

OPERATIONS UPDATE

Entek Energy Limited is pleased to provide the following update on its current onshore operations in relation to the Niobrara Oil Resource Play.

State 15-8 Well (Battle Mountain AMI)

The State 15-8 well spudded on 8 September 2015 within the Battle Mountain AMI, Wyoming USA. The well is being drilled as a vertical well to test a clearly defined structural closure with multiple conventional reservoir targets as well as the Niobrara Formation. The target measured depth of the well is around 8,100 feet. The main objectives of the well are the formations below the Niobrara within interpreted structural closure, with the Niobrara being a secondary stratigraphic test in this well.

A completion in the Niobrara will be attempted in the McKee 5-16 well. Although the well did not reach the desired TD within the Niobrara the Operator will attempt a completion by perforating the liner at the toe where shows were seen.

The Operator is still reviewing all forward options for the Cobb 12-7 well and we will advise once further information on the forward plan for the well becomes available.

FRU 12-1 Well (Focus Ranch Unit)

The perforating and propellant treatment has been successfully run and inflow rates immediately after treatment confirm that additional connection to the reservoir has been made. As planned the well is now set up for long term production testing. The well is still flowing naturally with gas rates too high for efficient pumping of fluids; therefore a packer and tubing have been set above the top perforations with both gas and fluids flowing up the tubing. Once gas rates subside the tubing will be set below all perforations and a pumping unit placed on the well and long term testing will continue. This is a more optimal set up for fluid production.

At this stage the well is naturally flowing at around 1.5 MMCFD of gas (expectedly down from an initial rate of around 10 MMCFD immediately after the propellant treatment), 100 barrels of water, and 10 barrels of oil per day, with the oil-water ratio improving over the last few days.

For further information contact:

TRENT SPRY

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.

ENTEK AT A GLANCE

Entek is US focussed with a substantial acreage position in the Niobrara Oil Resource Play, including an area of enhanced potential due to embedded Igneous Intrusive Sills. Entek's US portfolio is balanced with non-operated production and royalty interests in the Gulf of Mexico.

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