

23rd April 2008



Company Announcements
ASX Limited

ENTEK AWARDED GULF OF MEXICO BLOCK (EL CAPITAN PROSPECT)

Entek Energy Limited (Entek) is pleased to announce the Company has received notice from the United States Department of the Interior – Minerals Management Service, that its bid offered March 19th 2008 for Main Pass Area, South & East Addition, Block 252 (MP-252), has been accepted.

MP-252, located in 77 metres (253 feet) of water, contains a proven, but incompletely produced natural gas reservoir (El Capitan Prospect) at the relatively shallow depth of approximately 2,438 metres (8,000 feet), plus a second proven natural gas reservoir, but in this case never before developed, at approximately 2,103 metres (6,900 feet).

The Company's geological and geophysical consultant estimates recoverable proved, probable, and possible remaining reserves in MP-252 at approximately 45 BCFG from the incompletely produced reservoir, with a further 6.9 BCFG in the shallower undeveloped reservoir.

Entek is in the process of appointing a respected international petroleum reservoir evaluation consulting firm to evaluate MP-252 and independently certify the reserves quantities. This work is expected to be completed within 30 days.

Entek's Working Interest in MP-252 is currently 75% and therefore its portion of any and all future costs of drilling and production will be 75% unless the Company decides to modify its interest. Previous successful field drilling allows for a knowledgeable risk assessment for new drilling of MP-252 and the Company will incorporate this information into drilling and development decisions.

Commercial Comment

In-ground developed proven gas reserves in the Gulf of Mexico Outer Continental Shelf have traded in the recent past in the range US\$2,500,000 to US\$3,500,000 per BCFG. The incompletely produced reservoir in MP-252 will require compression as part of any future redevelopment. Certified reserves quantities will therefore likely be valued in the lower half of this trading range.

Natural Gas spot prices at the Henry Hub transshipment point were traded at US\$ 10.56 per MMBtu on April 22nd, 2008 and averages US\$9,967 per MMCFG for the month of April 2008 to date.

Development Outlook

It is planned that a high inclination well to approximately 2,438 metres (8,000 feet) will be drilled to retap the incompletely produced reservoir. Initial costs of this well are assessed at US\$6 million (Entek share US\$4.5 million should the Company retain a 75% Working Interest). The Company's current revenue of in excess of A\$550,000 per calendar month is anticipated to provide sufficient working capital to meet this obligation. Entek's full economic evaluation of the reserves is based upon a two well development, the second well designed to accelerate production of the incompletely produced reservoir and also tap the proven but unproduced reservoir. Production would be tied back to existing production facilities nearby.

Other Relevant Details

Other relevant details pertaining to future possible development of MP-252 reserves include:

- Quality 3-D Seismic Control over MP-252 and surrounding area show a good seismic amplitude anomaly is associated with the limits of the incompletely produced reservoir.
- Numerous wells on MP-252 provide excellent geologic control.
- Analog production – 291 BCFG already produced from the incompletely produced reservoir.
- Infrastructure:
 - Distance to the closest pipeline less than 1.6 kilometre.
 - Distance to the closest existing and operational production facilities less than 1.6 kilometres.

Bid Details

Bid Price: US\$558,088.00

APPROXIMATE LOCATION MAP MAIN PASS BLOCK 252



Russell Brimage
CHAIRMAN

Enquiries:

Russell Brimage
Telephone: +61 8 9213 4388
Email: info@entekenergy.com.au

Nomenclature

BCFG	Billion cubic feet of natural gas
BOPM	Barrels of crude oil per month
BFD	Barrels of fluid per day
MMBtu	Million British Thermal Units
MMCFG	Million cubic feet of natural gas