

31 July 2019

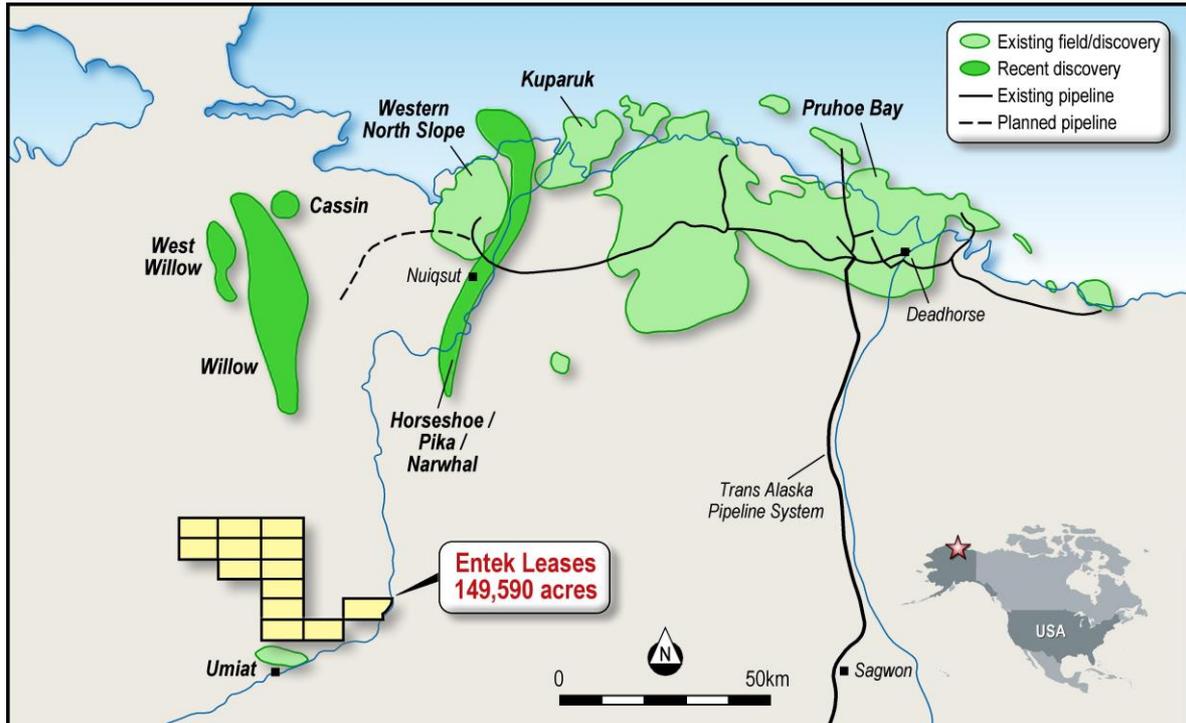
## QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 30 JUNE 2019

### HIGHLIGHTS

- *Entek Energy Limited (“Entek”) completes the acquisition of Emerald House LLC (“Emerald”)*
- *Emerald owns a 100% working interest in 149,590 acres interpreted to be on the same Nanushuk oil trend as Conoco’s Willow discoveries to the north of Emerald’s leases*
- *Initiation of the INTRO project and reprocessing of ~600km of 2D seismic data completed*
- *Shareholder meeting called for 1 August 2019 to seek approval to change the Company’s name to XCD Energy Limited*

### OPERATIONS - PROJECT PEREGRINE

On 15 April 2019, Entek completed the acquisition of Emerald which owns 13 National Petroleum Reserve of Alaska (“NPR-A”) leases covering 149,590 acres over the highly prospective Nanushuk trend on the North Slope of Alaska (“Project Peregrine”), with the Willow discoveries to the north of Project Peregrine currently being appraised and developed by ConocoPhillips (see map below).



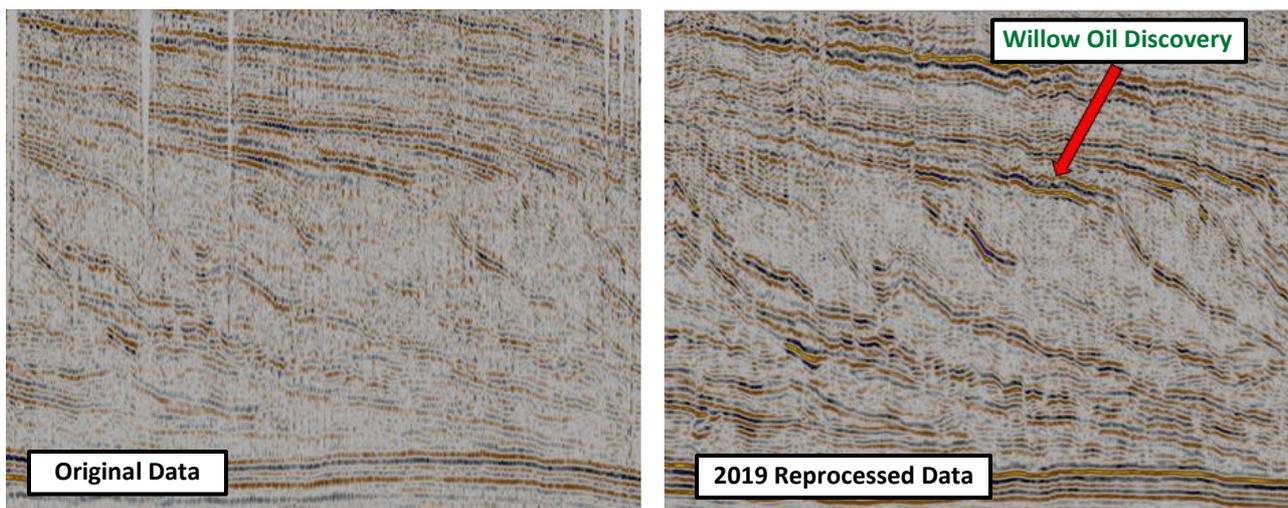
#### DIRECTORS & OFFICERS

**Dougal Ferguson**  
*Managing Director*  
**Peter Stickland**  
*Non-Executive Chairman*  
**Tony Walsh**  
*Non-Executive Director*  
**Arron Canicais**  
*Company Secretary*

#### CONTACT

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 ASX Code: ETE

During the quarter, the Company completed the reprocessing of approximately 600km (365 miles) of 2D seismic data originally acquired by the United States Geological Survey (USGS) in the 1970's and 1980's. The reprocessed lines cover both the Entek Leases and the Conoco operated Willow field and show a significant improvement in data quality as depicted in the pre and post reprocessing images below.



The reprocessed data, along with other regional seismic and well data, is now being integrated into a more detailed study, named the Integrated Nanushuk Technical Regional Overview or INTRO Project using experts in the fields of sequence stratigraphy, basin modelling, geochemistry, petrophysics and core scanning technology that will provide the Company a significantly improved understanding of the still emerging Nanushuk play.

The INTRO Project is expected to be completed by late September 2019 which is expected to lead to the Company's maiden Independent Prospective Resource Report for the area. With the receipt of the new reprocessed dataset, Entek is now remapping the area and is in the process of finalising its own internal estimate of the prospective resource associated with one of the largest leads in the current exploration portfolio.

## **CORPORATE AND FINANCIAL**

### ***Acquisition of Emerald***

The completion of the acquisition of Emerald resulted in the issue of 185 million Entek shares to Elixir Energy Limited ("Elixir") and the payment of US\$1.35M in cash consideration, being the balance (80%) of the bonus bids due on the additional 10 NPR-A leases acquired in late 2018 and the annual lease rentals (US\$3/acre) for the year ending March 2020.

Offset against the cash consideration was the interim loan, which was deemed repaid on completion, resulting in a net cash payment to Elixir of approximately US\$850,000. Following completion of the acquisition, no further commitments or payments are due on any of the 13 leases in the NPR-A until Q1 2020.

On 29 April 2019, the 185 million Entek shares issued to Elixir were distributed to Elixir shareholders via an in-specie distribution, resulting in Elixir having no ongoing shareholding in Entek and most of Elixir shareholders becoming shareholders of Entek.

### ***Board and Management Changes***

On completion of the acquisition of Emerald, Mr Dougal Ferguson was appointed Managing Director of the Company and Mr Peter Stickland was appointed non-executive Chairman. During the quarter, Mr Mark McAuliffe resigned from the Board and Mr Arron Canicais was appointed as Company Secretary of Entek.

### ***Change of Company Name***

On 2 July 2019, the Company lodged a Notice of Meeting for a shareholder meeting to be held on 1 August 2019 to consider, amongst other matters of business, to change the Company's name from Entek Energy Limited to **XCD Energy Limited**. The change of name will enable the Company to re-brand and commence a new chapter in its history as an active oil explorer with an initial large footprint covering the highly prospective Project Peregrine in Alaska.

Subject to shareholder approval being received, the Company will change its name (and apply for a new ASX ticker code) and launch a new and updated website in early August 2019.

### ***Financial***

As at 30 June 2019, Entek held cash reserves of \$1.6 million and no debt.

### **For further information contact:**

**Dougal Ferguson**  
**Managing Director**