

10 June 2021

Ms Kristina Gjeleska
Admissions Manager
The National Stock Exchange of Australia Limited
1 Bligh Street, Sydney, NSW 2000

K2 Energy Limited provides the following additional pre-quotation disclosure as requested.

Why the company is looking to remain a listed entity

K2 Energy Limited ("K2" or "the Company") has been a listed company for over 15 years and the Directors wish to ensure its shareholders continue to have a liquid market on which to trade the Company's shares. The Company's shares will cease to be listed on the ASX in the near future and for this reason the Directors applied to list the Company's shares on NSX.

The Company does not believe it will need to raise any funds in the foreseeable future, however there are obvious advantages of being a listed company, should the Company ever need to raise additional capital in the future. K2 has no current nor foreseeable need to raise additional capital.

The main business of the Company and the significance of the MST™ Technology licence to the Company's operations

K2 Energy is an investment company. K2's main focus is on its investment in Atomera, Inc. ("Atomera"), as the Directors believe there is enormous potential should that company succeed in the commercialisation of its patented technology for the semiconductor sector. This situation has evolved in recent years as Atomera has had increased success with this commercialisation. The Directors believe K2's focus on its Atomera investment will be ongoing into the foreseeable future, depending upon the success of this commercialisation by Atomera.

The Directors of K2 are unable to provide any definitive answer as to what might happen in the medium-term in relation to the MST™ Technology solar licence, as any such decision will be a factor of Atomera's success in commercialising its microprocessor technology, over which K2 has no control. At some point of time in the future, the Directors may re-evaluate the significance of the MST Technology solar license and may increase the company's activities in that area. K2's Directors are conscious that any further technological advances Atomera makes in relation to their semiconductor technology may have future applicability to MST™ solar.

Commercialisation of the MST™ Technology solar applications licence.

K2's commercialisation of the MST™ solar licence is taking a relatively low priority whilst Atomera continues to develop and commercialise its patented technology for the semiconductor sector. Atomera's management are currently focussed on developing their semi-conductor technology and its commercialisation, rather than assisting progress K2's solar activities. K2 does not expect revenue growth from its worldwide licensing rights for the MST Technology for solar applications for some time.

There are no milestones for K2's commercialisation of the MST™ Technology for all solar applications.

Atomera, Inc investment.

K2's investment in Atomera, Inc. is valued at approximately \$A19 million, based on Atomera's NASDAQ closing stock price on 9th June 2021 of \$US 27.93.

Authorised by: Terence Flitcroft, Company Secretary on behalf of K2 Energy Limited