

Update of Operations

As previously advised the focus of Entek Energy Limited during the latter half of the 2017 financial year was to reduce operating costs, manage the potential sale of the US unconventional energy assets, reduce where possible the contingent liabilities relating to the rehabilitation of the US assets and actively search for new projects so as to move the Company forward.

With the completion of the 2017 financial year the Company is very pleased to advise that significant progress has been made across all sections of the business and in particular our stated objectives.

In the United States, through the excellent work of Director Kim Parsons, operating costs and contingent liabilities against the US assets have been reduced by over \$500,000 from the annual budget and additional reductions are expected in July.

Whilst it has been a very difficult market in which to sell US based energy assets, some positive progress has nevertheless been made and a number of potential buyers are still engaged.

In Australia head office costs have also been significantly decreased with a meaningful reduction in staff and office costs and liabilities into FY 2018 through redundancy and rent reduction.

In terms of project acquisition the Company has been very active in sourcing and reviewing potential projects. These projects have been across a range of commodities with a focus on brownfields or better. Whilst none have yet been advanced to potential acquisition status the Company is confident that this pro-active strategy will ultimately provide Entek with new opportunities that will benefit all shareholders.

The Company looks forward to providing shareholders with additional updates in the short term.

For further information please contact Howard Dawson, Chairman.

BOARD

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Graham Riley
Non-Executive Director
Kim Parsons
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