

COMPANY UPDATE

Battle Mountain AMI

Entek is pleased to announce that approvals have been granted by the Wyoming Oil and Gas Conservation Commission (WOGCC) for two of the three upcoming wells in which Entek is free carried by GRMR (Operator). Approval for the third well is expected in March 2015.

One of these three wells will be the first horizontal well ever drilled on any part of Entek's substantial Niobrara lease position. Another of the wells will be a vertical well to test a clearly defined structural closure with multiple conventional reservoir targets as well as the Niobrara.

Operations will commence as soon as possible with location building followed by drilling to take place as soon as weather, routine regulatory approvals and environmental stipulations allow. Location building is expected to start this quarter with drilling to start late next quarter due to imposed environmental stipulations.

Access to the Focus Ranch Unit 12-1 Well

The Company would also like to take the opportunity to provide an update on its efforts to regain access to the Focus Ranch Unit (FRU) 12-1 well (which has previously flowed oil at a cumulative rate of 240 BOPD).

As anticipated by the Company, the opposing landholder (Stull) in Stull Ranches, LLC v. Entek GRB, LLC has recently filed a *Petition for a Writ of Certiorari* with the US Supreme Court. This is in effect a request that the Supreme Court review and reconsider the August, 2014 unanimous decision by the Court of Appeals Tenth Circuit (*as discussed in detail in the Company Announcement dated 18th August 2014*) upholding Entek's right of access.

The clarity of the August decision, confirmed by the subsequent denial for rehearing and the lack of contradictory decisions by other federal appellate courts, suggests that success of this petition to the Supreme Court is unlikely. None the less, Entek is fully prepared to vigorously defend its rights should that need arise.

Unrelated and unaffected by the Stull's submission to the Supreme Court the Company continues to work on a number of environmental and administrative requirements and logistics plans with the relevant regulatory authorities for access.

Upon completion of these prerequisites the Company's first priority is to get back to the FRU 12-1 well (which has been shut in since 2009) in order to safely return that well to production. This location is key to understanding how best to develop and add considerable value to the Focus Ranch Unit in the short term.

The Focus Ranch Unit remains a key long term strategic asset for Entek given its unique geological setting and its proximity to the adjoining Battle Mountain AMI with GRMR. As reported in our recent December 2014 Quarterly Report, Entek now has close to a 100% working interest in the FRU leases which will allow us to more readily introduce a new strategic partner at an appropriate future time.

For further information contact:

TRENT SPRY

Enquiries: info@entekenergy.com.au (+618 9213 4388)

Information: www.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.