

ENTEK ONSHORE ACTIVITIES UPDATE

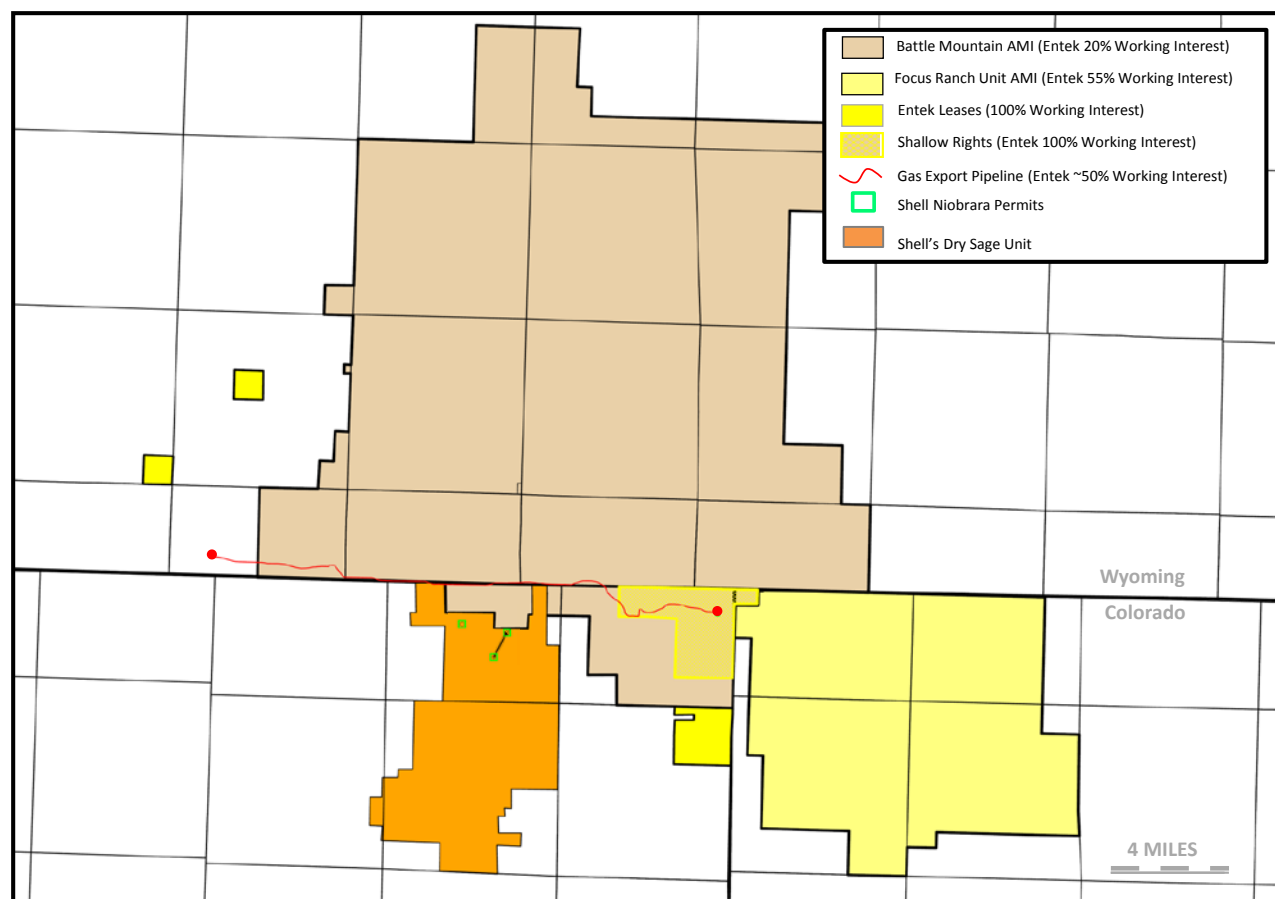
Entek Energy Limited is pleased to provide an update on its onshore activities as well as key management appointments.

Highlights

- Strategic lease acquisitions by East and Entek prior to the commencement of the extensive East exploration program for the Niobrara oil resource play.
- Preparation and permitting for the 3D seismic survey within the Battle Mountain AMI is proceeding with data acquisition expected to start in September 2013.
- The modern 3D seismic data is a critical aspect to the success of this play in preparation for the 2014 drilling campaign. Entek is fully carried by East in this entire exploration program.
- Significant step forward in relation to regaining access into key parts of the Focus Ranch Unit following the preliminary environmental approval by the regulatory authorities for a new access route. The final approval process is subject to a 30 day public comment period which has now commenced.
- Significant increase in industry activity and refining of drilling and completion techniques related to the Niobrara oil resource play in the Sandwash Basin.
- New high caliber appointments to the US (Kim Parsons) and Australian (Alex Forcke) management team.
- Entek's cash position at the end on June 2013 was \$15.1 million.

Niobrara Oil Resource Play

The map below illustrates the lease and infrastructure ownership position of Entek's assets in the Sandwash Basin. Entek's total lease position across the basin is currently approximately 37,500 net acres covering some 129,000 gross acres.



Battle Mountain AMI

Preparation and permitting by East for an extensive 3D seismic survey acquisition program covering some 90 square miles within the Battle Mountain AMI is proceeding, with seismic data acquisition expected to commence in September 2013. The seismic will be modern, proprietary, densely sampled, full waveform 3D seismic data designed specifically for fracture characterization.

The new seismic survey, designed to identify highly fractured zones within the Niobrara shale, will then be targeted with vertical and horizontal wells to maximize flow rates and recoverability. Backed up by East's extensive prior experience in this play, the results are expected to considerably improve the understanding of the underlying fracture distribution and orientation which are critical aspects in advancing and developing this unconventional oil resource.

Seismic data processing and interpretation of the new 3D is expected to be completed during early 2014 in preparation for the drilling campaign in the same year. Entek is free-carried for the acquisition, processing and interpretation of the 3D seismic program and for the first three wells to be drilled by East in that area (refer ASX announcement dated 8 January 2013 for more details on the East / Entek transaction).

East and Entek have also continued to aggressively acquire additional contiguous infill leases to build on their existing mutual holdings in the play. Entek now has around 16,000 net acres (based on its 20% working interest), covering some 87,000 gross acres within the Battle Mountain AMI.

As part of these lease acquisitions an existing proprietary, fully processed and interpreted 3D seismic survey has been acquired by East and Entek. This 3D seismic dataset will further aid in the delineation of target areas and provide even greater 3D seismic coverage over the play.

Focus Ranch Unit AMI

Entek has a 55% working interest and operatorship of the Focus Ranch Unit AMI (an AMI set up covering the Focus Ranch Unit and surrounds). Entek currently holds 18,000 net acres within this area which extends over some 38,000 gross acres.

Entek's main short term objective in the Focus Ranch Unit remains regaining access to key areas where previous wells have been drilled and successfully flow tested from both the Niobrara and the associated igneous intrusives. Over the last year Entek has actively engaged with the relevant regulatory authorities and interest groups to agree on a solution acceptable to all parties. This process has taken considerably longer than had been expected, however, the environmental assessment and preliminary approval for a new access route required to access key parts of the Focus Ranch Unit has recently been issued by the regulatory authorities. This is subject to a 30 day public comment period.

The Company remains confident of being able to re-establish access into the previously tested parts of the Focus Ranch Unit this year and we will continue to update shareholders on this process in due course. Focus Ranch remains a key asset for Entek given its highly prospective geological setting and we look forward to being able to apply the experience and knowledge gained from the upcoming East exploration program towards a systematic and targeted appraisal program in this area.

Industry Activity

There have been some 55 well permits related to the Niobrara resource play issued in the Sandwash Basin over the past 12 months, a substantial increase as part of the ongoing consolidation in the play. This is evidenced by Axia 'teaming up' with Occidental (Oxy), Shell with Quicksilver and, more recently, East re-entering the play with Entek.

In the gas prone part of the play in the central Sandwash Basin, Axia and Oxy have drilled three horizontal stimulated wells (due to the deeper and tighter nature of the target zones in this part of the basin) with early production rates in the order of 7 MMCFGD and 100 BOPD. Four new permits have been granted as follow up to these wells.

In the southern oil prone part of the Sandwash Basin Niobrara resource play there have been 49 well permits over the last 12 months, of these 33 are Shell permits with the majority being in the Shell Williams Fork Unit. Over the last 12 months some 12 wells have been drilled and completed and 3 wells are currently drilling.

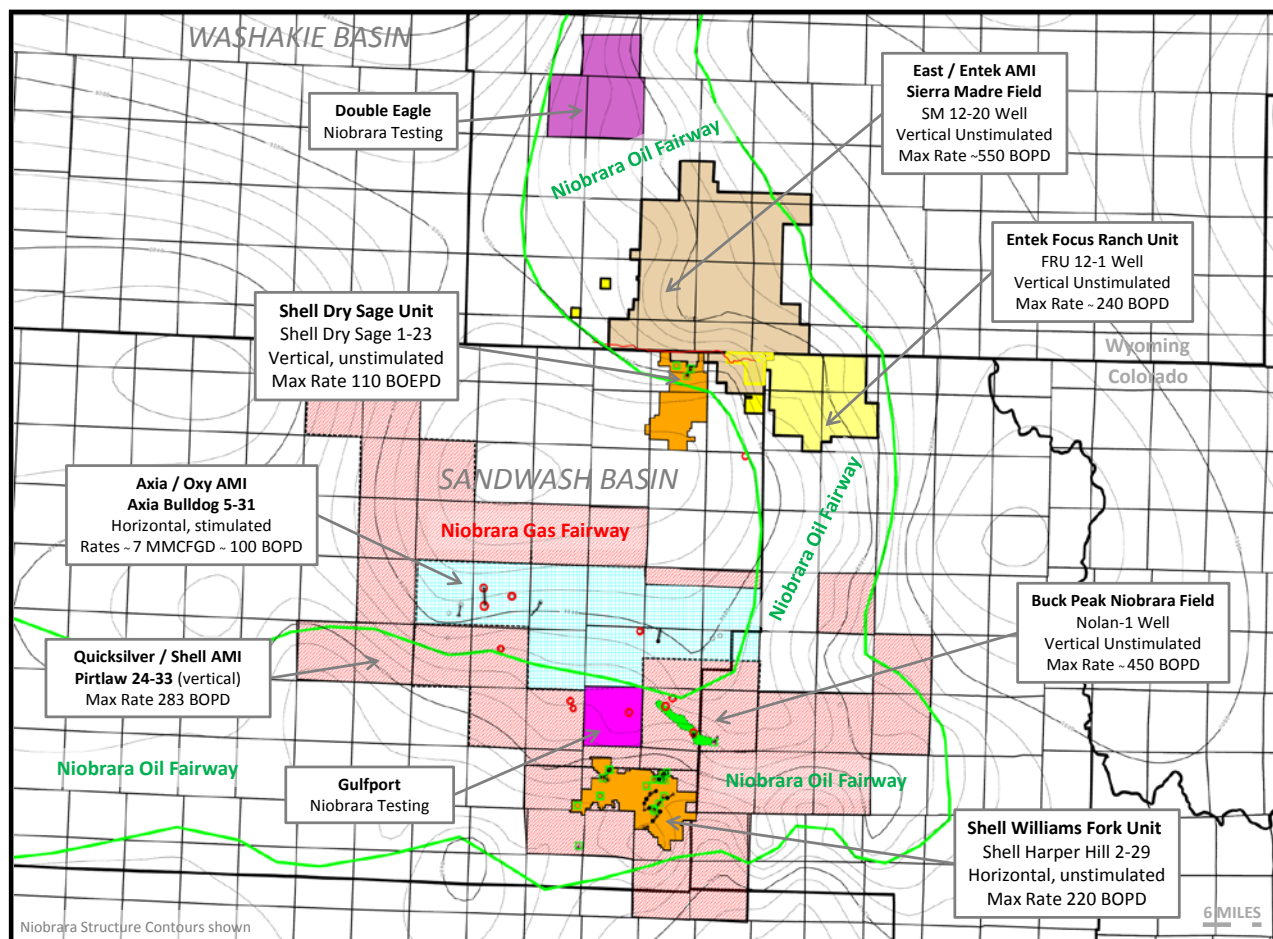
In general Shell are utilizing refined drilling and completion techniques resulting in horizontal unstimulated wells with production rate highs of around 220 BOPD and with relatively low decline rates (interestingly, some of their wells have seen an increasing rate over the initial 12 months period). Shell is also permitting multi-well pad drilling where around 10 wells will be completed from a single drill pad, highlighting the high potential recovery of in place hydrocarbons that can be realized from each location. Historical results from vertical wells in the area suggest that ultimate recoverable oil from each well could easily be in the order of 200-300 MBO.

In the northern oil prone part of the Sandwash Basin Niobrara resource play which is geologically indistinguishable to the southern areas discussed above, Shell has another unit called the Dry Sage Unit. This unit is immediately west of Entek's Focus Ranch Unit and to the south and adjacent to the East/Entek Battle Mountain AMI.

Shell has drilled one vertical well in the Dry Sage Unit which is understood to have been flow tested at around 110 BOEPD on an unstimulated basis. This result is considered highly encouraging and it is understood that further testing is being planned before drilling and completing the well horizontally in the near future. There are also three new permits in the Unit as follow up to this well.

It should be noted that East, prior to selling their previous extensive holdings in this play to Shell, had been instrumental in developing the drilling and completion techniques that are now being successfully adopted by Shell for this play in the southern part of this Basin. East's in-depth technical and operational expertise will inevitably be of significant benefit to Entek going forward.

The map below summarises the latest key well results of the Niobrara oil resource play within the Sandwash Basin.



Management Changes

Entek is very fortunate to have been able to attract a new US Country Manager to run operations in country.

Kim Parsons brings 28 years of experience in the US Rocky Mountain region as well as internationally with Exxon, Gulf, and Venoco. Kim's technical calibre, expertise and insight, combined with her business acumen have propelled her from technical positions into senior management with each company she has been with.

Kim has been instrumental in a number of significant commercial oil and gas discoveries throughout her career including the appraisal and early development of unconventional plays in the US. Her qualifications include a Bachelor's degree in Geology from Texas A&M, a Master's degree in Geophysics from Stanford University, and an MBA from Colorado State University.

The Company also advises that Mr. Alex Forcke, a Non-Executive Director of the Company since early 2011, has agreed to an executive appointment, in a part time role, to augment Entek's financial, commercial and business development capabilities. Mr. Forcke's extensive commercial

and corporate experience is ideally suited to Entek's current and anticipated future requirements in this area.

Mr. Alex Forcke is a public company executive with considerable financial and commercial experience gained in over 25 years in both the resources and investment banking industries. Mr. Forcke was the Executive Chairman of Adelphi Energy Limited, a successful ASX listed oil & gas explorer with US shale gas interests prior to being taken over in 2010. He was also a long standing Director of ARC Energy Limited in a commercial and financial executive role. Prior to entering the oil and gas industry, Mr. Forcke had established an international career in project finance and investment banking.

For further information contact.

TRENT SPRY
CEO & DIRECTOR

+618 9213 4388

info@entekenergy.com.au

Competent Persons Statement:

Information in this report that relates to Hydrocarbon Reserves/Resources is based on information compiled by Mr. Trent Spry, Executive 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 is highly qualified and has over 20 years experience in geoscience in the petroleum industry, both in Australia and internationally.