Gulf of Mexico we have interests in eight Blocks. The interests are generally one hundred percent except for the High Island Block in which the interest is five percent. That interest is seemingly low, however, since production commenced in October of 2007, it has delivered in excess of \$8.5 million to the company net. In the other Blocks where we hold one hundred percent working interests, the opportunities are very low risk and are supported by a depth of infrastructure which will make for early development opportunities and at minimal cost.

**Clive Tompkins:** And the Green River Basin?

**Russell Brimage:** It's onshore in Wyoming Colorado; it comprises approximately 70,000 acres of leasehold. It also includes the producing Slater Dome Field, which is producing from Coal Bed Methane production. The interest also includes several oil and gas wells that have tested and have proven reserves and are awaiting tie-in to production.

**Clive Tompkins:** And finally Australia?

**Russell Brimage:** In Australia we have an interest in an onshore Block in south west Queensland known as ATP 269P. The joint venture comprises Beach Petroleum as operator, Santos and IOR. The Block has current production from three producing wells. In early 2010, we expect to conduct a 3D seismic program to delineate new drilling prospects.

**Clive Tompkins:** Russell, can you provide us with some indication of Entek's financial position?

**Russell Brimage:** At the 30<sup>th</sup> of June the company had cash reserves just under \$8 million. For that period we had revenue net to Entek of approximately \$5.6 million. Year to date the company has earnings of approximately \$1.2 million. We anticipate revenues in the remainder of this financial year to grow significantly as the gas prices recover from approximately \$3 per million to \$6 per million BTUs.

In addition to that cash reserve, we have secured the underwriting of our 31 December 2009 options which will deliver approximately \$6.8 million to the company, net of costs. In addition to that, we are in the process of completing a placement to sophisticated investors and institutions which will raise approximately \$5 million for the company.

Together these two activities will combine to give approximately \$11 million of working capital in addition to our current cash reserves going forward.

**Clive Tompkins:** So you're going into 2010 in a strong financial position, what will be the focus?

**Russell Brimage:** In the Green River Basin in 2009, we completed fourteen well services and we have drilled two new wells, the second of which has now been completed. We intend to continue that activity into 2010 and funds will be utilised for that activity.

In the Gulf of Mexico, we have acquired four new Blocks and it is expected that in 2010, two of those Blocks will be drilled and funds will be applied to that.

**Clive Tompkins:** Russell your strategy is one of accelerated low risk growth, what does this mean?

**Russell Brimage:** Accelerated low risk growth simply means tackling as many of the low risk opportunities as possible that the company has in its portfolio. The price of the Gulf of Mexico through the development of existing portfolio shallow water drilling opportunities, in Blocks that we currently hold - we will also look to expand that portfolio with the acquisition of new interests.

In the Green River Basin it's about targeting as yet, undeveloped reserves that can be quickly converted into production utilising current infrastructure. These opportunities can deliver quick return on investment and are able to sustain long term production revenue.

**Clive Tompkins:** Russell, you seem to be having great success with your recent drilling, can you share these results and what it means going forward?

**Russell Brimage:** The results have been very encouraging so far. We have confirmed hydrocarbons in various formations at the Slater Dome structure and it is anticipated these formations extend across our acreage.

**Clive Tompkins:** Last question, where do you see Entek Energy twelve months from now?

**Russell Brimage:** With the recent success in our drilling operations in the Green River Basin and the acquisition of four new Blocks in the Gulf of Mexico, the company is in a position to conservatively double its reserves, production and revenue in 2010. 2009 has been a defining year for the company and we look forward to continued growth in 2010.

**Clive Tompkins:** Russell Brimage, thanks for introducing Entek Energy.

**ENDS**

Yours faithfully



**Andrew Gastevich**  
**Company Secretary**