

ASX RELEASE
31 October 2011

QUARTERLY ACTIVITIES REPORT

Entek Energy Limited provides the following Activities Report for the quarter ended 30 September 2011.

This quarter's activities largely involved execution of the onshore 2011 Appraisal Program for the Niobrara Shale Oil Project in the Green River Basin.

Offshore in the Gulf of Mexico development planning of the Company's oil discovery on the VR 341/342 Oil Project has progressed. Elsewhere, production started at the Company's GA A133 gas discovery in August 2011.



The Battle Mountain 14-10L Well Site (with Battle Mountain pictured in the background)

CORPORATE

The Appendix 5B Quarterly Cash Flow Report lodged in conjunction with this report advises the Company had \$12.489m in cash at the end of the quarter. This balance excludes reimbursement of exploration expenditure totalling approx. \$2.8 million by the Company's Niobrara Shale Oil Project partner which has since been made.

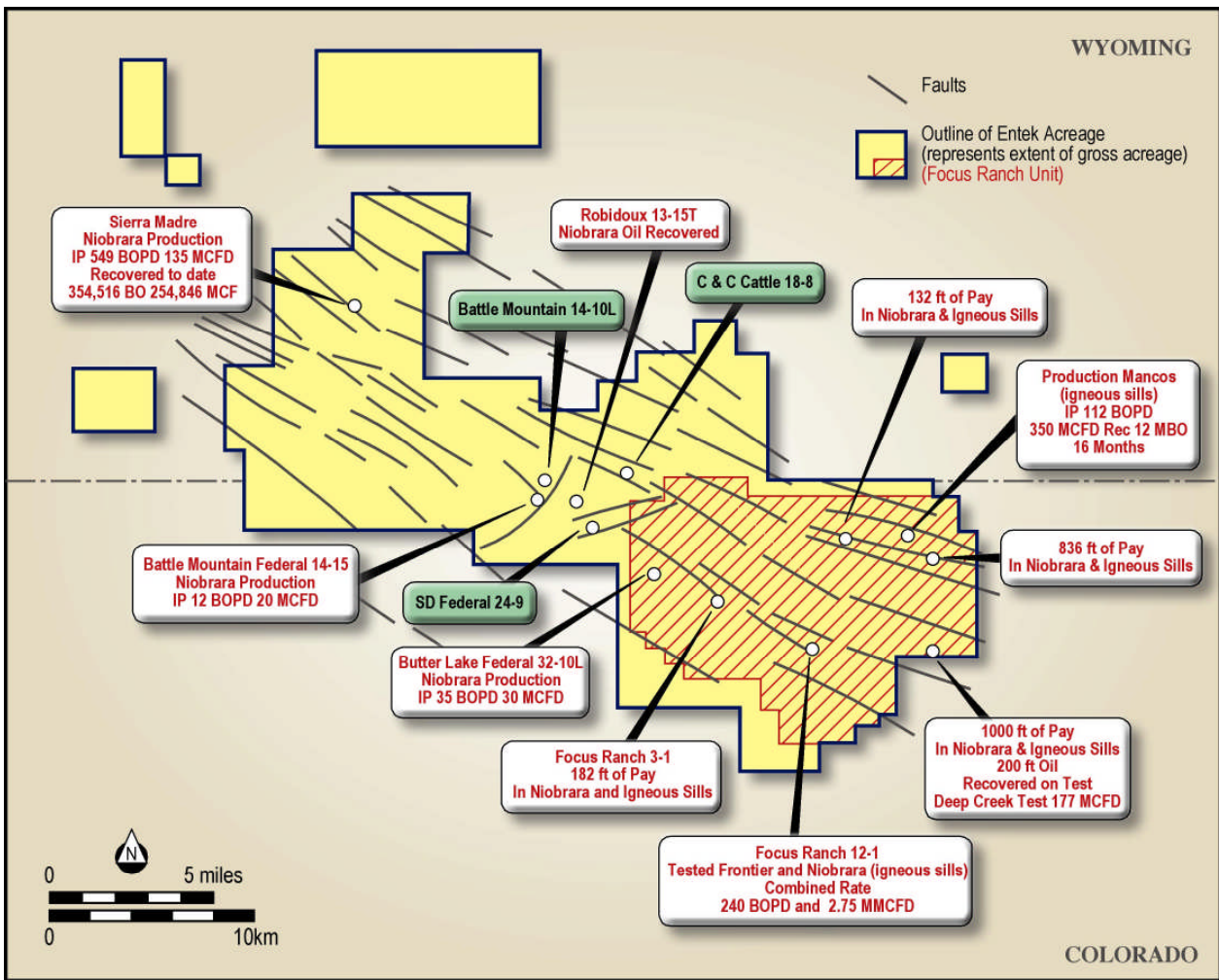
Preparation of the 2011 Annual Report has been completed and lodged with ASX, with the Company's AGM having been set for the 28th November, 2011.

The current Top 20 shareholders of the Company are as follows:

Rank	Name	Units	% of Units
1.	NATIONAL NOMINEES LIMITED	29,711,928	5.82
2.	JP MORGAN NOMINEES AUSTRALIA LIMITED	24,927,284	4.88
3.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	20,006,284	3.92
4.	ZERO NOMINEES PTY LTD	18,743,055	3.67
5.	CITICORP NOMINEES PTY LIMITED	16,488,237	3.23
6.	TOPSPEED PTY LTD <SKINNER NO 1 SUPER A/C>	16,281,428	3.19
7.	UBS NOMINEES PTY LTD	14,000,000	2.74
8.	MR JAMES DAVID TAYLOR	13,095,933	2.56
9.	CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	10,644,818	2.08
10.	MR GRAHAM DOUGLAS RILEY + MRS ANNE MARIE RILEY <THE RILEY SUPER FUND A/C>	8,349,838	1.64
11.	POUVOIR PTY LTD <BRIMAGE SUPER FUND A/C>	6,605,929	1.29
12.	IAN SANDOVER & ASSOCIATES PTY LTD <SANDOVER SUPER A/C>	5,400,000	1.06
13.	MR KENNETH JOHN BULL	5,000,000	0.98
14.	ESCOR INVESTMENTS PTY LTD	4,794,905	0.94
15.	MRS JANICE IVY SKINNER <SKINNER FAMILY A/C>	4,450,000	0.87
16.	BOND STREET CUSTODIANS LTD <MACQ AUST MICROCAP FUND A/C>	4,340,439	0.85
17.	MR JAMES DAVID TAYLOR + MRS MARION AMY TAYLOR <ITS MANAGEMENT S/F A/C>	4,060,089	0.80
18.	MR ANTHONY POLI + MRS MILVIA POLI	3,450,000	0.68
19.	MR DAVID KENNETH ANDERSON + MRS CHARMAYNE ANDERSON <THE CANTERBURY S/FUND A/C>	3,000,000	0.59
20.	MR SARO VINZI CARBONE <THE CARBONE FAMILY A/C>	2,977,125	0.58

NIORRARA SHALE OIL (GREEN RIVER BASIN)

Entek holds a 55% interest in the Niobrara Shale Oil Project in the Green River Basin with Emerald Oil & Gas NL (ASX:EMR) holding 45%. Entek is the Operator. As a result of continued leasing activity and ongoing lease maintenance the Company now controls close to 83,000 gross acres, approximately 68,000 net acres, covering the Niobrara Shale Oil Play.



Map Showing the Extent of Entek's Gross Acreage Position, with Key Wells Highlighted

During the Quarter the Company has been executing the 2011 Appraisal Program. The primary objectives of the 2011 appraisal program are to:

- identify the most prospective Niobrara intervals;
- gather technical information necessary to design and execute effective stimulation treatments;
- establish deliverability and commercial production from the oil prone Niobrara Shale; and
- select which intervals to target with both vertical and horizontal wells in 2012 as part of the continued appraisal and development program.

Three new wells have been drilled, cased and cemented successfully and are currently being tested and completed. These are, Battle Mountain 14-10L, SD Federal 24-9, and C&C Cattle 18-8 (as highlighted in green in the above map). All wells have had hydrocarbon shows while drilling and evidence of natural fracturing and hydrocarbon saturation from well logs.

Consistent with the intent of the appraisal program, a number of different size stimulations are being undertaken during completion operations as well as trialing various fluid types, designed to test the connectivity to natural fracture networks and the effectiveness of different stimulation fluid types.

In each well the Company is testing each completion target from the deepest to the shallowest and setting drillable plugs above tested zones before starting operations on the zone above. Operationally, only limited time is spent swabbing and recovering fracture stimulation fluid and hydrocarbons on each zone before plugging and moving up hole. Because of this, reporting of stabilized flow rates from individual zones is not possible.

To date, one zone in the Frontier Formation, below the Niobrara Formation, has been tested recovering oil and gas. In the Niobrara eleven completion targets have been identified in the three wells with testing and completion operations continuing up to December 2011. Production facilities are currently being installed at each of the three wells prior to the onset of the winter season.

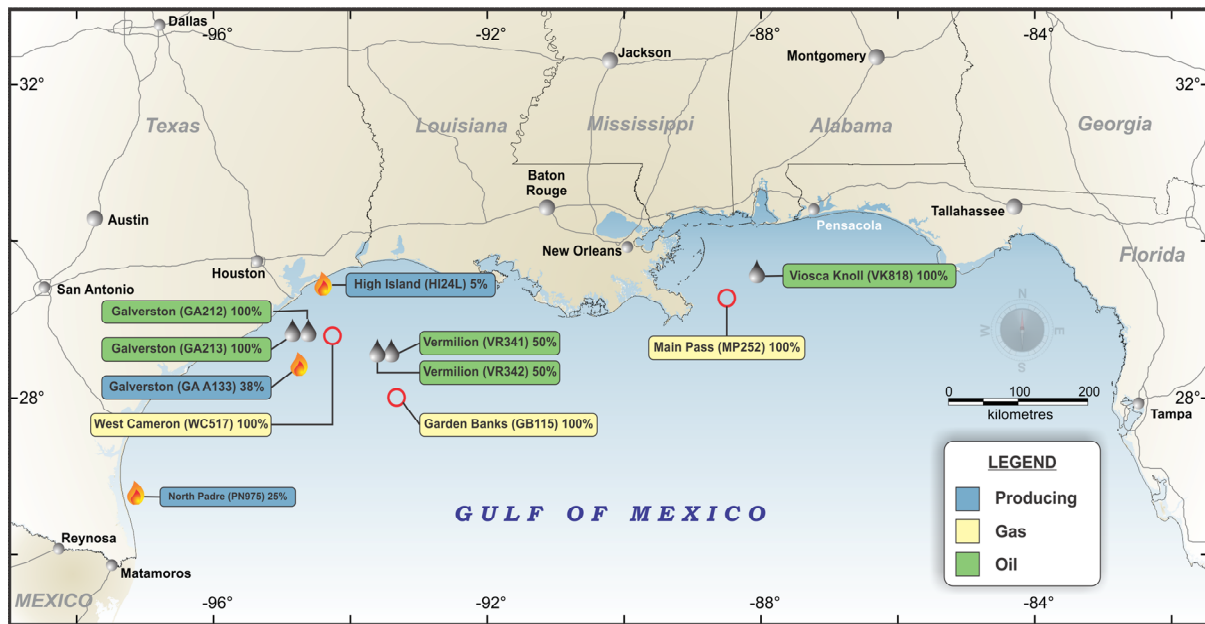
In addition to drilling three new wells this year, the Butter Lake 32-10 vertical well has been re-entered and suspended ready for side tracking and stimulation next year based on the results seen in the 2011 wells. The Butter Lake 32-10 well flowed oil at an average rate of 35 BOPD, interpreted to be from a single un-stimulated Niobrara zone with significant formation damage and completion limitations. It can be expected that based on comparison between the wire-line log data and oil and gas flow data from this well with those drilled in 2011, that at least three Niobrara zones as well as the Frontier Formation will be fracture stimulated in this well.

All wells in the 2011 program are located between the Sierra Madre 12-20 well to the northwest and the Focus Ranch 12-1 to the southeast. The Sierra Madre 12-20 well owned by Anadarko is approximately 8 miles from the new 2011 wells, and had initial production of around 550 BOPD, has recovered in excess of 355,000 BO and is still on production. Entek's Focus Ranch 12-1 well which was last tested in 2009 resulting in a cumulative rate of 240 BOPD and 2.75 MMCFD and lies approximately 12 miles from the wells in the 2011 work program. Both wells are shown on the above map.

GULF OF MEXICO (GOM)

The Company has interests in eleven blocks in the Gulf of Mexico with large reserves potential. The blocks are in shallow waters with good access to infrastructure. Three blocks are on production (HI 24L, PN 975, GA A133), producing gas. Five of the blocks in the Gulf are prospective for oil with a combined gross prospective resource of around 30 MMBOE some of which (VR 342 and VK 818) has been proven by previous drilling.

The map below shows the location of the Company's blocks in the Gulf of Mexico and defines which blocks are on production, which are gas prospective and which have oil potential.



Map showing the location of Entek's blocks in the Gulf of Mexico

As part of the forward strategic focus on higher impact plays in the offshore Gulf, (with a bias towards oil), the Company is considering the sale of its gas dominated blocks in the Gulf of Mexico and is working up the exciting oil prospects in the portfolio for farmout and drilling in 2012.

Vermilion Blocks 341 & 342 (VR 341/342) – Development planning of this oil discovery made by the Company earlier this year is progressing. Subject to further joint venture discussions, additional wells are expected to be drilled in first half of 2012, with first production possible in late 2012. Entek has a 50% working interest in the project. Analogue studies performed independently on Entek's request suggest potential flow rates of 500-1000 BOPD with minimal decline for the first 3-4 years. An independent reserves evaluation for this field reports up to 7.5 MMBOE of gross 3P reserves.

Galveston A-133 (GA A133) – First production started in early August 2011. As expected, production has been steady at around 10MMCFD. Entek has a 38% working interest.

High Island 24L (HI 24L) – Production for the quarter was stable with minimal interruption. Entek has a 5% working interest.

Padre North Block 975 (PN975) – Production continues at PN 975. Entek has a 25% working interest.

Viosca Knoll 818 (VK 818) – The Company has a 100% working interest in Viosca Knoll Block 818. The Company will seek an operator and partners for this block in 2012.

GALVESTON 212 AND 213 (GA 212/213) – The independent technical review of the Galveston Oil Project has been completed and the project is being shown to potential partners with an aim to drill in 2012. Currently the Company has 100% equity in these blocks. The technical review has confirmed the potential for around 8 million barrels of oil, on trend with analogue production.

SW QUEENSLAND

SW QUEENSLAND - ATP 269P – Production continued during the quarter onshore SW Queensland from Block ATP-269P. As part of the strategic focus in the US the Company is progressing the potential sale of this asset.

All enquiries should be directed to:

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Competent Persons Statements:

Information in this report that relates to Hydrocarbon Reserves / Resources is based on information compiled by Mr Trent Spry, Chief Executive Officer & Managing Director of Entek Energy Limited who has consented to the inclusion of that information in the form and context in which it appears. Mr Spry has over 20 years experience in geoscience in the petroleum industry, both in Australia and internationally. His qualifications are: University of Adelaide, Bachelor of Science, Double Major Geology & Biochemistry, National Centre of Petroleum Geology & Geophysics (NCPGG), First Class Honours, 1993.

About The Company:

Entek is focused on a strategy of acquiring and exploring potentially high impact oil and gas opportunities in proven and producing areas. Entek has acquired a significant portfolio of acreage in the offshore shallow waters of the Outer Continental Shelf of the Gulf of Mexico. The Company has a total of 5 blocks in the Gulf of Mexico prospective for oil with a combined gross prospective resource of over 30 MMBOE some of which (VR 342 and VK 818) has been proven by recent and previous drilling. Onshore in the Green River Basin the Company's interest covers approximately 80,000 gross acres of highly prospective leasehold that includes existing producing coal bed methane wells, infrastructure and long life 2P conventional and shale resource reserves. The primary focus of the Company onshore is the appraisal of its Niobrara Oil Resource Play. Onshore the Company has a share of gross Contingent Resource of 187 MMBO and 191 BCFG (conservative 4% recovery) and Reserves of 16.2 MMBO and 114 BCFG (total P1, P2 and P3 reserves).