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Company Announcements  
ASX Limited

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## HIGH ISLAND GASFIELD ON SCHEDULE FOR SEPTEMBER 2007 STARTUP IN GULF OF MEXICO

Entek Energy Limited (ASX Code: ETE) is a participant in the development of gas processing facilities currently under fabrication / installation in the Gulf of Mexico in High Island Blocks 24-L (S/2 SW/4) and 24- L, (N/2 SW/4).

### DEVELOPMENT UPDATE

- ❖ A platform has been set on the original discovery tract HI-24L (S/2 SW/4).
- ❖ A platform currently in the yard onshore will be ready to be shipped and set on tract HI-25L (N/2 SW/4) in August 2007.
- ❖ The 10" pipeline to tie the gas production to the market has been fabricated and is currently being laid.
- ❖ The 8" sub-sea pipeline (laid between the two wells) has been installed.
- ❖ Subject to the remaining operations being trouble free and without weather interruption, production startup is expected in September 2007.
- ❖ Entek's initial revenue stream from production is forecast at between A\$7 – A\$8 million annually after royalties.

By way of background to the development:

- ❖ Entek participated in a successful bid for High Island 24-L (S/2 SW/4) on April 4<sup>th</sup> 2006.
- ❖ The discovery well, High Island 24-L (S/2 SW/4) #1, spudded July 30<sup>th</sup> 2006 and encountered approx. 350 feet of gross pay. The well subsequently flow tested at 47.5 MMscfD on a 45/64 inch choke setting.
- ❖ On October 3<sup>rd</sup> 2006, Entek and its joint venture partners were successful in acquiring three blocks contingent to the discovery block High Island Blocks 24-L (S/2 SW/4). Following the acquisition of the right to explore these additional blocks, the joint venture interest comprised:

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 second well, High Island 24-L (N/2 SW/4) #1 spudded on January 6<sup>th</sup> 2007 and encountered thick reservoir section some 600 feet up-dip from the discovery well High Island 24-L (S/2 SW/4) #1. This second well subsequently flow tested at 50.5 MMscfD on a 32/64 choke setting.

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**NOMENCLATURE**

MMscfD      million standard cubic feet per day