

QUARTERLY ACTIVITIES REPORT FOR THE QUARTER ENDED 30TH SEPTEMBER 2023

The Directors of K2 Energy Limited (NSX: KTE) ("K2") provide the following report for the quarter ended 30th September 2023.

K2 Energy's major activities during the quarter were related to its strategic investment in Atomera, Inc. ("Atomera").

ATOMERA, INC.

K2 Energy provided critical funding to Atomera, Inc. during its R & D development phase while they developed patentable technology for the silicon chip industry with energy saving and performance attributes. This funding converted into a significant interest in a NASDAQ listed corporation, being Atomera, Inc.

On April 26, 2023 Atomera announced the signing of its first commercial licence agreement. Extracts from that announcement are below.

"Agreement Allows ST to Manufacture and Ship MST-Enabled Products

Atomera Incorporated (NASDAQ:ATOM), a semiconductor materials and technology licensing company, today announced the execution of a commercial license agreement with STMicroelectronics (ST). This agreement enables ST to install Atomera's Mears Silicon Technology™ (MST®) into its facilities and authorizes ST to manufacture and distribute MST-enabled products to its customers.

MST is a quantum-engineered material that enhances transistors to deliver significantly better performance in semiconductor devices, while shrinking die sizes and reducing cost in today's electronics. In power devices, performance improvements typically include lower "on" resistance, higher breakdown voltages, and die size reductions of 20% or more. As these devices are ubiquitous in all electronic segments, this means consumer electronics such as mobile phones can have longer battery life, datacenters and EVs can improve efficiency, and all segments can lower their component costs.

"With the execution of this agreement, Atomera will be working with ST to bring to production ST products that are enhanced with all the benefits of MST as soon as possible," said Scott Bibaud, Atomera's president and CEO. "We are thrilled to be working with an industry leader like ST to commercialize MST in its flagship smart power products."

Further details are available at www.atomera.com.

Atomera's share price as at 30 September 2023 was approximately USD6.28 per share, which valued K2 Energy's shareholding in Atomera at approximately AUD 4.885 million.

MST™ SOLAR

K2 Energy owns the exclusive worldwide rights to the MST™ Technology for all solar energy applications.

QUARTERLY CASHFLOW

Cash on hand at 30 September 2023 was \$375,458.

Cash outgoings for the quarter were \$29,523, including an amount of \$3,300 paid for the use of the Company's registered office premises.

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

6th November 2023