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Company Announcements
ASX Limited

ENTEK ENERGY LIMITED (ASX CODE: ETE) QUARTERLY ACTIVITIES REPORT - Quarter ended 30th June 2009

A window of opportunity exists as a result of the combination of the global economic slowdown and continuing low commodity prices, particularly natural gas, which has resulted in depressed activity levels in oil and gas exploration and development. With cash flow and cash reserves, ENTEK is well positioned to capitalize on this window of opportunity:

- ❏ To acquire undervalued assets – on 26th June 2009, ENTEK announced a conditional offer to acquire 55% interest in the Slater Dome and Focus Ranch acreage and associated infrastructure owned by New Frontier Energy Inc (NFEI) in Colorado and Wyoming, USA.
- ❏ To develop existing reserves by utilizing services and contractors available at substantially reduced rates as a result of the lower demand – ENTEK is planning the drilling and development of its Main Pass Block 252 gas reserves, estimated by Ryder Scott Company to contain 11.5 BCF of 2P reserves. The company expects to finalize joint venture partners during August 2009, to enable planning to begin for drilling at the conclusion of the hurricane season (hurricane season ends November 30th 2009).
- ❏ To exploit the less competitive hence greater opportunity bid environment in the upcoming Minerals Management Service (MMS) Federal offshore oil and gas lease sale for the Gulf of Mexico on 19th August, 2009. Sale 210 encompasses about 3,400 unleased blocks covering approximately 18 million acres in the Western Gulf of Mexico Planning Area off-shore Texas. MMS estimates the proposed lease sale could result in the production of 242 to 423 million barrels of oil and 1.64 to 2.64 trillion cubic feet of natural gas. ENTEK is currently reviewing prospects and will submit a bid or bids on blocks it considers to represent low risk exploration and or exploitation potential.

ENTEK remains in a strong financial position:

- ❏ Cash and debtors net of creditors at 30th June 2009 were \$8.164 million.
- ❏ Cash flow to meet the company's day to day G&A expenses continues from the High Island 24 Block.
- ❏ ENTEK remains debt free.

OVERVIEW

Greater Green River Basin, USA

On 26th June 2009, ENTEK announced a conditional offer to earn up to 55% of New Frontier Energy Inc.'s (NFEI) interest in a large acreage portfolio (approximately 66,000 acres) in the Greater Green River Basin in Colorado and Wyoming in the USA had been accepted subject to completion of documentation.

ENTEK's due diligence on the assets and the participants and preparation of documentation is at an advanced stage and continuing at the time of the release of this quarterly.

Gulf of Mexico:

Steady production from High Island 24L Block in the Gulf of Mexico during the quarter, with minimal downtime of 0.1% for each of April, May and June 2009.

SW Queensland:

Production from SW Queensland Block ATP 269P was impacted by significant rainfall that isolated the Byrock-2 well storage facilities, resulting in the well having to be shut-in for the month of June 2009. Overall downtime during the quarter was 26.8%.

The Company's current interests are summarized below:

USA – Outer Continental Shelf, Gulf of Mexico

<u>Block</u>	<u>Working Interest</u>	<u>Status</u>
High Island Block 24L*	5%	Producing – gas
Main Pass 252	100%	Ready to drill proved reserves
Garden Banks 115	100%	Ready to drill resource
High Island A-246	100%	Exploration block

* Comprising Blocks HI 24-L S/2 SW/4, HI 24-L N/2 SW/4 and surrounding Blocks, HI 25 S/2 SE/4 and HI 32 N/2 NW/4

Australia – SW Queensland

<u>Block</u>	<u>Working Interest</u>	<u>Status</u>
ATP-269P	28.15%	Producing – oil

GREATER GREEN RIVER BASIN FARM-IN

On 26th June 2009, ENTEK announced a conditional offer had been made and accepted (subject to agreement on closing documentation) by New Frontier Energy Inc. (NFEI) to acquire 55% interest in the Slater Dome and Focus Ranch acreage and associated infrastructure owned by NFEI in Colorado and Wyoming, USA.

The NFEI farm-in meets ENTEK's strategic requirements with respect to:

RISK:

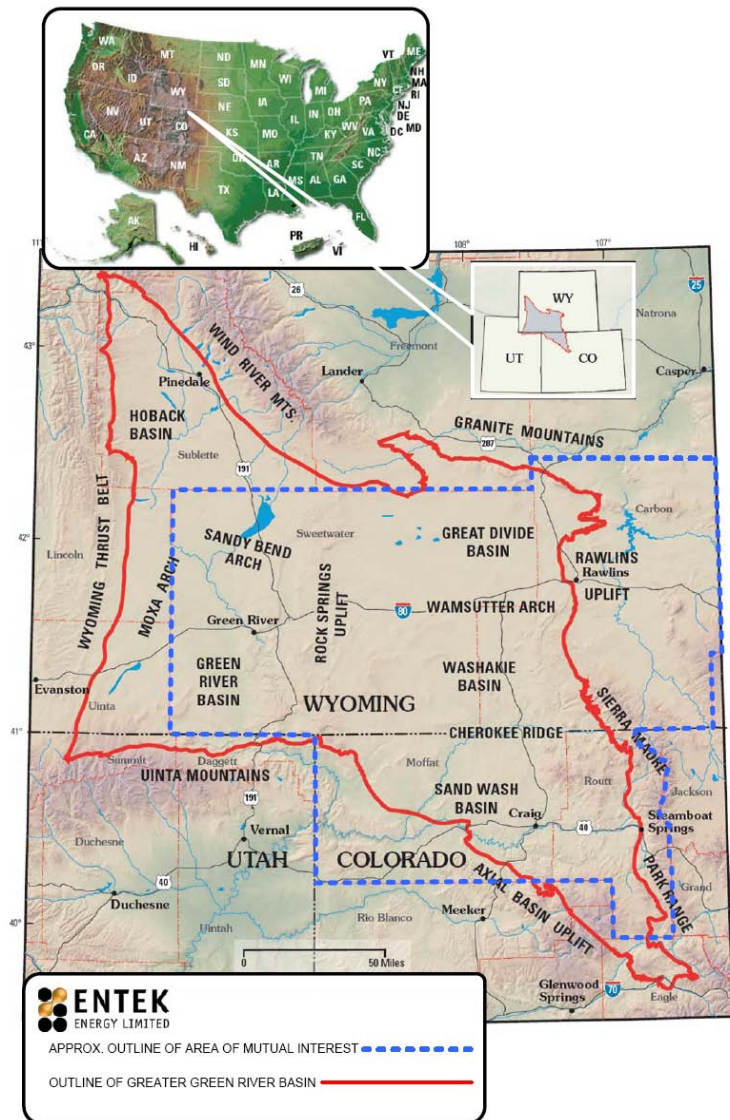
The NFEI acreage is low risk – the Slater Dome CBM Field is in production with newly installed pipelines, processing and compression facilities. The Focus Ranch Unit has two wells drilled (12-1 and 3-1) both of which encountered encouraging oil and gas shows and produced on test (12-1). Independent reserve estimates have attributed 2P Reserves of 2.258 million barrels of Oil & Condensate and 7.592 BCF of Gas.

INFRASTRUCTURE:

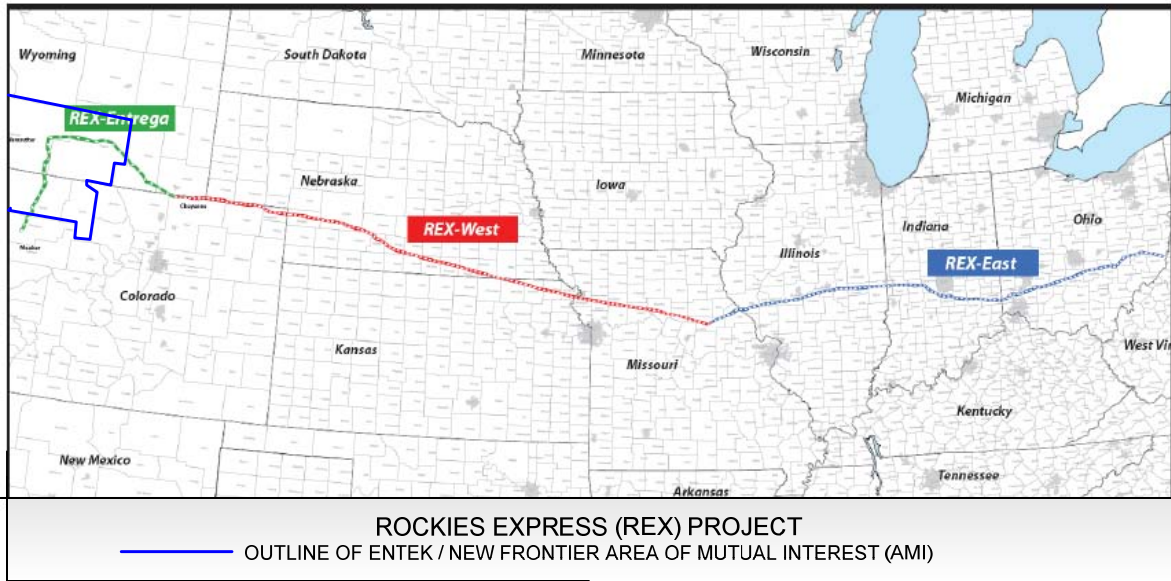
One of the constraints to development of the significant Greater Green River Basin gas reserves has been access to natural gas markets.

This problem has now been rectified with the Rockies Express (REX) project, a new natural gas pipeline that is being constructed in the US. The pipeline is being constructed in three segments and will stretch the 1,679 miles (2,702km) between the Rocky Mountains in Colorado and eastern Ohio (passing through eight states).

The new gas pipeline will have the capacity to supply about 16.5bn m³ of natural gas a year (approximately 1.6 BCF per day). The project will create one of the largest gas pipelines ever constructed in the US. Elements of the pipeline will vary in diameter between 36 inch (910mm) and 42 inch (1,070mm) at various sections.



LOCATION MAP



ENTEK’s announcement of June 26th also advised the parties had agreed an Area of Mutual Interest (AMI) designated as the whole of Sweetwater and Carbon Counties in Wyoming and Routt and Moffat Counties in Colorado. The extent of this AMI with respect to the Greater Green River Basin is illustrated in the LOCATION MAP on the previous page.

The proximity of the AMI to the new gas pipeline network is illustrated in the MAP above, showing the very significant potential market penetration across numerous States of the USA.

Both the Slater Dome CBM Field (NFEI reports 234 BCF of 3P reserves associated with the Slater Dome Gas Field) and the Focus Ranch Unit (NFEI reports a potential resource of 336 BCFE) have considerable upside potential to grow a significant long life (20 years plus) reserve portfolio.

Since the announcement on 26th June 2009, ENTEK has been completing due diligence and documentation, all of which is nearing completion at the date of this release.

PRODUCTION PERFORMANCE DURING THE QUARTER

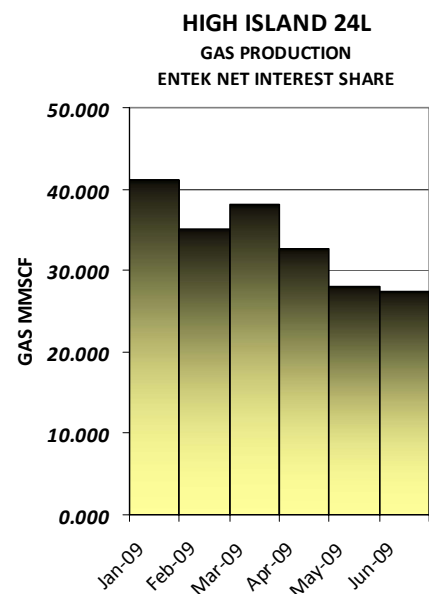
Gulf of Mexico – High Island 24L

Production for the Quarter was stable with minimal interruption.

The production performance for calendar year 2009 to date is illustrated in the CHART to the right.

Production at High Island 24L commenced on 18th October 2007 following discovery of the resource in September 2006. Production is from two wells:

HI 24-L S/2 SW/4 #1 & HI 24-L N/2 SW/4 #1.



HIGH ISLAND 24L NET REVENUE TO ENTEK

Whilst production has remained stable and in line with forecast decline, revenue has been impacted by the low commodity prices (for oil and natural gas). The following TABLE summarizes actual revenue for the previous quarter and actual and projected revenue for the quarter ended 30th June 2009.

<u>MONTH</u>		<u>REVENUE (US\$)</u>
Jan-09	Actual	\$252,557.42
Feb-09	Actual	\$171,746.87
Mar-09	Actual	\$178,392.01
Apr-09	Actual	\$136,029.82
May-09	Projected	\$144,134.39
Jun-09	Projected	\$141,522.36

The projections for May and June 2009 are based on actual production for the months with Henry Hub NYMEX Spot Price posted to estimate revenue.

SW Queensland - ATP 269P

Production for the Quarter was restricted due to the Byrock-2 storage facilities being stranded as a result of significant rains in the area. The CHART to the right illustrates the impact of Byrock-2 being shut-in for all of June 2009.

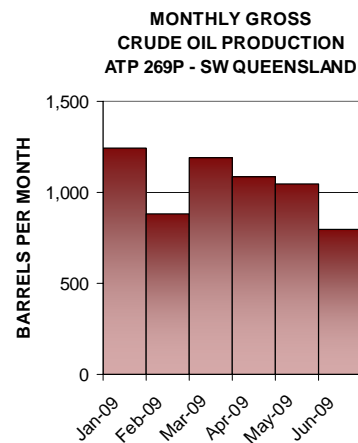
Production is derived from three producing wells: Coolum-1, Byrock-2 & Marcoola-1.

Well Availability – ATP 269P

The downtime of wells during the Quarter is listed in the following TABLE.

	<u>April 09</u>	<u>May 09</u>	<u>June 09</u>
COOLUM-1	8.1%	10.8%	0.0%
BYROCK-2	17.6%*	90.3%*	100%
MARCOOLA-1	6.9%	3.5%	3.3%

* Well remained on natural flow during this time – pump was however shut down



OPERATIONS UPDATE

Gulf of Mexico – Block 252, Main Pass Area, South & East Addition

ENTEK’s Working Interest in Main Pass Area, South & East Addition, Block 252 (MP-252) is 100% with a Net Revenue Interest of 77.25% (after royalty interests including Federal Royalty).

MP-252, located in 77 metres (253 feet) of water, contains a proven, but incompletely produced natural gas reservoir 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).

In April 2009, ENTEK received an updated Reserve Estimate from Ryder Scott Company, after discovery of additional pressure data for the field, recovered from the Minerals Management Services, a division of the Department of Interior of the US Government records.

GROSS RESERVES (as at January 1st, 2009)

	Proved Undeveloped	Probable Undeveloped	Possible Undeveloped	Total 3P Reserve
Remaining Reserves				
Gas (MMCF)	8,256	7,206	9,215	24,677
Oil/Condensate - (barrels)	17,661	11,788	25,851	55,300

Ryder Scott Company, Petroleum Consultants, evaluates oil and gas properties and independently certifies petroleum reserves quantities in the U.S. and internationally. Founded in 1937, Ryder Scott is one of the largest, oldest and most respected reservoir-evaluation consulting firms in the industry.

During the quarter:

- ✚ ENTEK engaged an independent consultant (PPI Technology Services) to undertake a Development Assessment for Main Pass Block 252. This report has provided ENTEK with an evaluation of the various development options and associated costs.
- ✚ ENTEK continued discussions with, and presented updated information on the development scenarios, to potential farminees. The company expects to finalize joint venture partners during August 2009, to enable planning to begin for drilling at the conclusion of the hurricane season (hurricane season ends 30th November 2009).



APPROXIMATE LOCATION MAP BLOCK MP-252

Gulf of Mexico –GARDEN BANKS 115 BLOCK (Cascade Prospect)

The Cascade Prospect is a low risk exploration play. The asset is technically robust and in more conducive times will attract interest. It remains a valuable asset in ENTEK's portfolio.

The Cascade Prospect is ready to drill in the Garden Banks 115 Block:

- The recoverable resource estimate is 21.5 BCF, at a depth of 1,100 metres subsea (3,600 feet subsea).
- Hydrocarbon type expected: gas/condensate.
- Geologic control is through the numerous tests in the area exhibiting good reservoir characteristics, with seismic control utilizing Western Geco 3D seismic data over the prospect.
- Analog production of 215 BCFE cumulative surrounds the Cascade Prospect.
- Direct hydrocarbon indicators – seismic amplitude anomaly, with flat spot and down-dip conformance.
- A gas pipeline traverses the block and an oil pipeline is located 6 miles away.

Entek holds a 100% working interest (WI) in Garden Banks 115 and is seeking to farm out an interest in the block. Discussions continued during the Quarter with potential farminees.

MMS (Minerals Management Service) Federal offshore oil and gas lease sale.

Scheduled for 19th August, 2009, Sale 210 encompasses about 3,400 unleased blocks covering approximately 18 million acres in the Western Gulf of Mexico Planning Area offshore Texas.

ENTEK is reviewing opportunities with its select group of regional consultants to mature potential opportunities within some of these un-leased blocks.

To date, ENTEK has successfully bid six Gulf of Mexico blocks and currently retains all interests procured at sale. This includes the present producing asset on High Island 24L block. (includes both State and Federal Leases).

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Nomenclature

BCFE

Billion cubic feet equivalent

Competent Person's Statement:

Information in this report that relates to Hydrocarbon Reserves and or Resources is based on information compiled by Mr Russell Brimage, Chief Executive Officer of Entek Energy Limited who has consented to the inclusion of that information in the form and context in which it appears.

Mr Brimage has over 30 years experience in the application of engineering to the petroleum industry in oil and gas exploration and production, both in Australia and internationally, as either an employee or consultant to oil companies operating in the upstream petroleum industry. Mr Brimage directs the Company's operations with the help of various professional consultants, appropriately qualified and experienced in their respective fields within the upstream petroleum industry. He is also an Associate Member of the Society of Petroleum Engineers.