

## Share Placement and Capital Restructure

Entek Energy Limited is pleased to advise that it has received commitments from sophisticated and professional investors for a share and option placement utilising its 15% placement capacity under Listing Rule 7.1 to raise \$319,000 before costs through the issue of 63,800,000 shares, with one free attaching unlisted option for every five shares subscribed for (**Placement**). The free attaching options have an exercise price of 1 cent per share and are exercisable until 31 December 2017.

The Placement is part of a four step process to be undertaken by Entek to restructure its capital base and raise additional funds towards the end of that process by way of a rights issue to all shareholders.

The Board of Entek has carefully considered all available options to move the Company forward and attract additional funding as part of its strategy to pursue new venture opportunities whilst continuing to rationalise its Niobrara asset position. The Board has recognised the need to diversify its portfolio given the financial and logistical constraints with its current assets and is pleased to have been able to obtain the financial backing of new professional investors who will assist and help facilitate this process, and support Entek's asset portfolio re-alignment strategy.

As the next step towards Entek's capital restructure, Entek is offering all shareholders with unmarketable parcels (**Unmarketable Parcel Holder**) the opportunity to sell these shares into a facility set up for that process. This offer is optional for each Unmarketable Parcel Holder to facilitate the sale of their shares with no applicable transaction fees and is aimed to reduce Entek's administrative costs associated with maintaining a large number of small shareholders on its register. Further details of this process are contained in a separate ASX announcement to be released shortly by Entek.

Upon conclusion of this process Entek intends to seek shareholder approval to undertake a consolidation of its shares on the basis that every four (4) shares held be consolidated into one (1) share. This approval will be sought at a General Meeting early next year with documentation expected to be sent out to shareholders in January 2017.

Immediately upon approval and completion of the share consolidation, Entek intends to undertake a 1:1 non-renounceable rights issue to be priced at \$0.02 per share to reflect the proposed share consolidation. It is currently estimated that the rights issue documentation be sent out to all shareholders in February 2017.

Upon the successful conclusion of this four step process Entek is expected to have approximately 287 million shares on issue with expected additional funds raised in excess of \$3 million to bolster Entek's existing cash reserves. This will put Entek in a much stronger position to pursue and successfully acquire new project opportunities as well as to progress its existing onshore Niobrara assets.

For further information contact: GRAHAM RILEY OR ALEX FORCKE

### 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.

### DIRECTORS & OFFICERS

**Graham Riley**  
*Chairman*  
**Kim Parsons**  
*Executive Director/CEO*  
**Alexander Forcke**  
*Non-Executive Director*

### CONTACT

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