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ACTIVITY UPDATE HIGH ISLAND BLOCK 24-L, GULF OF MEXICO

Following from the announcement of 9th November 2006, in which it advised that the High Island ST 24-L #1 discovery well flowed gas at the rate of 47.5 MMscfD immediately prior to shutin at completion of the flow test, Entek Energy Limited is pleased to announce the following update on activity in the High Island Blocks in which it has an interest.

Entek Energy Limited has a 5% WI in the following High Island Blocks.

LEASE	AREA (ACRES)
Lease No. M-106410, High Island Block 24-L (S/2 SW/4) (Discovery Block)	720
Lease No. M-107044, High Island Block 24- L, (N/2 SW/4)	720
Lease No. M-107045, High Island Block 25- L, (S/2 SE/4)	720
Lease No. M-107046, High Island Block 32- L, (N/2 NW/4)	720

The joint venture is:

- Expecting to commence production from the discovery well in April 2007, with the deck and facilities scheduled to be installed at the discovery well in March 2007.***
- Planning to spud the second well in the program in adjacent Lease No. M-107044, High Island Block 24- L, (N/2 SW/4) in early February 2007, subject to rig availability. Discussions between the Operator (Walter Oil & Gas Corporation) and rig contractors are in progress to secure a rig to meet this time schedule.***
- Assuming the second well is successful, it is planned to tie it back to the original facilities which are engineered to process approximately 80 MMscfD. Production could therefore commence very quickly following completion of the well.***

The platform established in 2006, with the bidding of Lease No. M-106410, High Island Block 24-L (S/2 SW/4) and the subsequent drilling of the discovery well and the acquisition of three contiguous blocks, is now set to mature in 2007 into an exciting commercial development, to underpin Entek's other exploration activities in the Gulf of Mexico.

Jack Toby
Company Secretary

NOMENCLATURE

Choke size: quoted in 64^{ths} of an inch
Gas Rate (MMscfD) million standard cubic feet per day