

Company Announcements
ASX Limited

August 18, 2014

COURT RULING IN ENTEK'S FAVOUR IN RELATION TO ACCESSING THE FOCUS RANCH UNIT

Entek is pleased to announce that significant progress has been made in relation to freeing up access within the Company's highly regarded Focus Ranch Unit asset.

On Thursday 14 August 2014 (US Time) the United States Court of Appeals Tenth Circuit published its ruling on Entek GRB, LLC, vs Stull Ranches, LLC, a long running legal case dealing with access issues relating to Entek's Focus Ranch Unit (FRU) asset.

The Court's unanimous decision has been summarized by Entek's legal counsel as follows:

Entek GRB LLC leases minerals from the U.S. government in Northern Colorado. Certain of these leases are unitized in a federally-approved unit. Some of the surface within the unit is "split" from the minerals and is privately owned. Stull Ranches owns some of this "split estate" surface within the unit. Entek sought to cross Stull's surface within the unit on a pre-existing road to reach wells on federal surface within the unit, but Stull objected. The U.S. Tenth Circuit Court of Appeals decided that Entek, as operator of the Focus Ranch Unit, is entitled to use unitized surface anywhere in the unit in order to develop unitized minerals from anywhere within the unit.

Going forward, in order to fulfill its statutory requirements, Entek may reach a satisfactory surface use agreement with Stull or Entek may submit a bond to the BLM for access in lieu of an agreement.

It should further be noted that Stull may file a petition for rehearing at the Tenth Circuit or may file a petition for certiorari to the U.S. Supreme Court which has the potential to further delay access to relevant parts of the Unit.

Refer to the following link to view the subject public court ruling: <https://www.ca10.uscourts.gov/opinions/13/13-1172.pdf>

Commenting on the Tenth Circuit Ruling, Entek's CEO Trent Spry said:

"After what has been a very drawn out and frustrating period I am very pleased with the highly favourable result of our appeal and the significant impact that it will have on the future exploration and development of the Focus Ranch Unit as a whole. Whilst there is potential for the Court's unanimous decision to be further appealed as discussed above, we do not consider there to be any grounds for a successful appeal given the nature of this common sense ruling which fully reflects the intentions and interpretations of the relevant US legal statutes.

Our first priority is to get back to the live FRU 12-1 well (which has been shut in since 2009) in order to safely return that well back to production. In practical terms this will require Entek meeting a number of access related regulatory requirements and logistics which our Denver team has already commenced working on. The exact timing of this process is still unclear at this point in time but we will inform shareholders further in due course.

Importantly, the Court's decision has validated Entek's strategy and perseverance with this particular asset which is considered to have significant oil and gas potential due to its unique geological setting which is discussed in more detail below. Regaining access to this Unit will also greatly assist our efforts to introduce a new industry partner to jointly explore and develop this area over time.

In the meantime Entek looks forward to the results of the drilling program to be carried out this year in the adjacent Battle Mountain AMI by GRMR (East) which we are confident will successfully demonstrate the potential of the Niobrara in this area."

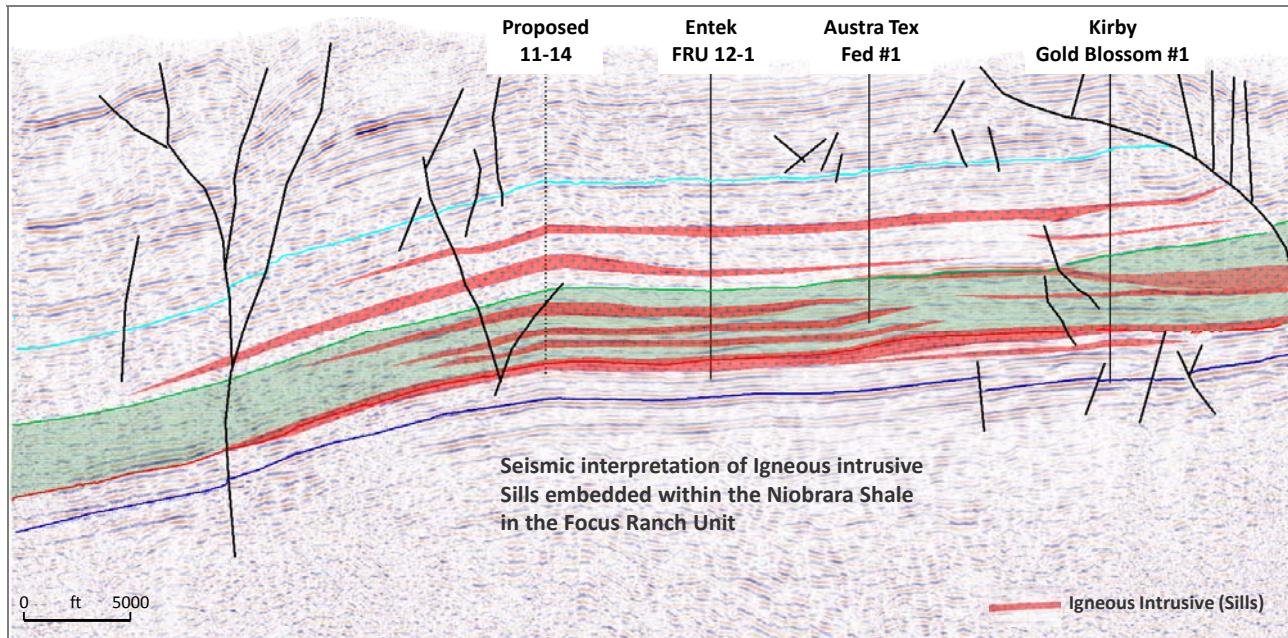
FOCUS RANCH UNIT PROSPECTIVITY SUMMARY

The Company's Niobrara lease position now totals some 59,000 net acres across some 155,000 gross acres under lease with the Focus Ranch Unit alone representing approximately 36,500 net acres to Entek.

The table below illustrates the total lease holdings of Entek's Niobrara Oil Resource Project.

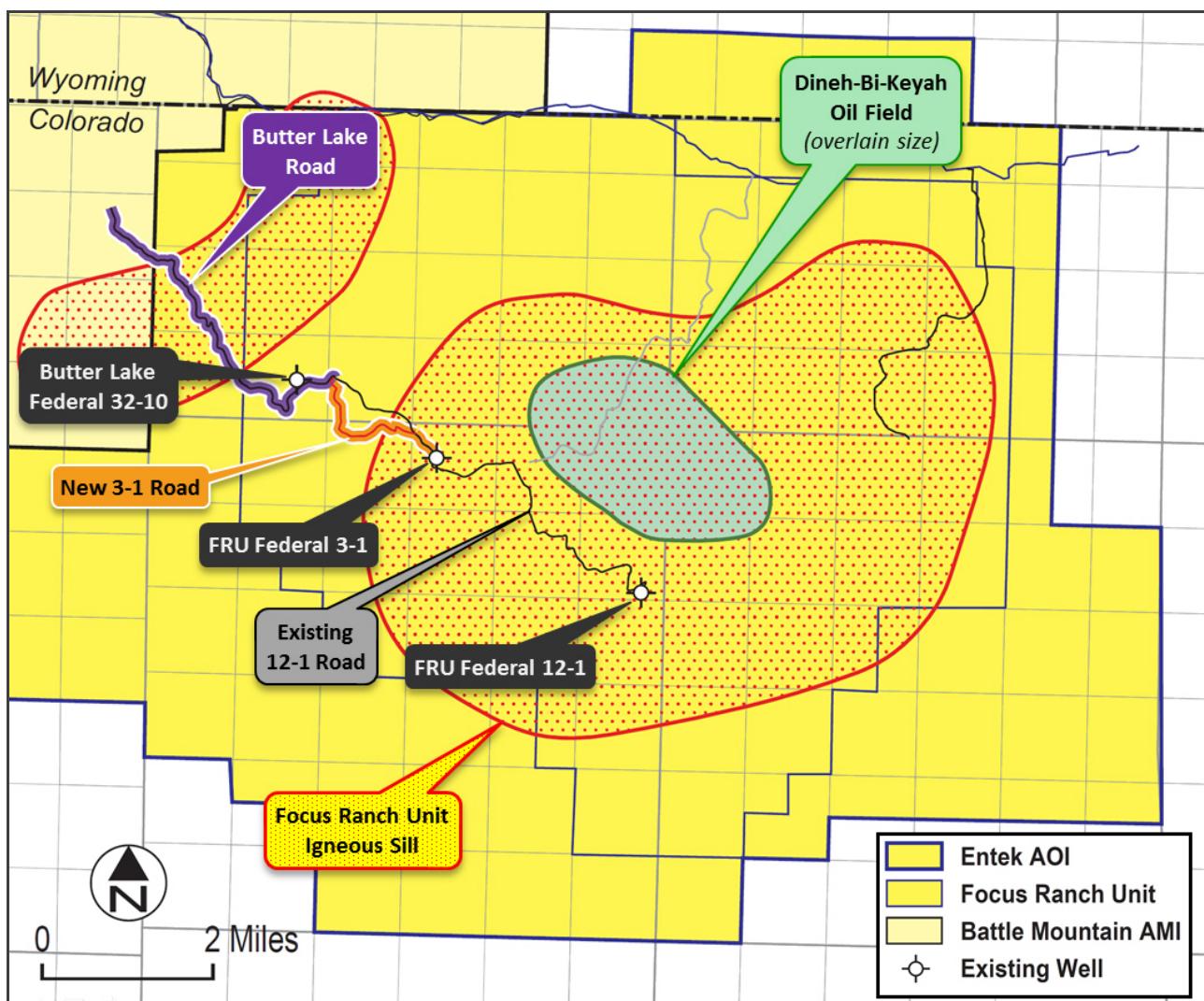
Leases	State/County	Operator	Gross Acres	WI %	Net Acres to Entek
Battle Mountain AMI	WY/Carbon	GRMR	~105,500	20%	~17,500
Entek AOI (FRU Leases)	CO/Routt	Entek	~42,750	89%	~36,630
Entek AOI (Outside the FRU)	WY/Carbon & CO/Routt	Entek	~6,250	100%	~4,620
Total			~154,500		~58,750

The Focus Ranch 12-1 well (which was tested in 2009 by Entek with a cumulative rate of 240 BOPD and 2.75 MMCFD from multiple unstimulated intervals) has already demonstrated the potential of the Niobrara and the embedded igneous intrusive sills in the area. The well has been designated a producing well by the BLM which holds the Focus Ranch Unit. The image below shows seismic interpretation of igneous intrusive sills embedded within the Niobrara Shale in the Focus Ranch Unit.



Focus Ranch Unit seismic showing embedded volcanic sills within the Niobrara

The map below shows the Focus Ranch Unit with existing access routes. Also shown on the map is the areal extent of the volcanic sills tested at the 12-1 well location and defined by seismic and additional well penetrations. For comparison, the Dineh-Bi-Keyah (DBK) oil field (an analogue oil field located in Arizona producing from a porous and fractured igneous intrusive sill) is overlain to scale. The sill that produces at DBK is around 75 feet thick embedded in the Lower Pennsylvanian strata and covers a productive area of around 2,500 acres. The field has produced in excess of 18.5 million barrels of 45 degree API oil from 26 vertical wells. At Focus Ranch the sills which are embedded in the oil charged Niobrara, reach a thickness as great as 520 feet and cover an area of around 23,000 acres, centred on the 12-1 well which produced 41 degree API oil. Based on comparisons of sill thickness and area, the Focus Ranch sill tested by the 12-1 well is expected to have greater potential than its analogue at DBK.



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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.