

QUARTERLY ACTIVITIES REPORT FOR THE QUARTER ENDED 31st DECEMBER 2023

The Directors of K2 Energy Limited (NSX: KTE) (“K2”) provide the following report for the quarter ended 31st December 2023

K2 Energy’s major activities during the quarter were 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 14th November 2023 Atomera announced progress with its first commercial licence agreement. Extracts from that announcement are below.

“Atomera Incorporated (NASDAQ:ATOM), a semiconductor materials and technology licensing company, today announced it has reached a significant revenue milestone under its first license for commercialization of Mears Silicon Technology™ (MST®). By completing the transfer of intellectual property, including the MST film recipe, Atomera has enabled this customer to manufacture MST-enabled wafers in their fab. After process qualification and payment of further license fees, Atomera's customer will be licensed to sell MST-enabled products, generating ongoing product royalties.

"Our customers' investment in MST is a validation of our technology and a testament to the large commercial applications of our IP," said Scott Bibaud, President and CEO. "We are particularly optimistic when MST is installed into another factory, because it opens the door to innovation in our customer's target technology area as well as in adjacent areas of development. Hands-on experience with MST will naturally expand its adoption, so today's milestone is particularly gratifying."

Further details are available at www.atomera.com.

Atomera’s share price as at 31 December 2023 was approximately USD 7 per share, which valued K2 Energy’s shareholding in Atomera at approximately AUD 5.135 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 31 December 2023 was \$159,571.

Cash outgoings for the quarter were \$215,887, including an amount of \$3,300 paid for the use of the Company's registered office premises and an amount of \$190,575 paid in relation to previously accrued prior years' directors' and management fees.

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

10 January 2024