

**30 April 2018**

## Quarterly Activities Report

### Corporate

During the March 2018 Quarter Clare Pope resigned as a Director effective 7 March 2018. Nerida Schmidt has been appointed to the Board to fill the vacancy. Nerida continues in her current role as Company Secretary.

### US Operations

During the March 2018 Quarter the Company has progressed the rationalisation of its US assets. Settlement was finalised on 1 January 2018 with Energy Investments Inc. for the assignment of Entek Energy Limited's (**Entek's**) interest in Focus Ranch, upon terms as detailed in the half yearly report lodged with ASX on 16 March 2018.

Negotiations have continued with GRMR Oil and Gas LLC for the disposal of Entek's interest in the Battle Mountain assets and with a view to resolving the ongoing dispute between the parties over JIB contributions. Whilst agreement in principle upon the core terms was reached in the March 2018 Quarter, negotiations on the final details and documentation continues. The Board expects the matter to be concluded in the current quarter.

Finalisation of arrangements over Battle Mountain has enabled the Company to re-engage with state authorities over outstanding plugging and abandonment liabilities for the Colorado based wells. The Company anticipates concluding arrangements with the state of Colorado in the current quarter.

The orderly management of the US based assets has led to these assets no longer being a financial drain on the resources of Entek. Other than minor staffing costs borne by the Company during this rationalisation process, all expenses have been contained within the US based subsidiary Entek GRB LLC.

### 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

**Mark McAuliffe**  
*Executive Chairman*  
**Nerida Schmidt**  
*Non-Executive Director &  
Company Secretary*  
**Tony Walsh**  
*Non-Executive Director*

### CONTACT

338 Hay Street  
Subiaco, WA 6008  
Australia

T +61 8 9381 4975  
E [info@entekenergy.com.au](mailto:info@entekenergy.com.au)  
[www.entekenergy.com.au](http://www.entekenergy.com.au)

ASX Code: ETE

## **New Opportunities**

The Company continues in the identification and evaluation of new opportunities. During the March 2018 Quarter the Company focused its attention on a number of potential assets in the conventional oil and gas sector. Detailed analyses were undertaken on potential assets in Australia, Africa, USA and Asia. Several potential acquisitions remain under detailed review.

The focus of the Company remains in the conventional oil and gas sector. Whilst the Company does not have a fixed view to exclude consideration of non-conventional oil and gas projects, it remains wary due to ongoing changes in public policy towards such assets in Australia. Until certainty returns to the sector, the Company will focus on conventional plays when considering projects in Australia.

Outside of Australia the position is also the subject of uncertainty with various jurisdictions imposing new regulatory frameworks. Whilst projects in other jurisdictions are being considered, each will need to be carefully reviewed due to the regulatory and sovereign risks that can arise. This can lead to a detailed and protracted period of review for such projects, however the Board considers such detailed reviews essential before committing shareholder funds.

There is increasing optimism in the resurgence in oil and gas prices in recent times. Investor support is returning to the sector. Real opportunities now arise that were not attractive during the period of suppressed prices. Given the level of project review currently underway within the Company, the Board anticipates that the Company will secure suitable projects in the near term.

For further information contact:

**Mark McAuliffe**  
**Chairman**