

31 January 2019

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 31 DECEMBER 2018**Highlights**

- During the December 2018 quarter, Entek Energy Limited (“Entek”) entered into an option with Elixir Petroleum Limited (ASX:EXR) to acquire Emerald House LLC, a wholly owned subsidiary of Elixir Petroleum Limited (“Option Agreement”).
- At the time of entering into the Option Agreement, Emerald House LLC held three leases on the North Slope of Alaska.
- In tandem with Elixir, Entek assisted in identifying further areas on the North Slope which were the subject of a successful bid round in December 2018.
- Upon entering into the Option Agreement, Emerald House LLC held 35,423 acres in Alaska (Project Peregrine) and as a result of the successful bid, 10 further leases added a further 114,310 acres.
- Entek commenced a comprehensive due diligence project upon Project Peregrine, with the exercise of the option due on or before 31 January 2019.
- Post the end of the December 2018 Quarter, Entek exercised the option to acquire Emerald House LLC.

On 29 November 2018 Entek entered into an Option Agreement with Elixir in connection with its’ Alaskan assets. Elixir held its’ Alaskan assets through its wholly owned subsidiary, Emerald House LLC.

To secure the option, Entek paid the sum of \$50,000 and acquired the right to exercise its’ option at any time before 31 January 2019. The key terms of the Option Agreement are:

- Entek to acquire Elixir’s total Alaskan lease position through the purchase of a wholly owned subsidiary of the company, Emerald House LLC, that is the lessee.
- The consideration for the purchase will be the issue of Entek shares to Elixir. The total number of Entek shares to be issued is determined under a formula in the Option Agreement, and Entek calculates this to be approximately 185 million Entek shares.
- Elixir’s intention is to distribute the Entek shares received to its’ current shareholders on a pro-rata basis.
- Certain regulatory and shareholder approval matters are required to be dealt with before this transaction can proceed to Completion. Entek and Elixir are addressing these matters at present, and, subject to these approvals, the transaction is expected to close in March 2019.

DIRECTORS & OFFICERS

Mark McAuliffe
Executive Chairman
Peter Stickland
Non-Executive Director
Tony Walsh
Non-Executive Director
Nerida Schmidt
Company Secretary

CONTACT

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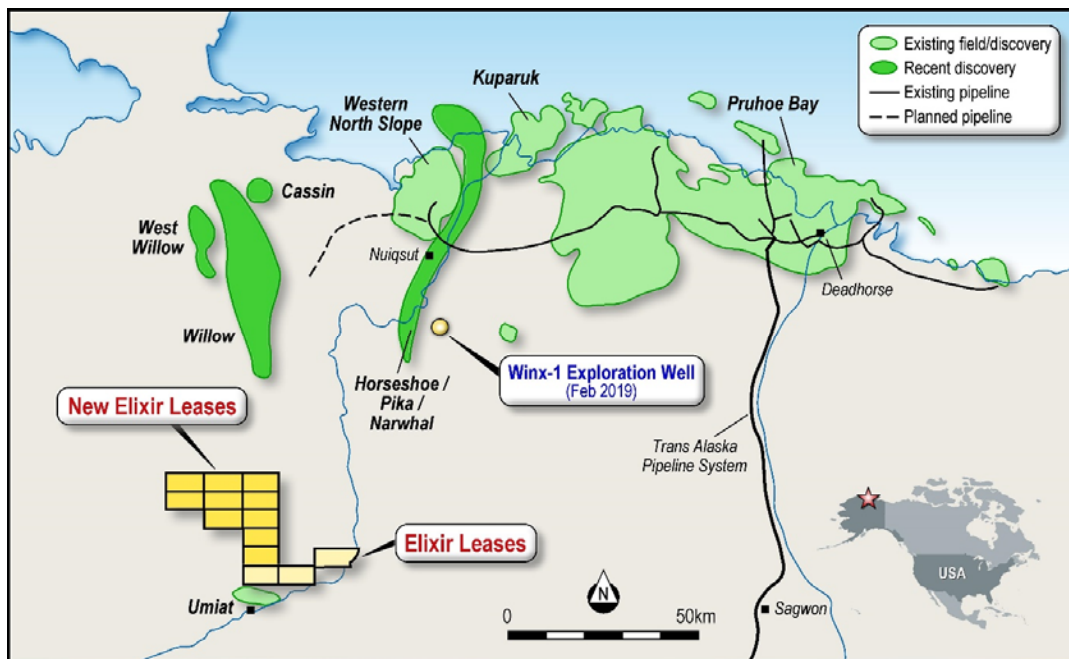
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On 13 December 2018, Elixir announced that Emerald House LLC was the successful high bidder on further leases covering 114,310 acres within the National Petroleum Reserve - Alaska (“NPRA”) following the 2018 Bureau of Land Management - NPRA bid round. This was in addition to the existing 35,423 acres held on three leases previously acquired by Emerald House LLC.

Since entering into the Option Agreement, both Entek and Elixir have worked together on a detailed geological and geophysical review, including mapping and interpretation of the existing 2D seismic data over the area. Both Entek and Elixir determined that the new leases potentially have the same play type as all discoveries currently being developed by companies such as ConocoPhillips and Oil Search. The recently identified “Nanushuk oil play” is also being pursued by a consortium of ASX companies who are drilling the Winx-1 exploration well in February 2019. Although this well is not a direct analogue to Elixir’s current lease position, it is another test of this emerging oil play in Alaska.

The new lease package, together with the three previously acquired leases is shown on the map below. It is situated between ConocoPhillips’ Willow Field, which is under appraisal immediately to the north, and the Umiat Field, immediately to the south.



At the reporting date, Entek exercised the option to acquire Emerald House LLC.

Corporate & Finance

At the end of the reporting period, Entek held cash reserves of \$3.9 million.

At the 2018 AGM, held in November, Peter Stickland who had been appointed as a casual appointment was re-elected to the Board of the Company and Tony Walsh, who retired by rotation, was also re-elected.

For further information contact:

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Chairman